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An Assessment of Performance of Primary Agricultural Credit Societies in Gujarat

Ketan Kothadia* and Dinkar N. Nayak**

Abstract

Despite more than six decades of planned development, India is still an agrarian economy as 68.8 percent of population resides in rural areas whereas in the state of Gujarat it is 57.4 percent. Further it is pertinent to note that the 53.14 percent of population in Gujarat directly or indirectly depends on agricultural activities, but contributing only 13% of Net State Domestic Product. Of the many problems faced by the agricultural sector in Gujarat, timely and adequate availability of rural credit is a major issue of concern. In many developing countries, it has been observed that the rural credit market is imperfect and instable in nature. In fact there are substantial variations in the availability of credit in the rural areas (Laha and Kuri, 2011). It is in this context that the present study makes an attempt to evaluate the performance of Primary Agricultural Credit Societies (PACS) in Gujarat during the period of 2002-03 to 2017-18. It has been observed that the number of PACS in Gujarat has increased and it covers 77 to 80% villages in the state. The short term and medium terms loans provided by the PACS increases exponentially indicating the increasingly increase in the credit provided. The overdue as proportion to the loans provided has reduced and increased constantly. Further, the study has also been extended to analyze the impact of the credit provided by PACS in the state agricultural income (Agri. NSDP) and primary sector income (Prim. NSDP). It has been observed that the short term loan and medium terms loan positively affect the Agri. NSDP and Prim. NSDP. However, it is important to note that the effect of the credit on Agri. NSDP is more stronger then Prim. NSDP.

Keywords: Agriculture, Rural Credit, PACS and Performance

Section-I: Introduction

Despite more than six decade of planned development, India is still an agrarian economy as 68.8 percent of population resides in rural area and Agriculture has been the main source of earning and livelihood for these people. Agriculture has always been the backbone of the Indian economy and despite concentrated industrialization in the last six decades agriculture occupies a place of pride and concentration. Agriculture sector provides employment to more than 60 percent of the total workforce of the nation. However, the contribution of agriculture sector to the National Income has been declining rapidly and presently it contributes 13.6 percent to Gross Domestic Product which was 56.6 percent in 1950-51. In the state of Gujarat which is one of the fastest growing states, as per the Census - 2011, 57.4 percent of population resides in rural areas, out of which, 53.14 percent of the population depends on the agricultural. The agriculture sector contributes 13 percent to the Gujarat Net State Domestic Product. Thus, agriculture sector in Gujarat has an important role to play as large segment of the society still depends on it. The agriculture sector has a vital role to play in the growth and development of the Gujarat state.

Agriculture sector in Gujarat has also many problems such as availability of credit facilities, irrigation facilities, over burden on agriculture sector, use of outdated and traditional technology, the level of education, lack of awareness about various state and national agriculture plans, etc. Out of these problems, one of the most important issues is the timely and adequate availability of rural credit. The matter of rural credit warrants a special attention as 57.4 percent of the population in Gujarat still resides in rural areas depending on primary and allied activities.

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The requirement of the rural credit can be classified in to productive and unproductive credit. The main purposes of the rural credit are: to by seeds-equipments-fertilizers, to make permanent improvement on land or to repay the earlier credit. There are mainly two sources of the rural credit i.e. institutional and private. The private source includes moneylenders and sahu-kars or shopkeepers while institutional source includes public sector banks, Co-operative banks and societies, government loans, self help groups and others etc. The share of moneylenders in the rural credit in India has been 70% while that of institutional sources is 30%. As per The Hindustan Times and Invest India Economic times (2004), the co-operative societies contributes 9% of total rural credit. The Indian planners considered Co-operative societies as an instrument of economic growth and development particularly in the rural areas.

With a view to provide timely and adequate agriculturists fund at relatively lower rate, the Primary Agricultural Credit Societies(PACS) were established over 100 years ago (Datt and Mahajan 2013). PACS is one of the important sources of the rural credit especially the agricultural credit which has significant potential to support and uplift the agricultural growth and development in the state of Gujarat. The present paper seeks to study the performance of PACS in Gujarat during the period of 2002-03 to 2017-18. The rest of the study is structured as follow. The section-II presents a brief review of selected literature. Section-III explains data sources and methodology applied for the analysis. Section-IV discusses the structure of PACS in Gujarat, Section-V analyzes the relationship between PACS credits and state agricultural and primary sector income and Section-VI concludes the study.

Section-II: Review of Selected Literature

Rao (2016) have analyzed the performance of Primary Agricultural Credit Society (PACS) in India and Andhra Pradesh for the period of 2009-10 to 2013-14. The study observed that the PACS has performed really well in Andhra Pradesh during the study period and has been a very important source of agricultural finance in the state. The study concluded that the PACS is an important source for the short and medium term finance for the farmers in the state. The credit provided by PACS has increased considerably however; the overdue is a matter of concern in the state.

Das (2017) examined the performance of PACS in the north eastern region of India with special reference to the PACS revival package (2008). The revamping initiative gave an impetus to investigate the overall performance of the PACS with the help of five performance score index between pre and post implementation effects of the Revival Package for the PACS for a period of ten years. To examine the intermediary and functional role of the units between and within the period, the study with the help of identified indicators analyzed the variances and correlations of the variables and then it ranked the performance scores of the PACS operating in North Eastern region with All India score based on periodic segments using static and dynamic panels and ranked them through the means for groups in homogeneous subsets by means of the R-E-G-W range test. The results evidently signal that the PACS are not fully performed well in all respects but they are improving their performance over the time span on an average.

Shreedevis and Murugan (2018) studied the performance of PACS in Kanyakumari district. The financial performance of Primary Agricultural Co-operative Credit Societies revealed the growth of membership and working capital, the decline and fluctuation position of disbursement of loan and recovery performance and the poor condition of profit and loss structure of the Primary Agricultural Co-operative Credit Societies. It was observed that the loss is due to the failure of beneficiaries in repaying their debts. The study suggested that the government should concentrate on the recovery of loans. If the recovery performance of the primary agricultural co-operative bank is poor, then the loan outstanding will be higher. This will badly affect the profits as well as the performance of the bank.

Shobana (2018) carried out a study on the performance of PACS in Thiruvannamalai district of Tamil Nadu for the period of 2001-02 to 2011-12. It has been noted that the role of agricultural cooperative credit is

very essential in promoting cultivation practices in Thiruvannamalai district, Tamil Nadu. It was evident that without agricultural cooperative credit, it is very difficult to undertake agricultural activities in the study area since the farmers have low capacity to invest and low ability to investment. This was due to low return of investment from the agricultural activities and price of the agricultural commodities is low compared to the industrial products. Hence, the promotion of agricultural credit is very essential in rural areas towards agricultural development along enhancement of the livelihood status of the farmers.

The available literatures reviewed above have clearly observed that PACS plays an important role in agricultural development by providing affordable and timely agricultural credit. This has motivated to examine the performance of PACS in Gujarat as agricultural activity is one of the major economic activities in the state and large segment of the society depends on it.

Section-III: Data Source and Methodology

To study and analyze the performance of the Primary Agricultural Credit Societies in Gujarat, the secondary data would be used for the period of 2002-03 to 2017-18. The sources of the data are National Federation of State Co-operative Banks Ltd. and annual reports of Primary Agricultural Credit Societies. The source for the data on Net State Domestic Product is Handbook of Statistics, Reserve Bank of India. For the analysis of the issue under study, simple statistical techniques such as growth, ratio and trend analysis would be applied. Further, to find out the relationship between State Agricultural and Primary sector Income and loan issued by PACS, an Econometric exercise would be carried out by applying log-log model.

Section-IV: Structure of PACS in Gujarat

The main objective of PACS is to provide finance to the agriculturalists and rural farmers at relatively lower rates. These societies are established for the overall welfare of the farmers. The Table-11 represents the number of PACS in Gujarat during the study period. There were 8176 PACS in the year 2002-03 covering 70.79 percent of villages. In the year 2004-05, highest number of PACS were recorded (9093) however in the next year (2005-06), 6.7 percent of reduction in number of PACS was recorded. In the recent past (2013-14) there are 8313 PACS in Gujarat. It has been observed that the PACS covered 85 to 90 percent of villages during the period of 2008-09 to 2013-14 and 76 to 78 percentage of villages from 2014-15 to 2017-18. It is interesting to note that the total numbers of PACS in India have been decreasing while in Gujarat, the numbers of PACS have been increasing over the period of time. However, the ratio is lesser than some of the leading states like Tamil Nadu, Haryana, Kerala, Punjab, Maharashtra etc which covers almost 100% of the villages under PACS.

It would be interesting to study the membership pattern of PACS in Gujarat. Table - 2 indicates the number of PACS members during the study period. Total number of PACS in the year 2002-03 was about 25.34 Lakhs which increased to 30.32 Lakhs in the year 2015-16. In the recent past the total members of PACS in Gujarat has reduced as it was recorded 26.85 Lakhs in the year 2017-18. The membership of Scheduled Cast has increased over a period of time while that of Scheduled Tribes reduced. The total number of members under Small Farmers category has shown a considerable increase from 7.16 Lakhs (2002-03) to about 13.62 Lakhs (2013-14). The participation from the rural artists considerably reduced from 319.07 thousand to about 150.08 thousand from the period of 2002-03 to 2015-16. In the last two years of the study period has noticed a rise in the membership of rural artists (272.36 Thousands). It is also observed that the Other Marginal Farmers member also has the considerable share in the total membership of PACS in Gujarat. Further to understand the issue of PACS membership and the share of various categories in the total membership of PACS have been depicted in the figure - 1. It has been noted that the share of Small Farmers in the membership considerably increased from 28.24% (2002-03) to 45.65% in 2013-14 at 43.22 in 2017-18

Table-1: Number of PACS in Gujarat

Year	India	Gujarat	Percentage of total PACS in Gujarat	Percentage of villages covered in Gujarat
2002-03	112,309	8176	7.28	70.79
2003-04	105,735	8482	8.02	71.27
2004-05	108,779	9093	8.36	NA
2005-06	106,384	8487	7.98	NA
2006-07	93224	7956	8.53	67.28
2007-08	94,950	8092	8.52	67.58
2008-09	95,633	8044	8.41	88.56
2009-10	94647	7763	8.20	88.27
2010-11	93413	8117	8.69	89.34
2011-12	92432	8154	8.82	88.88
2012-13	93488	8810	9.42	88.67
2013-14	93042	8313	8.93	85.55
2014-15	92789	8608	9.28	76.19
2015-16	93367	8804	9.43	77.08
2016-17	95595	8484	8.87	78.91
2017-18	95238	8535	8.96	77.55

Source: Annual Reports of PACS, National Federation of State Co-operative Bank Ltd (NAFSCOB)

It is also important to study the Deposits, Borrowing and Capital of PACS. The behavior of these variables along with the estimated trend lines are shown in the Figure - 2. The trend lines for all the variables i.e. Deposits, Borrowings and Capital show positive movement over the study period. Estimated coefficients are highly significant and the values of R^2 also indicate that the fitted trend lines are good enough to explain the variations over the period of time.

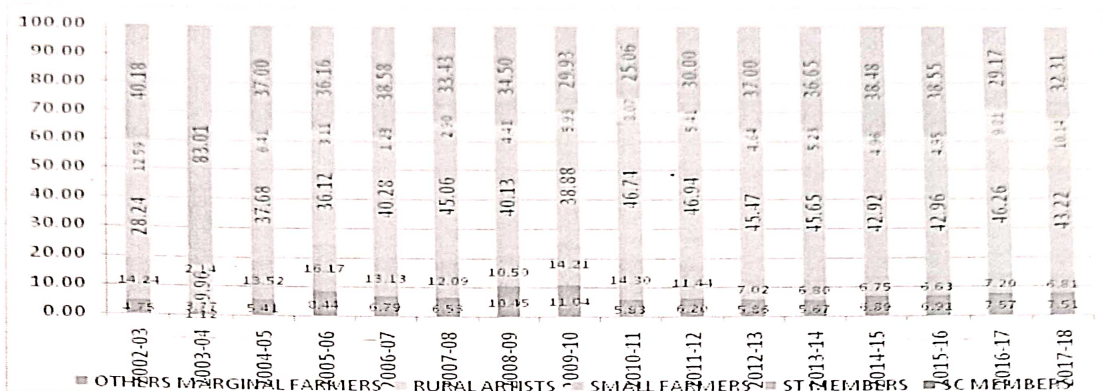
Table-2: Total Number of Members in PACS in Gujarat (In Thousands)

Year	SC Members	ST Members	Small Farmers	Rural artists	Others marginal farmers	Total
2002-03	120.29	360.76	715.66	319.07	1018.14	2533.92
2003-04	119.98	404.20	1069.41	229.43	8909.94	10733.05
2004-05	134.95	337.01	939.22	159.81	922.50	2492.91
2005-06	220.58	422.61	943.76	81.24	945.01	2613.20
2006-07	165.21	319.68	980.77	29.86	939.29	2434.81
2007-08	162.81	301.51	1124.07	72.42	833.84	2494.65
2008-09	284.81	286.15	1093.30	120.09	939.99	2724.34
2009-10	316.02	406.72	1112.49	169.64	856.46	2861.33
2010-11	163.91	402.40	1315.05	226.96	705.08	2813.40
2011-12	172.32	317.73	1303.68	150.34	833.11	2777.18
2012-13	172.16	206.05	1335.34	136.35	1086.61	2936.51
2013-14	169.05	202.78	1361.46	155.93	1093.02	2982.24
2014-15	209.10	204.78	1301.59	150.36	1166.82	3032.65
2015-16	209.66	200.91	1302.65	150.08	1168.71	3032.01
2016-17	211.6	201.19	1293.21	274.35	815.39	2795.74
2017-18	201.65	182.88	1160.44	272.36	867.45	2684.78

Source: Annual Reports of PACS, National Federation of State Co-operative Bank Ltd (NAFSCOB)

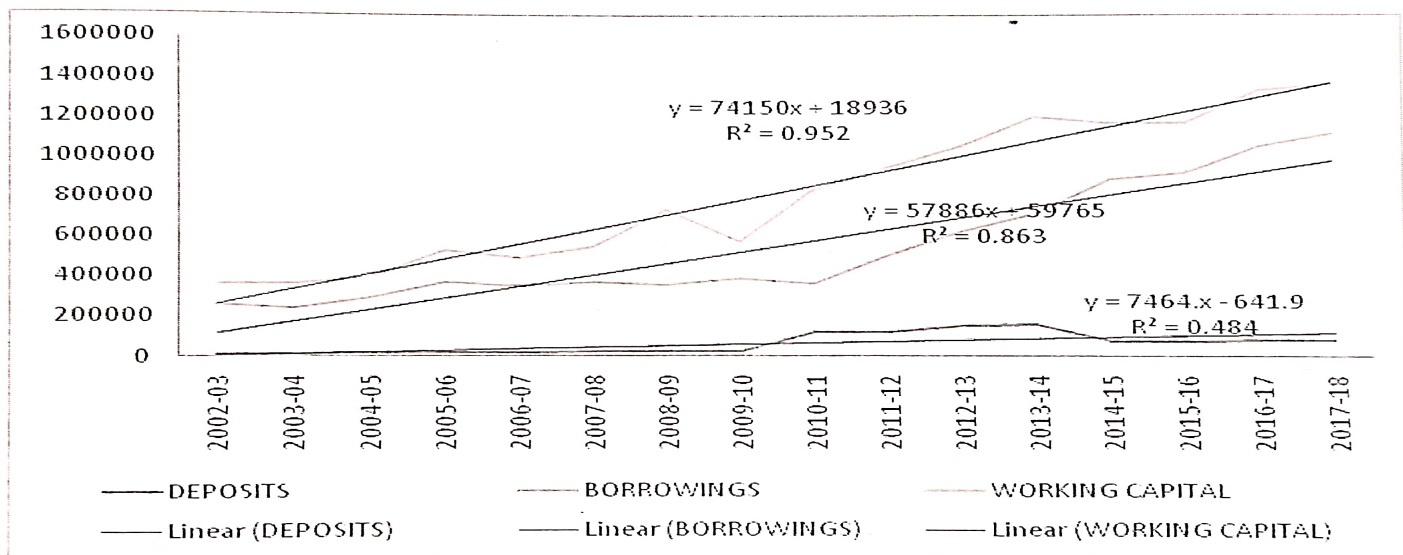
¹ Trend represents the long run behavior of the variable. To find out the trend line following function is estimate $X = a + bT$. Where X is the variable under study, T is time, a is constant and b is the coefficient of T representing the trend.

Figure-1 Category Wise Percentage Share of Membership of IACS in Gujarat



Source: Authors' Calculation

Figure -2 Deposits, Borrowings and Capital of PACS in Gujarat



Source: Annual Reports of PACS and Authors' calculation

The category wise total numbers of borrowers of PACS in Gujarat has been presented in the Table - 3. There has been a consistent increase in the SC borrowers till 2011-12 and after that the number of borrowers have reduced to 36.62 Thousands in the year 2017-18. The numbers of borrowers of ST have decreased over a period of time. The small and other marginal farmets have been the major share of the barrowers. It is important to note that he number of borrowers of rural artists have increased considerably from 19 to 72.24 (Thousands).

Table-3: Number of PACS Borrowers in Gujarat (in Thousands)

Year	SC	ST	Small Farmers	Rural Artists	Others Marginal Farmers	Total
2002-03	53.00	132.00	451.00	19.00	555.00	1209.00
2003-04	55.00	129.00	524.00	63.00	493.00	1264.00
2004-05	58.00	134.00	525.00	45.00	479.00	1241.00
2005-06	66.00	143.00	508.00	45.00	482.00	1244.00
2006-07	72.00	129.00	538.00	90.00	466.00	1292.00
2007-08	58.00	128.00	544.00	32.00	536.00	1298.00
2008-09	65.00	111.00	561.00	39.00	613.00	1391.00
2009-10	72.00	236.00	586.00	13.00	475.00	1382.00
2010-11	95.00	88.00	501.00	84.00	565.00	1218.00
2011-12	100.00	90.00	494.00	85.00	412.00	1181.00
2012-13	96.36	106.17	522.08	83.91	426.29	1234.81
2013-14	101.64	96.89	550.24	87.64	455.27	1291.68
2014-15	50.05	98.14	614.53	17.08	445.55	1225.35
2015-16	50.18	92.46	623.3	14.37	456.89	1237.2
2016-17	36.45	31.48	530.53	71.01	338.44	1007.91
2017-18	36.62	79.54	510.27	72.24	308.25	1006.92

As the fundamental objective of PACS is to provide rural credit, the scenario of the short term credit provided by the PACS with short term overdue is depicted in the Figure - 3. It has been noted that the short term loans increase rapidly after 2009-10. The exponential trend line is fitted which explain a positive increase in the Short term loans at increasing rate over a period of time. The short term loan overdue is also showing a positive trend but the fitted trend line is linear which indicate that the short term loan over dues is increasing at constant rate. This implies that the performance in short term loans is improving and the recovery of short term loans is improving. The short term loan overdue as percentage of short term loans is reducing over a period of time. The overdue in the SC and ST category is a matter of concern as it is high as compare to the other segment of the rural credit (Table-4). The information about the medium term loan - overdue and total loan and total overdue are presented in the Figure - 4 and Figure - 5. The medium term loans have also been increased rapidly from 2009-10. The overdue in the medium term loans have been a matter of great concern as in many of the years the overdue exceeds the total medium term loans. Table - 5 also indicates that the overdue in the medium term loans is quite high especially in the SC and St Categories.

Figure-3: Short Term Loan and Overdue of PACS in Gujarat

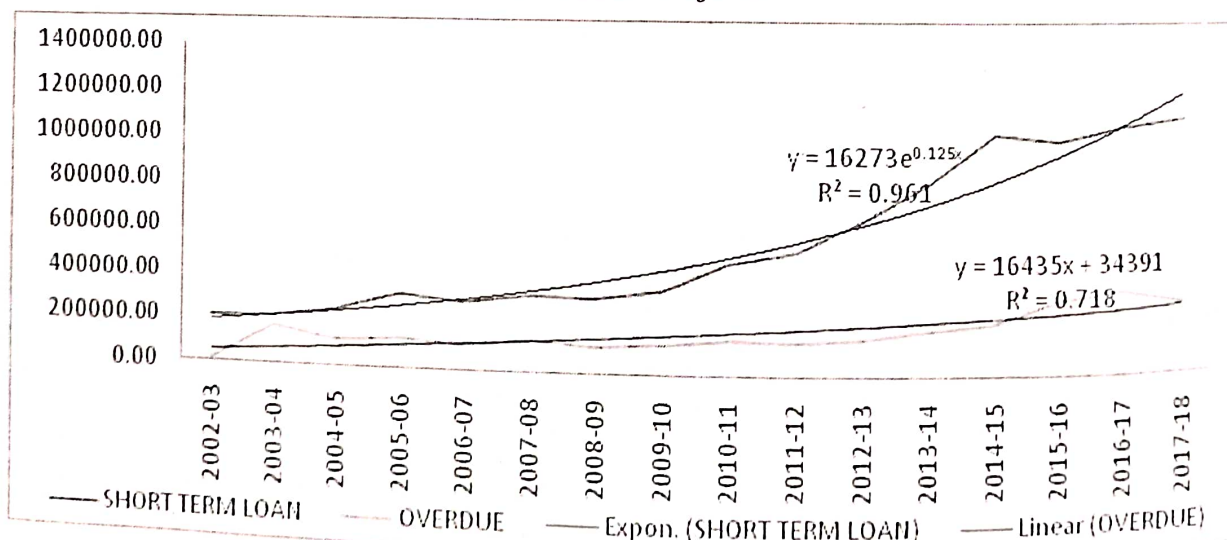


Figure -4: Medium Term Loan and Overdue of PACS in Gujarat

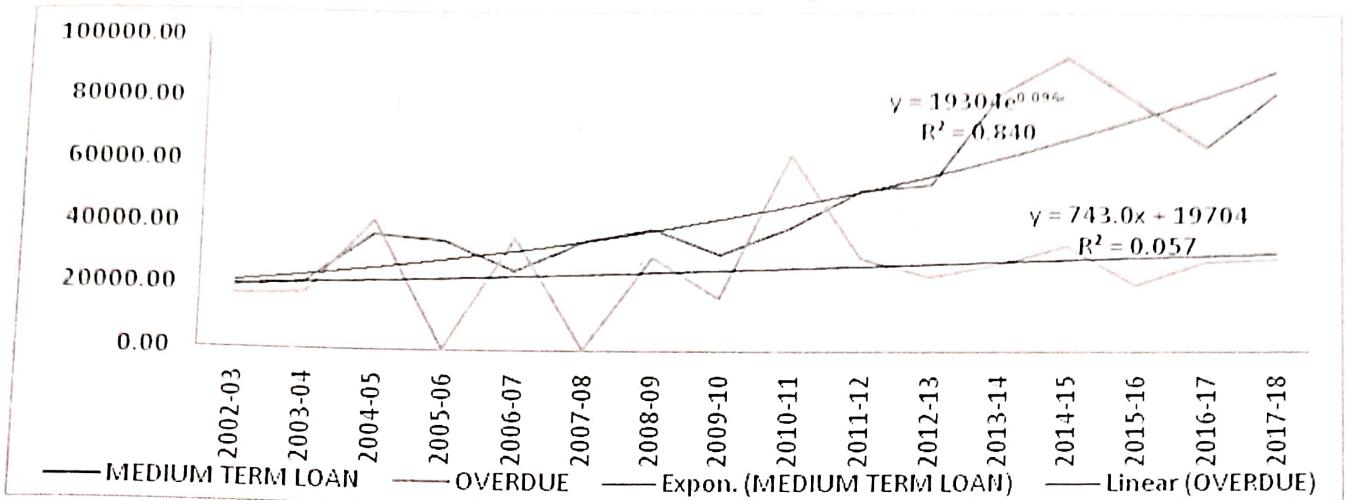


Figure-5: Total Loan and Total Overdue of PACS in Gujarat

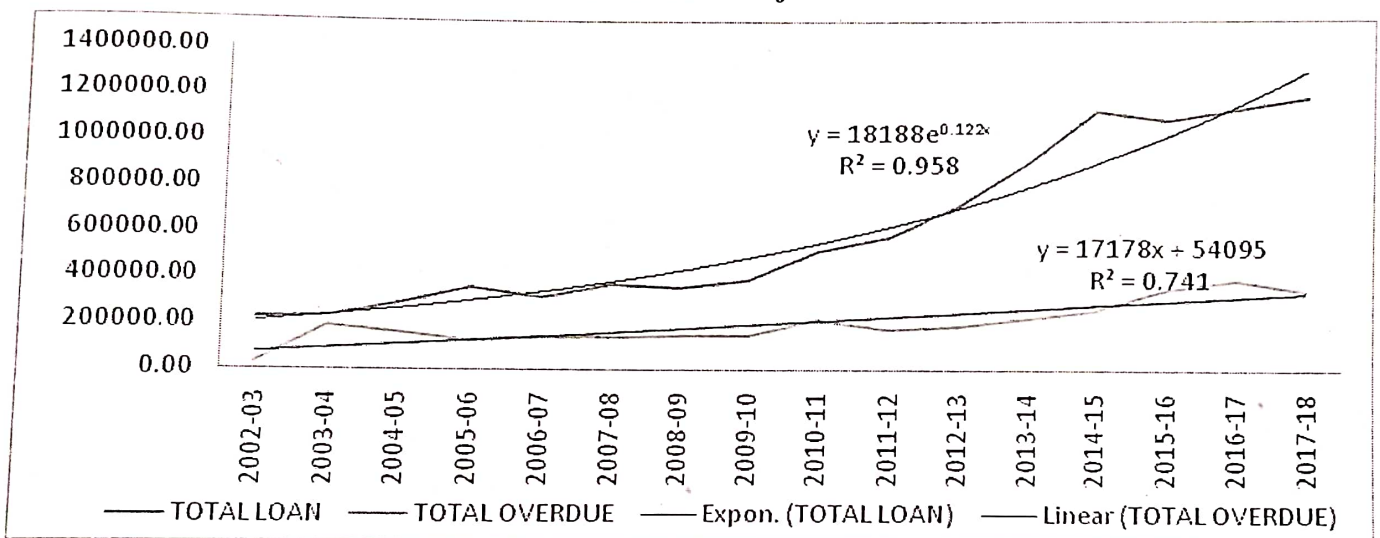


Table -4: Category Wise Percentage of Short Term Loan Overdue of PACS in Gujarat

Year	SC	ST	OTHERS	TOTAL
2002-03	47.42	53.77	34.89	37.14
2003-04	46.61	53.22	51.43	51.5
2004-05	29.79	38.15	36.78	36.76
2005-06	32.54	48.26	34.23	34.67
2006-07	65.22	69.46	29.6	31.1
2007-08	63.5	50.07	35.8	36.52
2008-09	45.38	41.91	30.95	31.26
2009-10	74	46.92	29.9	31.58
2010-11	57.92	50.95	29.3	30.6
2011-12	32.05	34.86	26.29	26.44
2012-13	37.77	37.49	25.77	26.08
2013-14	47.22	46.6	24.33	25.34
2014-15	32.26	38.69	23.47	23.95
2015-16	42.3	35.74	30.71	30.92
2016-17	41.74	45.54	32.25	32.64
2017-18	28.25	27.12	27.85	27.84

Table -5: Category Wise Percentage of Medium Term Loan Overdue of PACS in Gujarat

Year	SC	ST	OTHERS	TOTAL
2002-03	77.96	83.19	60.14	61.72
2003-04	76.81	82.73	42.84	82.95
2004-05	97.5	91.5	55.69	66.49
2005-06	83.97	87.07	55.81	61.87
2006-07	65.22	69.46	29.6	31.1
2007-08	0	0	54.28	54.28
2008-09	55.19	63.24	39.12	40.66
2009-10	75.48	63.67	44.52	45.7
2010-11	5.08	28.29	76.63	73.52
2011-12	61.45	35.84	48.75	48.4
2012-13	61.57	30.46	52.95	51.47
2013-14	58.66	71.79	32.79	34.72
2014-15	57.65	73.97	39.28	41.75
2015-16	32.27	69.2	24.13	26.1
2016-17	50.98	73.02	31.7	33.5
2017-18	27.34	33.26	31.83	31.84

Section-V: Relationship between PACS Credit and NSDP

One of the important causes for the low agricultural productivity is non availability of timely and adequate credit facility. Most of the farmers in the Gujarat state are not financially sound enough that can even meet the basic farm requirements. In this context, the finance provided by the PACS in the state can be an important source of funds. To understand the relationship between Agriculture NSDP, Primary NSDP and Short Term, Medium Term and Total Loan provided by PACS, the following models have been estimated.

$$\begin{aligned} \text{Log(Agri. NSDP)} &= \alpha + \beta \text{Log(TL)} & 1 \\ \text{Log(Agri. NSDP)} &= \alpha + \beta \text{Log(STL)} & 2 \\ \text{Log(Agri. NSDP)} &= \alpha + \beta \text{Log(MTL)} & 3 \\ \text{Log(Prim. NSDP)} &= \alpha + \beta \text{Log(TL)} & 4 \\ \text{Log(Prim. NSDP)} &= \alpha + \beta \text{Log(STL)} & 5 \\ \text{Log(Prim. NSDP)} &= \alpha + \beta \text{Log(MTL)} & 6 \end{aligned}$$

Where;

NSDP = Net State Domestic Product

Log(Agri. NSDP) = Natural log of Agriculture NSDP,

Log(Prim. NSDP) = Natural log of Primary Sector NSDP

Log(TL) = Natural log of Total loan provided by PACS

Log(STL) = Natural log of Short terms loan provided by PACS

Log(MTL) = Natural log of Medium term loan provided by PACS

The coefficients of Log-log model indicates the elasticity i.e. percentage change in the dependent variable due to the percentage change in the independent variable. The equations have been estimated by using Ordinary Least Square (OLS) technique. The results of the estimated equations are presented in the Table -6.

Table - 6: Estimation of Log-log Model

Equation	Dependent Variable	Constant	Log(TL)	Log(STL)	Log(MTL)	R ²	F - Prob.	DWD Stat
1	Log(Agri. NSDP)	-0.50	0.49*			0.76	0.0001	1.85
2	Log(Agri. NSDP)	-0.35		0.48*		0.75	0.0001	1.80
3	Log(Agri. NSDP)	0.55			0.50*	0.66	0.0010	1.94
4	Log(Prim. Sect. NSDP)	0.35	0.43*			0.76	0.0002	1.82
5	Log(Prim. Sect. NSDP)	0.48		0.42*		0.75	0.0002	1.81
6	Log(Prim. Sect. NSDP)	1.29			0.44*	0.67	0.0010	1.96

Note: Constant is significant at 10% or more

* represents 1% level of significance

First three equations are estimated by considering Agriculture NSDP. The results are quite good. All the coefficients of the models are highly significant. The value of R², F-Prob. and DWD-stat are also reasonably good indicating the strength of the fitted models. It is observed that the short term loan, medium term loan and total loans provided by PACS have significant positive impact on the State Agriculture Income. The sign of the coefficients of the Loans are as per the expectation(positive). The positive sign indicate that if various form of loan increase by 1%, the Agriculture income increases by 0.48% to 0.50%. The negative sign of the constant in the first two equations have also an important economics implication. According to the negative sing, it can be inferred that if there is no availability of PACS finance, the State Agriculture Income may reduce. However the magnitude of the constant is a debatable issue and can be studied further. The other three equations (4, 3 and 6) are estimated on Primary NSDP. The results of the models are also in line with the formers but the effects of the loans provided by the PACS are not as strong as in the case of the state agricultural income of Gujarat.

Section-VI: Concluding Remarks

The study analyzed and examined the performance of PACS in the state of Gujarat. Various aspects such as number of PACS, members of the society both total and under different categories, loans issued, overdue etc. taken in to account to examine the issue under study. It has been observed that the total numbers of PACS increased from 8142 to 8535 which covers 78 percent of the villages in the state. The coverage of the area and village is still lesser than many states in India.

The total number of PACS members increased to 2684780 in the year 2017-18 which was 2533920 in 2002-03. The membership of ST and Rural Artists reduced considerably during the study period however, the membership of Small farmers increased significantly. The SC and ST borrowers have reduced considerably during the study period. PACS has to give more concentration in improving the participation of the weaker section of the state especially SC and ST classes.

PACS in Gujarat has been facing the problem of overdue. The overdue in medium term loan is very much higher than the short term loans. The overdue of the loan granted to the ST class is more than any other class in both short term and medium term loans. The medium term loan and the borrowers of ST class remains a matter of concern for the loan disbursal.

Finally, an econometric exercise has been carried out to empirically examine the relationship between the loans issued by PACS, Agricultural NSDP and Primary NSDP. The results indicate that all measures of loan provided by PACS positively affect the measurements of state income. The estimated results also support that PACS have a significant and vital role to play in the growth and development of rural economy especially the agricultural sector.

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Assessment of Enhancing Pulses Production in Rajasthan through Seed Minikits Programme

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Abstract

The present study was undertaken to examine the efficiency in distribution of seed minikits in Rajasthan state. The study results revealed that seed distribution programme has found to be advantageous in terms of availability of cheap seed. The cost of cultivation per acre of beneficiary households was estimated to be lower than the non-beneficiary households, must be because of lower cost of seed to some extent (due to partial share of seed minikit). While net returns per acre was reported higher in beneficiary group in cultivation of black gram and green gram only. However, seed distributed was insufficient quantity as well not much difference in productivity was reported. While most of the selected households were satisfied with the quality of seed provided to them and timely distribution of same. The major problems faced by farmers in availing the seed minikit were less supply of seed minikit was the major problem faced by the selected farmers. In order to overcome these problems, sample households have given suggestions, such as more supply of seed, suitable variety suitable to local condition and seed should be given to all farmers.

Keywords: Pulses production, Seed Miniit, Impact

Introduction

India plays a very important role by its contribution in world food production, as it accounts for 10.24 percent of cereals production and 21.75 percent of pulses in the World in 2016 (GOI, 2020). At the same time, India also accounts for large size of the world's food consumers (16.7 percent). Over the period of seven decades, food grains production has increased more than five and half times from 51 mt in 1950-51 to about 292 mt in 2019-20. Pulses are an important commodity group of food crops that provide high quality protein for pre-dominantly sizeable vegetarian population of the country. Though India is a global leader in terms of pulses production, it is also leading consumer of pulses. India is leading importer of pulses because production of pulse crops has been stagnant over the years although situation has slightly changed in the recent past. Rajasthan holds second position after Madhya Pradesh and accounts for 13.4 per cent in total national pulses stock having 17.8 per cent of national area under pulses (5.33 mha), while lower area under coverage under irrigation (21 per cent) resulted in low level of productivity of pulses of 635 kg/ha as compared to national average (841 kg/ha).

In order to increase production of pulses by bringing additional area under pulse crops, under NFSM-Pulses centrally sponsored scheme, national and state seed producing agencies supply minikits of latest released /pre released varieties /hybrids not older than 10 years to the State Government for distribution amongst farmers. The size of minikits is 16 kg of gram, 8 kg seed of lentil and 4 kg each for moong, urad and pigeon pea. This quantity is sufficient to plant 0.2 ha (0.49 acre). As the programme is under progress for last three to four years, it is required to see the various aspects of implementation of this programme. How efficiently the distribution of seeds is taking place? Whether the scheme is relevant and useful from the viewpoint of farmers? Whether seed minikits have any significant impact on productivity? Therefore, the present study was undertaken to examine the efficiency in distribution of seed minikits in Rajasthan state.

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Methodology

The study is based on primary data collected from the state of Rajasthan during the 2018-2019 agriculture year. For the selection of sample, based on highest seed minikits distributed during the reference period of 2017-18 and 2018-19, two districts were selected [one irrigated (Bundi) and one dryland (Naguar)]. From each selected district, a sample of 100 seed minikit beneficiary farmers and 50 control group pulse growing farmers were selected using random sampling method. In this way a total number of 200 beneficiaries and 100 non beneficiaries were selected in Rajasthan state. Lentil and Urad seed minikits beneficiaries were selected from Bundi district and Gram and Mung beneficiaries were selected from Naguar district. The farms were categorized into four groups as per their operational land handling during the survey year marginal (less than 2.5 acres), small (2.5 to 5.0 acre), medium (5-10 acre), and large (10 acre and above).

Results and Discussion

The minikits were distributed only through agriculture department by following the stipulated procedure of selection and distribution of minikits. Adhaar card was the main and only the document produced by the sample beneficiary for availing the benefit and used by the issuing authority to validate the claim as beneficiary. Among the beneficiaries, the highest share was of women beneficiary in total followed by the beneficiary from small and marginal farmers and then from SC/ST category. The subsidies rate of the seed minikit was Rs. 184 per kit of Bengal gram (16 kg), Rs. 45 per kit of Green gram (4 kg); Rs. 50 per kit of lentil (8 kg) and Rs. 50 per kit of Black gram (4 kg). No amount was reimbursed as amount charged was token amount from farmers which must be 10 per cent of total cost of seed. All the selected households had received the information about the seed minikit programme from the agriculture officer of the taluk/district and none of the other source of information was reported. Out of 200 beneficiary households, 60 of lentil growers, 40 urad growers, 88 mung growers and 12 gram growers. The selected beneficiary households accounts very meager share in total beneficiaries of the State.

Socio-economic Characteristics of the beneficiary Farmers

The socio-economic characteristics of selected sample households presented in Table 1 indicate that the average size of the household was estimated to be 6 persons. As per the specification and selection of beneficiary of the scheme (women criteria), three fourth of the total respondents were women. The age range of more than 80 per cent of total selected household respondent was 30-60 years and majority of the respondents were found to be illiterate (56.67%). Around 60 percent of total family members were engaged in farming and average farming experience was estimated to be about 25 years. At overall level, about 49 per cent households were from other backward classes group followed by about 38 per cent from SC, about 10 percent from ST and rest were from open category. Among the selected marginal land holders group, about 69 per cent households together belonged to SC and ST category. Majority of households have agriculture as a main occupation while agriculture labour and allied was subsidiary occupation. The average income from agriculture and allied activities is estimated to be Rs. 118383/- while same was Rs. 35597/- from non-agricultural sources.

Table 1: Socio Economic Profile of the Selected Farmers (% of households)

Characteristics	Marginal	Small	Medium	Large	Total	
No of HH	92	81	86	41	300	
Share of HH in Total HH (%)	30.67	27.00	28.67	13.67	100.00	
Household size (av. numbers)	5.63	6.12	6.16	6.68	6.06	
Share of Beneficiary/ Non Beneficiary hh (%)	Beneficiary	81.5	76.5	55.8	36.6	66.7
	Non-Beneficiary	18.5	23.5	44.2	63.4	33.3
Gender of Beneficiary (%)	Male	0.00	0.00	0.00	0.00	0.00
	Female	100.0	100.0	100.0	100.0	100.0
Gender of Respondents – all (%)	Male	15.22	20.99	41.86	12.20	24.00
	Female	84.78	79.01	58.14	87.80	76.00
Age of the Respondent (%)	<30	10.87	13.58	3.49	4.88	8.67
	30-60	79.35	77.78	87.21	75.61	80.67
	>60	9.78	8.64	9.30	19.51	10.67
Education status of Respondent, number of years of education (%)	Illiterate	65.22	60.49	48.84	46.34	56.67
	Up to Primary (5)	14.13	24.69	24.42	17.07	20.33
	Up to Middle (8)	10.87	7.41	11.63	9.76	10.00
	Up to Matric (10)	3.26	6.17	4.65	14.63	6.00
	Up to + 2	3.26	1.23	6.98	4.88	4.00
	Up to graduate	3.26	0.00	3.49	7.32	3.00
	Above graduate	0.00	0.00	0.00	0.00	0.00
Family doing farming	Av numbers	3.43	3.64	3.65	3.63	3.58
Farming experience	Av in years	22.58	22.46	26.23	27.49	24.26
Caste (% of households)	SC	58.70	39.51	27.91	7.32	37.67
	ST	9.78	12.35	10.47	2.44	9.67
	OBC	27.17	44.44	59.30	82.93	48.67
	General	4.35	3.70	2.33	7.32	4.00
Main occupation of respondent (%)	Agriculture and allied	58.70	74.07	87.21	82.93	74.33
	Agricultural labour	35.87	20.99	9.30	4.88	20.00
	Non-agril. labour	2.17	2.47	0.00	0.00	1.33
	Self business/services	2.17	0.00	3.49	4.88	2.33
	Salaried/pensioners	1.09	2.47	0.00	7.32	2.00
	Others	0.00	0.00	0.00	0.00	0.00
Subsidiary occupation of respondent (%) (few are not responded to this question)	Agriculture and allied	41.30	25.93	12.79	17.07	25.67
	Agricultural labour	40.22	44.44	31.40	17.07	35.67
	Non-agril. labour	6.52	6.17	13.95	2.44	8.00
	Self business/services	7.61	8.64	3.49	9.76	7.00
	Salaried/pensioners	0.00	0.00	0.00	4.88	0.67
	Others	0.00	0.00	0.00	0.00	0.00
Av Annual Income (Rs.)	Agriculture & allied	71413	93864	130023	247805	118383
	Non-agril. Sources	25543	34432	31512	69024	35597

Characteristics of Operational Holdings

The average operational land holding of the selected household was about 6.11 acre having around 40 percent land under irrigation (net) at overall level (Table 2). Across land size groups, 71 percent of land of marginal farmers was under irrigation, followed by 45 per cent land of small, 41 per cent land of medium and 29 per cent of land of large farm group has irrigation facility. Thus, more the land, less the area under irrigated and vice versa. Same the case of cropping intensity wherein highest cropping intensity was recorded by marginal farmers and the lowest was in case of large farmer, with average cropping intensity of 138 per cent. The average rental value of land was observed to be Rs. 6000/- for irrigated land in Bundi district while Rs. 2500/- per acre in rainfed areas of Naguar district. While most of land leased in land was on share cropping basis.

Table 2: Characteristics of Operational Holdings (acres per household)

Farm size	Owned land (acre)	Non cultivable (acre)	Leased-in (acre)	Leased-out (acre)	Average Rental (Rs/Acre.)		NOA (acre)	Net Irrigated area	GCA (acre)	Cropping intensity (%)
					SC 11	--				
Marginal	1.63	0.00	0.12	0.00	SC-5	6000/-	4.00	1.81	5.73	143.48
Small	4.01	0.14	0.13	0.00	SC-4	-	7.33	3.00	10.27	140.08
Medium	7.26	0.08	0.16	0.00	SC-1	2500/-	17.52	5.02	22.22	126.80
Large	17.09	0.05	0.48	0.00	SC-21	-	6.11	2.42	8.43	137.97
Total	6.00	0.07	0.18	0.00						

Note: SC- Share cropping (mixed with resources use and sharing of output at different ratio such as 50:50; 75:25, etc).

Productivity comparison between Beneficiary and Non-Beneficiary

The details on productivity and net returns from selected pulse crops with and without seed-minikits are presented in Table 3. On an average, in all four selected pulse crops, cost of cultivation per acre of beneficiary households was estimated to be lower than the non-beneficiary households, must be because of lower cost of seed to some extent (due to partial share of seed minikit). While net returns per acre was reported higher in beneficiary group in cultivation of black gram and green gram only. Thus, kharif pulse crops cultivation found to be more profitable for beneficiary farmers than non-beneficiary farmers. Despite of the fact that quality seed was provided through seed minikits program, not much improvement in productivity level of these selected crops is reported by beneficiary farmers. While at overall level, almost 12 percent of total lentil beneficiary farmers had reported crop failure (with level of production less than 1 quintal/acre), of which largest share was of marginal lentil farmers whose income was severally affected. Also around 13 per cent of total urad beneficiary farmers and 40 per cent non beneficiary urad farmers reported crop failure wherein share of medium farmers from beneficiary group while marginal and small farmers from non-beneficiary group was the highest.

Table further indicate that in case of rainfed pulse crops grown by the farmers in Naguar district (green gram (kharif season) and gram (rabi season)) were relatively more stable in crop productivity (except one case in gram of large land holder). Around 18 per cent of beneficiary households and 8 per cent of non beneficiary households at overall level had realised production less than one quintal in acre of which some of them did not reap any harvest. The productivity level of kharif pulse crops grown by beneficiary farmers was marginally higher than that of non-beneficiary group, while opposite the case of rabi crops where higher productivity was reported by non-beneficiary group. Purchase of the green gram by the government at minimum support prices in Naguar district has helped the farmers to recover the cost of production and profit margin on crop cultivation.

Table 3: Productivity and net returns from pulses with and without Seed-minikits

Farm Size	Area under pulses (acre)		Value of Output 2 (Rs/ acre)		Cost of Cultivation (Rs/ acre)		Net Returns (Rs/ acre)		Net price obtained (Rs/quintal)	
	SMK	Without	SMK	Without	SMK	Without	SMK	Without	SMK	Without
Lentil										
Marginal	0.67	0.55	10061	29563	7737	13920	2325	15643	3995	3964
Small	0.74	0.74	23681	22081	11552	13291	12129	8790	4079	3966
Medium	0.68	0.96	21248	24659	11032	12977	10217	11682	4083	3923
Large	0.40	0.92	47532	30701	12262	12172	35270	18529	4000	4000
Total	0.69	0.83	17634	25261	9838	13067	7796	12194	4058	3947
Black gram										
Marginal	0.94	0.67	27707	12385	9724	6974	17983	5411	4619	4719
Small	2.06	1.75	31458	21820	11003	9757	20455	12062	4644	4675
Medium	3.76	4.75	4125	25483	5722	11063	-1597	14420	4200	4631
Large	5.93	-	8217	-	6220	-	1997	-	4500	-
Total	1.34	2.01	22980	22566	9023	10110	13957	12456	4613	4649
Green gram										
Marginal	1.75	1.98	19084	20100	8509	8495	10575	11605	6337	5346
Small	2.46	2.03	15214	19141	7726	8985	7488	10156	5876	5756
Medium	4.71	5.83	17201	14396	8322	8602	8878	5793	5928	5738
Large	7.84	11.38	17627	16468	8824	9237	8802	7231	6432	5797
Total	3.78	7.94	16990	15949	8326	9035	8664	6914	6081	5774
Bengal gram										
Marginal	1.19	0.79	25283	21491	11802	8470	13481	13021	5000	5000
Small	0.79	1.58	19995	12642	10262	9532	9733	3110	4720	5000
Medium	0.89	-	16294	0	9106	-	7187	-	4833	-
Large	2.97	2.37	8596	21491	5270	7754	3326	13737	5000	5000
Total	1.24	1.58	15837	18541	8373	8466	7464	10075	4863	5000
Average										
Marginal	1.01	0.80	20534	20885	9443	9465	11091	11420	4988	4757
Small	1.74	1.37	22587	18921	10136	10391	12451	8530	4830	4849
Medium	3.33	3.89	14717	16134	8546	10881	6171	5253	4761	4764
Large	6.57	9.83	20493	17165	8144	7291	12349	9874	4983	4932
Total	2.21	4.43	18360	20579	8890	10170	9470	10410	4904	4843

Notes: cf- crop failure.

The per quintal cost of production of kharif crops (mung and urad) was estimated lower in case of beneficiary farmers (Rs. 3382 and Rs. 2060/- per quintal) than non-beneficiary farmers while opposite picture was estimated in case of rabi crops (lentil and gram). The net price received (for main produce in market/village) by the farmers across the group of farmers was almost same in all crops, which ranges from Rs.3400-5000 per quintal in lentil, Rs. 2700-5000 per quintal in urad, Rs. 4000-6975 per quintal in case of mung and Rs. 4200 - 5000 per quintal in case of gram. Thus, on an average, selected farmers have realised the net return of Rs. 9000-10000 per acre in cultivation of pulse crops. However, not much effect of seed minikit was reported as supplied quantity was much less than requirement and thus, farmers had to procure seed from the market or other sources.

Efficiency in Distribution and Usage of Seed Minikits

As mentioned earlier, the quantity of seed minikit is sufficient to plant 0.2 ha, while area covered under particular pulse crop was reported to be more than same which indicate farmers have used the home grown retained or seed purchased from market or from villagers. Thus, seed provided under programme was inadequate and therefore need to scale up the quantity of seed. Some farmers have retained the seeds for next sowing season. During the survey, selected farmers were asked to give their opinion regarding distribution of seed

minikit which are tabulated and presented in Tables 12 to 15. All sample household opined that seed distribution programme is advantageous and noted the yield and quality difference in same (Table 4). However, all of them were also opined that seed distributed was insufficient and at least seed should cover 0.32 ha (0.79 acre) area compared to 0.2 ha (0.49 acre) under present scheme (Table 5).

Table 4: Farmers Opinion regarding distribution of Seed Minikit for reference year (%)

Opinion		Marginal	Small	Medium	Large	Total
1. Is seed minikit distribution advantageous	Yes	100	100	100	100	100
	No	0	0	0	0	0
a. Yield Difference		100	100	100	100	100
b. Quality difference		100	100	100	100	100
c. More profitable		0	0	0	0	0
d. Short duration of crop		0	0	0	0	0

Table 5: Farmers Opinion regarding Quantity of Seed Supplied in Seed Minikit

Sufficient in Quantity(%)	Marginal	Small	Medium	Large	Total
1. Yes	0	0	0	0	0
2. No	100	100	100	100	100
Opinion –how much quantity in kgs should be distributed					
Green Gram	8	8	8	8	8
Bengal Gram	20	20	20	20	20
Urad	8	8	8	8	8
Lentil	16	16	16	16	16

Note: farmers required minimum seed of minikits for 2 Bigha or 0.32 ha or 0.79 acre area.

Also, most of the selected households were satisfied with the quality of seed provided to them (Table 6) and timely distribution of same (Table 7).

Table 6: Farmers Opinion regarding Quality of Seed supplied in Seed Minikit

Quality better than seed available in market (%)	Marginal	Small	Medium	Large	Total
1. Yes	96.00	79.03	89.58	86.67	88.50
2. No	4.00	20.97	10.42	13.33	11.50
Opinion –Provide reasons					
Average quality	20.00	43.55	47.92	66.67	37.50
Good quality	76.00	35.48	41.67	20.00	51.00
Best quality	2.67	9.68	4.17	0.00	5.00
Poor quality	0.00	3.23	0.00	0.00	1.00
Not suitable quality	1.33	8.06	6.25	13.33	5.50

Table 7: Farmers Opinion regarding timeliness of distribution of Seed Minikit (%)

Timely distribution of Kit (%)	Marginal	Small	Medium	Large	Total
1. Yes	89.3	96.8	100.0	100.0	95.0
2. No	10.7	3.2	0.0	0.0	5.0

The major problems faced by farmers in availing the seed minikit are presented in Table 8. It can be seen from the table that less supply of seed minikit was the major problem faced by the selected farmers. In order to overcome these problems, sample households have given suggestions, such as more supply of seed, suitable variety suitable to local condition and seed should be given to all farmers (Table 9). While survey, it was reported that no demonstration/ training was given to selected beneficiary households on how to use the minikit as well as on package of practices.

Table 8: Major Problems faced by Farmers in Availing the Seed Minikit (%)

Sl No.	Problems	Marginal	Small	Medium	Large	Total
1	Less supply	100	100	100	100	100
2	Poor /Average quality	0.0	6.5	2.1	0.0	2.5
3	Not suitable variety	0.0	1.6	0.0	0.0	0.5
4	Untimely availability	9.3	0.0	0.0	0.0	3.5

Note: Multiple responses.

Table 9: Measures to Improve the Effectiveness of the Scheme (%)

Sl No.	Problems	Marginal	Small	Medium	Large	Total
1	More supply	100.0	100.0	100.0	100.0	100.0
2	Demand according supply	0.0	6.5	2.1	0.0	2.5
3	Suitable variety	60.0	54.8	62.5	73.3	60.0
4	timely availability	9.3	0.0	0.0	0.0	3.5
5	Government purchasing	4.0	12.9	4.2	13.3	7.5
6	Draught resistant variety	53.3	46.8	54.2	40.0	50.5
7	Pest resistant variety	53.3	46.8	54.2	40.0	50.5
8	All farmers covered	18.7	27.4	75.0	146.7	44.5

Conclusions and Policy Implications

The seed distribution programme has found to be advantageous in terms of availability of cheap seed. The cost of cultivation per acre of beneficiary households was estimated to be lower than the non-beneficiary households, must be because of lower cost of seed to some extent (due to partial share of seed minikit). While net returns per acre was reported higher in beneficiary group in cultivation of black gram and green gram only. Thus, kharif pulse crops cultivation found to be more profitable for beneficiary farmers than non-beneficiary farmers. However, seed distributed was insufficient quantity as well not much difference in productivity was reported. The productivity level of kharif pulse crops grown by beneficiary farmers was marginally higher than that of non-beneficiary group, while opposite the case of rabi crops where higher productivity was reported by non-beneficiary group. Purchase of the green gram by the government at minimum support prices in Naguar district has helped the farmers to recover the cost of production and profit margin on crop cultivation. However, all of them were also opined that seed distributed was insufficient. Also, most of the selected households were satisfied with the quality of seed provided to them and timely distribution of same. The major problems faced by farmers in availing the seed minikit were less supply of seed minikit was the major problem faced by the selected farmers. In order to overcome these problems, sample households have given suggestions, such as more supply of seed, suitable variety suitable to local condition and seed should be given to all farmers. While survey, it was reported that no demonstration/ training was given to selected beneficiary households on how to use the minikit as well as on package of practises.

The policy implications emerged out of the study is as follows

- The government should ensure timely availability of adequate quantity of quality seed by taking into account the actual requirement of seed in particular area.
- Bottom-up approach should be used in implementation of the scheme.
- Seed minikits should be provided only to farmers those have attended the training on same. Demonstration should be given before distributing the Seed minikit
- State Agriculture Universities should try to develop the seed varieties suitable to local conditions.

- The awareness level about the scheme and need of Seed Replacement Rate needs to be increased/raised through agricultural extensions programmes.
- Procurement of output by Government Agencies would certainly help in increasing area under pulses.

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"Does experience of distributor has moderating effect on the mediating factors affecting the performance of mutual fund distributors? Considering No Entry Load Regime with respect to Indian Mutual Fund Industry"

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Abstract

The purpose of this paper is to find out that does fund distributors experience in the field of mutual fund has a vital importance? And if so, how does the experience of distributors have any effect on the performance of mutual fund. The structured questionnaire has been administered to 1007 respondents. Experience being the categorical moderator is been study in this research. The moderating and mediating effect of experience is been studied in this paper specifically on Indian Mutual fund Industry. The results should very interesting facts about the overall direct and mediating impact of factors and the moderating effect of experience.

Introduction

The purpose of this paper is to understand the moderating effect of experience and to check the impact of "No Entry load" on mutual fund distribution channel and to understand does "No entry load" has any impact on distributor's performance. Distribution channel being the key factor of penetration of mutual fund and considering the different construct of channel (Sheth & Bhatt, 2019) such as Return of Distributor, Distributor Expenses, Investment flow and Number of Investors which have Maximum impact on Distributors Performance in compare of Advisory's moderate impact (Sheth & Bhatt, 2019) we have tried to develop a model on same measuring the impact of various construct post No entry load or No entry load regime

Mutual Funds, the fund of funds or small funds was born from a financial crisis that staggered Europe in the early 1770s . It was Adriaan Van Ketwich, a Dutch merchant whose brain child was mutual fund, he had the foresight to make a pool of money from a number of investor's to form an investment trust named EendragtMaaktMagt - the Maxim of the Dutch Republic which turned out to be the world's first mutual fund in 1774 with an aim to provide an opportunity to diversify for small investors with limited means (Rouwenhorst, December 2004). It took almost two and half centuries from the first mutual fund which was been created to reach to present era.

It all initiated from 1774 and the long journey of mutual fund started and in 1924 the first open-ended mutual fund concept was introduced by United States in year 1924 (Makwana & Pandit, 2016). Then the concept of mutual fund became more popular and was accepted worldwide by the investors. The funds were getting mobilized towards development of the economies. After the establishment of UTI in 1964 in India new industries entered the market. The Mutual fund industry opened for public sector banks, Institutions (1987) and private Sector (1993) which has shown a spectacular growth in recent year (Makwana & Pandit, 2016). "The retail mutual fund market is segmented where unsophisticated investors rely on financial advisers and sophisticated ones invest directly" (Sun, 2020), but in Indian scenario investors opt for portfolio managers on higher side to invest money on their behalf. (Saini, Anjum, & Saini, 2011)

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Evaluation of No Entry Load Regime

A mutual fund firms on the basis of their past performance charges for marketing funds. Front-end loads as annual fund marketing charges which are levied on the investors. Further mutual fund investors demands for high levels of services in exchange for high marketing charges (Kilm, 1996). But it was observed that low expenses funds have significantly outperformed high and very high expenses funds, funds with similar expenses, the load funds do not produce returns sufficient to offset the load versus no-load funds (Hooks, 1996). Mutual fund being one of the best investment option many investors purchase mutual funds as investment. With lack of proper evidences supporting performance persistence in funds return, it's advisable for the investors to consider expenses as a fund selection tool, since fund expenses has a negative effect on fund returns. (Livingston & O'Neal, 2014). That is how the drawback of entry load would have initiated the systematic process of removal of entry load or no entry load regime.

Literature Review

Financial Advisors

Financial advisors, must take responsibility to lead with empathy as their daily responsibilities continue to become more digitally transformed (Artley, 2019). An active financial advisor is a professional who earns a fee by providing financial guidance to clients based on their needs and goals (Fontinelle, 2019). Consumers value certified professionals over uncertified, yet they are generally unaware of the differences between the credentials (Arman & Shackman, 2012). The central role of financial planning is for advisors to use their competence in technical knowledge of investment planning, taxation, or insurance to counsel clients (Parish, 2018)

Performance of mutual funds

Prior research (Ippolito, 1992) finds that the link between fund performance and net new cash flows is only meaningful for the very best performers. (Bregtesser, Chalmers, & Tufano, 2009) Showed that fund cash inflow is positively correlated with broker compensation levels, suggesting that distributors place a disproportionate emphasis on selling funds with higher distribution fees in the United States mutual fund industry. Brokered channels serve as the primary source of product information and selection criteria in the mutual fund industry (Alexander, Jones, & Nigro, 1998). In (Bak & Park, 2014), fund performance was negatively affected by the strong vertical relations between fund distributors and their affiliated AMCs. (Guercio, Reuter, & Tkac, 2010) Argued that investor heterogeneity in the demand for broker services could drive market segmentation and cause differences in before-fee returns; competition for investors who value broker services led broker-sold funds to invest more in costly-to-provide investor services and less in portfolio management.

Experience

(Porter & Trifts, 1998) found that managerial tenure is not a factor in mutual fund performance, (Costa & Porter, 2003) show that neither performance nor performance-persistence differ between funds run by managers with lengthy tenure (ten years or more) and funds with less experienced management (less than ten years). Tenure could also proxy for effort, because junior managers might need to work harder to signal their type (Chevalier, & Glenn, 1999)

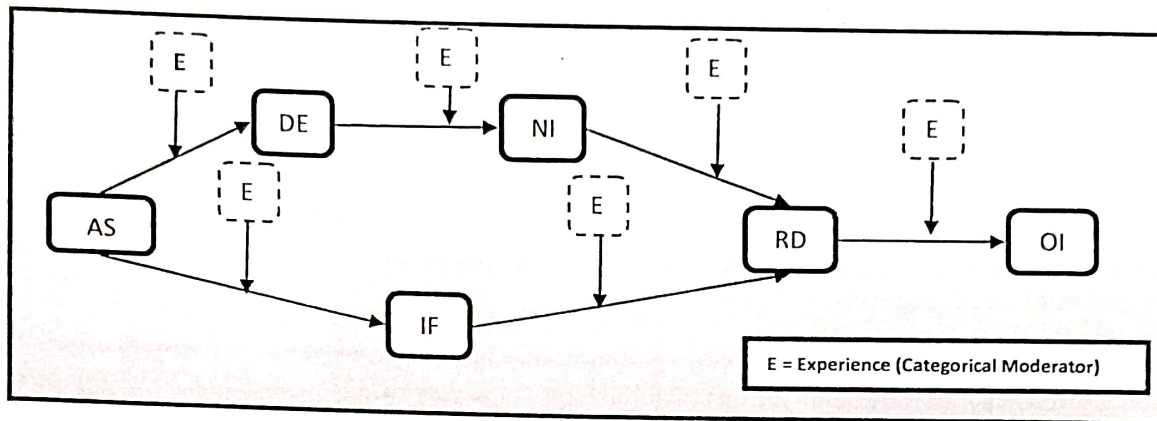
Conceptual Structural Model

From the literature and previous research work the conceptual structure of the Overall impact of the Independent Variable on the dependent variables can be carried out considering the role of Advisory services, post no-entry load, which has made any impact on the performance of mutual fund distributors in India. Apart from Advisory Services there are other factors also which plays the crucial role in the overall impact such as

Distribution Expenses, No of Investors, Investment Flow having its impact on Return of Distributors which leads to overall impact of investment in mutual fund.

Here along with the same variable researcher wants to identify rather any significant impact is been created by experience of the distributor on overall impact of the investment in mutual fund.

Figure 1: Proposed Conceptual Framework



(AS: Advisory Services, DE: Distributors Expenses, NI: No of Investors, IF: Investment Flow, RD: Return of Distributors, OI: Overall Impact)

Research Gap

Considerable research on Distributors perspective is not been taken into account so far for deriving the overall impact of investment in mutual fund in India. Further no models are been formulated and validated on the performance of mutual fund distributors post no entry load regime in India

Research Objective

1. To Study the Factors which are affecting the mutual fund distributors with respect to post no entry load regime in India
2. To Measure the Impact of Factors influencing the performance of the mutual fund distributors with respect to post no entry load regime in India.

Research Process (Research Methodology)

Research Design

Research Design defined by Aaker (2001) as the detailed outline of the study which helps in achievement of the research objectives and decisions related to research process and data collection methods used. Descriptive research design is used when the researches wants to find out improved results on existing work. So here in this study, the researcher has used descriptive research design. This is unique attempt made by researcher trying to derive new conclusions with fresh collection of data in different geographical region, demographic profile and with different techniques. (Malhotra & Das, 2019)

Measurement Development (Instrument/Questionnaire Design)

We developed an online questionnaire to collect data. Measurement scales of the research model constructs were adopted from previous related studies. We used 5-point Likert scales, moving from "strongly agree" to "strongly disagree", to measure the construct items. The research had six constructs with 28 statements:

Advisory Services (5), Distributors Expenses (4), Investment Flow (6), Number of Investors (4), Return of Distributors (4) and Overall Impact (5). Moreover, the questionnaire contained a few questions related to demographic characteristics of Indian users such as age, marital status, education, association with mutual funds industry, Average AUM of firm and SIP input value by the client.

Data Collection / Sample Design / Sampling

Data was collected through structured questionnaire survey conducted in India during 2019-2020 through online and physical mode, following a purposive non-probabilistic procedure. The sample of the current study was from all the major cities of India. Hence, the sample may be considered as representative of the country. Total 1600 questionnaires were distributed to consumers in two different modes (Online Mode: 800 and Offline Mode: 800); more than 1150 responses were received back from consumers (Online Mode: 507 and Offline Mode: 600). Finally, 1007 responses were found valid and considered for the study (Online Mode: 472 and Offline Mode: 535). Rest of the forms were rejected due to incomplete information. Considering the wider geographic urban large number of distributors the determination of sample size is challenging. While dealing with the multivariate regression analysis,

- 1) 58 respondents should be considered for One Independent variable (Krejcie & Morgan,, 1970)
- 2) 10 respondent should be considered for One Statements framed in structured questionnaire (James Gaskin)

This sample size is considered sufficient to evaluate the research, since the sample size derived by the formulae is 384.16 approx. (Soper, 2015) 385 whereas researcher has taken (Table 01) explains demographic details of the sample.

Table 1: Demographic statistics of Respondents

		Frequency	Percent
Age	Less than 30	100	9.9
	31-50	503	50.0
	Above 50	404	40.1
	Total	1007	100.0
Marital Status	Married	907	90.1
	Unmarried	100	9.9
	Total	1007	100.0
Education	Commerce	603	59.9
	Science	200	19.9
	Arts	204	20.3
	Total	1007	100.0
Association with mutual fund industry	<5	492	48.9
	>5	515	51.1
	Total	1007	100.0
Average AUM of firm	Less than 10	53	5.3
	10-25	150	14.9
	25-50	350	34.8
	50-100	404	40.1
	Above 100	50	5.0
	Total	1007	100.0
SIP input value by client	Less than 10	53	5.3
	11-25	200	19.9
	26-50	504	50.0
	51-100	200	19.9
	Above 100	50	5.0
	Total	1007	100.0

Tools and Techniques for Data analysis procedure

The collected data were coded into SPSS 25 and Ms Excel program for descriptive statistical analysis in which the values of mean, standard deviation, frequency, percentage and correlations are been calculated before running the available data on PLS-SEM analysis. (Amin, Azhar, Amin, & Akter, 2015) To test the hypothesis SMART PLS 3.0 was employed. The path analysis is applied in structural model and significance of direct and mediating relationships evaluated through the bootstrap techniques (5000).

Measurement Model: Reliability and Validity

Reliability

The first thing was to analyse the internal consistency of structured questionnaire, whether respondents understand the meaning of the statements and they are consistent while giving the response of the various statements. According to (Cavana, 2001), A popular and widely accepted approach to measure reliability is to use the Cronbach alpha. The value of Cronbach alpha with the range of greater than 0.70 is considered acceptable and good (Cavana, 2001).

Reliability of the scales was checked by computing Cronbach alpha (Table 02), a measure of reliability which found to be satisfactory. All the variables' coefficient of alpha was above 0.7 specifying a satisfactory internal consistency.

The outcome concluded that the stability and consistency of measurement scales of the constructs were stable and consistent in measuring the constructs. The Average Variance Extracted Criterion should be higher than 0.50 (Fornell & Larcker, 1981). From the (Table 02) we can say that the AVE value of all the constructs are above required minimum level of 0.50. Thus the measures of the six reflective constructs have high level of convergent validity.

The composite reliability, as a measure of internal consistency should be higher than 0.70 (Henseler, 2009), we can conclude that the composite reliability value of all the constructs demonstrate high levels of internal consistency reliability.

Here CR is greater than AVE and while analysing the tables of Fornell and Larckers and HTMT, researcher doesn't violates the assumption of convergent validity and discriminant validity

Table 2: Reliability of the Construct

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Advisory	0.783	0.785	0.761	0.525
Distributor Expenses	0.798	0.731	0.727	0.535
Investment Flow	0.900	0.904	0.898	0.597
No of Investor	0.787	0.810	0.772	0.571
Overall Impact	0.901	0.908	0.901	0.648
Return of Distributors	0.902	0.903	0.903	0.699

Discriminant Validity

As suggested by Fornell - Larcker to establish discriminant validity, square root of AVE must be higher than the correlations of the constructs with all other constructs in the structural model. Following Table indicates square root values of all AVE which have been calculated, and placed diagonally. Here all HTMT values is less than 0.85, so we can conclude that the discriminant validity is well established.

Table 3 : Discriminant Validity of the Construct Fornell-Larcker Criterion

	Advisory	Distributor Expenses	Investment Flow	No of Investor	Overall Impact	Return of Distributors
Advisory	0.671					
Distributor Expenses	0.275	0.798				
Investment Flow	0.425	0.276	0.773			
No of Investor	0.299	0.481	0.115	0.706		
Overall Impact	0.454	0.348	0.337	0.340	0.805	
Return of Distributors	0.278	0.609	0.160	0.686	0.434	0.836

Here CR is greater than AVE and while analysing the tables of Fornell and Larckers and HTMT, researcher doesn't violates the assumption of convergent validity and discriminant validity

Data Analysis

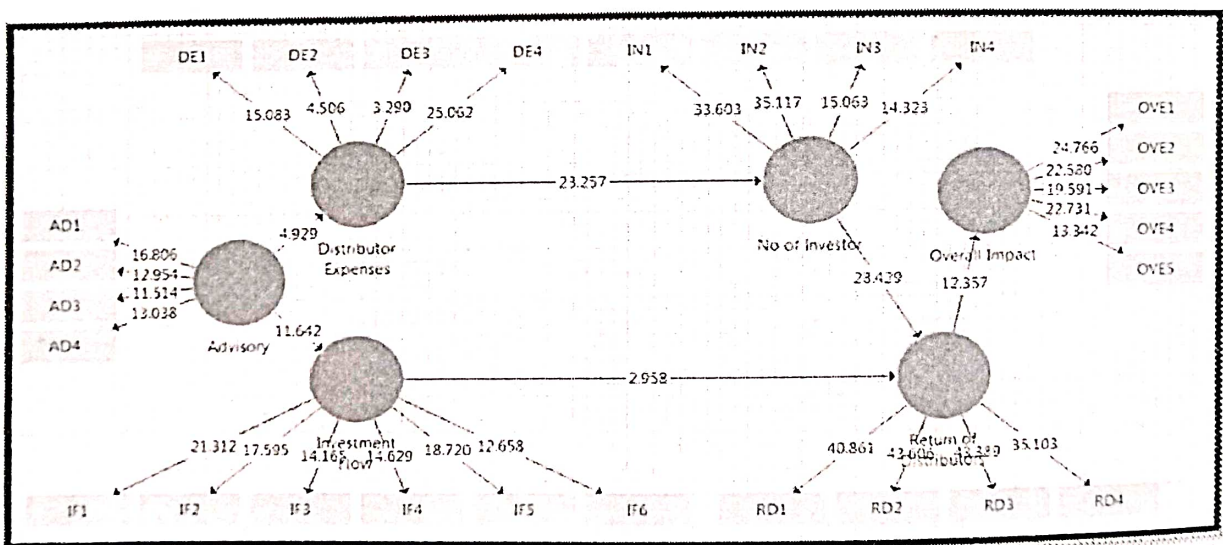
Structural Model/ Path Analysis (On Screen Results)

Researcher has used PLS-SEM to analyse the hypothesized framework. Measurement model and Structural model is been carried out for confirmatory factor analysis (CFA). (Shin, et al., 2013)PLS-SEM has an edge over other techniques because it does not require multivariate normal distribution of data, large sample sizes and interval scales.

"PLS only requires a sample size of 10 times the most complex relationship within the research model that is the larger value between

- (1) The construct with the largest number of formative indicators if there are formative constructs in the research model (LME); and
- (2) The dependent latent variable (LV) with the largest number of independent LVs influencing it (LSE)

Data analysis was conducted using a two-step approach. First, researcher has authenticated validity and internal consistency (reliability) of the data, employing CFA, and then hypothesis were estimated, using structural model.



Hypothesis

Simple Hypothesis & Testing Research Hypothesis

Table 4: Testing Research Hypothesis

	Mean, S.T.Dev, t-Value, P-Values					Confidence Interval	
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	2.5%	97.5%
Advisory -> Distributor Expenses	0.275	0.277	0.056	4.929	0.000	0.166	0.387
Advisory -> Investment Flow	0.425	0.426	0.037	11.642	0.000	0.355	0.498
Distributor Expenses -> No of Investor	0.798	0.800	0.034	23.257	0.000	0.729	0.866
Investment Flow -> Return of Distributors	0.079	0.079	0.027	2.958	0.003	0.025	0.132
No of Investor -> Return of Distributors	0.697	0.697	0.025	28.429	0.000	0.648	0.744
Return of Distributors -> Overall Impact	0.434	0.435	0.035	12.357	0.000	0.365	0.501

H.1.1: Advisory services in mutual fund investment is positively impacting on distribution expenses

Here the Advisory Services is positively impacting on distribution expenses while evaluating the relationship it shows positive impact of 0.275. Here researcher simulates the boot strapping process with sample of 5000 that indicates average of impact 0.277 which is marginally higher than the original impact between the two variable and Average variation 0.056 with t-statistics 4.929 and having significance value 0.000

H.1.2: Advisory services in mutual fund investment is positively impacting in increase of Investment Flow

Here the Advisory Services is positively impacting on increase of Investment flow, while evaluating the relationship it shows positive impact of 0.425. Here researcher simulates the boot strapping process with sample of 5000 that indicates average of impact 0.426 which is marginally higher than the original impact between the two variable and Average variation 0.037 with t-statistics 11.642 and having significance value 0.000

H.1.3: Distributors Expenses in mutual fund investment is positively impacting in increase of Number of Investors

Here the Distributors Expenses is positively impacting in increase of Number of Investors, while evaluating the relationship it shows positive impact of 0.798. Here researcher simulates the boot strapping process with sample of 5000 that indicates average of impact 0.800 which is marginally higher than the original impact between the two variable and Average variation 0.034 with t-statistics 23.257 and having significance value 0.000

H.1.4: No of Investors in mutual fund investment is positively impacting on Return of Distributors

Here the No of Investors is positively impacting on Return of Distributors, while evaluating the relationship it shows positive impact of 0.079. Here researcher simulates the boot strapping process with sample of 5000 that indicates average of impact 0.079 which is same to original impact between the two variable and Average variation 0.027 with t-statistics 2.958 and having significance value 0.003

H.1.5: Investment Flow in mutual fund investment is positively impacting on Return of Distributors

Here the Investment Flow is positively impacting on Return of Distributors, while evaluating the relationship it shows positive impact of 0.697. Here researcher simulates the boot strapping process with sample of 5000 that indicates average of impact 0.697 which is same to original impact between the two variable and Average variation 0.025 with t-statistics 28.429 and having significance value 0.000

H.1.6: Return of Distributor in mutual fund is positively impacting on Overall Impact

Here the Return of Distributor is positively impacting on Overall Impact, while evaluating the relationship it shows positive impact of 0.434. Here researcher simulates the boot strapping process with sample of 5000 that indicates average of impact 0.435697 which is marginally higher than the original impact between the two variable and Average variation 0.035 with t-statistics 12.357 and having significance value 0.000

Here in all the above mentioned cases considering 5% level of significance, all t statistics are greater than 1.96 and significance value less than 0.05 indicates the significant effect.

Mediation Hypothesis & Testing Research Hypothesis

Table 5 : Testing Research Hypothesis

	Mean, S.T.Dev, t-Value, P-Values					Confidence Interval	
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	t Statistics (O/STDEV)	P Values	2.5%	97.5%
Advisory -> Distributor Expenses -> No of Investor	0.220	0.221	0.045	4.832	0.000	0.132	0.310
Investment Flow -> Return of Distributors -> Overall Impact	0.034	0.034	0.012	2.769	0.006	0.010	0.060
Advisory -> Investment Flow -> Return of Distributors -> Overall Impact	0.015	0.015	0.006	2.627	0.009	0.004	0.027
No of Investor -> Return of Distributors -> Overall Impact	0.303	0.303	0.027	11.354	0.000	0.251	0.356
Distributor Expenses -> No of Investor -> Return of Distributors -> Overall Impact	0.241	0.242	0.024	10.086	0.000	0.196	0.290
Advisory -> Distributor Expenses -> No of Investor -> Return of Distributors -> Overall Impact	0.066	0.067	0.016	4.164	0.000	0.038	0.100
Advisory -> Investment Flow -> Return of Distributors	0.034	0.034	0.012	2.807	0.005	0.010	0.058
Distributor Expenses -> No of Investor -> Return of Distributors	0.556	0.557	0.031	18.169	0.000	0.497	0.617
Advisory -> Distributor Expenses -> No of Investor -> Return of Distributors	0.153	0.154	0.032	4.728	0.000	0.092	0.218

H.2.1: Distributor Expenses is significantly mediating the impact between Advisory and No of Investor (Advisory -> Distributor Expenses -> No of Investor)

Here the mediating impact of Distributors Expenses between the Advisory Services and Increase in number of Investor is 0.22. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.221 which is very close to the original effect and Average variation 0.045 with t-statistics 4.832 and having significance value 0.000

H.2.2: Return of Distributors is significantly mediating the impact between Investment flow and Overall Impact on Mutual Fund (Investment Flow -> Return of Distributors -> Overall Impact)

Here the mediating impact of Return on distributors between the Investment Flow and Overall Impact is 0.034. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.034 which is same to the original effect and Average variation 0.012 with t-statistics 2.769 and having significance value 0.006

H.2.3: Investment Flow and Return of Distributors is significantly mediating the impact between Advisory and overall impact on Mutual Fund (Advisory -> Investment Flow -> Return of Distributors -> Overall Impact)

Here the mediating impact of Investment flow and Return on distributors between the Advisory and Overall Impact is 0.015. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.015 which is same to the original effect and Average variation 0.027 with t-statistics 2.627 and having significance value 0.009

H.2.4: Return of Distributors is significantly mediating the impact between No of Investor and Overall Impact on Mutual Fund (No of Investor -> Return of Distributors -> Overall Impact)

Here the mediating impact of Return of distributors between the No of Investor and Overall Impact is 0.303. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.303 which is same to the original effect and Average variation 0.006 with t-statistics 11.354 and having significance value 0.000

H.2.5: No of Investor and Return of Distributors is significantly mediating the impact between Distributors Expenses and overall impact on Mutual Fund (Distributor Expenses -> No of Investor -> Return of Distributors -> Overall Impact)

Here the mediating impact of No of Investor and Return of Distributors between the Distributors Expenses and Overall Impact is 0.241. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.242 which is very close to the original effect and Average variation 0.024 with t-statistics 10.086 and having significance value 0.000

H.2.6: Distributors Expenses, No of Investor and Return of Distributors is significantly mediating the impact between Advisory and overall impact on Mutual Fund (Advisory -> Distributor Expenses -> No of Investor -> Return of Distributors -> Overall Impact)

Here the mediating impact of Distributors, No of Investor and Return of Distributors between the Advisory and Overall Impact is 0.066. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.067 which is very close to the original effect and Average variation 0.031 with t-statistics 18.169 and having significance value 0.000

H.2.7: Investment Flow is significantly mediating the impact between Advisory and overall impact on Mutual Fund (Advisory -> Investment Flow -> Return of Distributors)

Here the mediating impact of Investment Flow between the Advisory and Overall Impact is 0.034.

Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.034 which is same to the original effect and Average variation 0.012 with t-statistics 2.807 and having significance value 0.005

H.2.8: No of Investor is significantly mediating the impact between Distributors Expenses and Return of Distributors on Mutual Fund (Distributor Expenses -> No of Investor -> Return of Distributors)

Here the mediating impact of No of Investor between the Distributors Expenses and Return of Distributors is 0.556. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.557 which is very close to the original effect and Average variation 0.016 with t-statistics 4.164 and having significance value 0.000

H.2.9: Distributors Expenses and No of Investor is significantly mediating the impact between Advisory and Return of Distributors from Mutual Fund (Advisory -> Distributor Expenses -> No of Investor -> Return of Distributors)

Here the mediating impact of Distributors Expenses and No of Investor between the Advisory and Return of Distributors is 0.153. Here researcher simulates the boot strapping process with sample of 5000 that indicates mediating effect 0.154 which is very close to the original effect and Average variation 0.032 with t-statistics 4.728 and having significance value 0.000

Here in all the above mentioned cases considering 5% level of significance, all t statistics are greater than 1.96 and significance value less than 0.05 indicates the significant mediating effect.

Table 6: R square and adjusted R square

	R Square	R Square Adjusted
Distributor Expenses	0.076	0.075
Investment Flow	0.181	0.180
No of Investor	0.637	0.636
Overall Impact	0.189	0.188
Return of Distributors	0.504	0.503

R square is coefficient of determination indicates variance explained by independent variable on the dependent variable. Researcher has come across the data as mentioned in (Table 06) which is explained as follow.

Distributor Expenses shows 7.6% increase due to Advisory services, whereas Advisory services is having role in increase of Investment flow by 18.10%. Advisory services along with mediating effect of Distribution expenses combine contributes by 63.70% on increase in number of Investor in mutual funds. On the other hand advisory service along with mediating effect of Investment flow and mediating effect of Distributor expenses and number of investor together contributes by 50.40% on Returns of distributors. 18.90% is the contribution of all the independent variable on the Overall Impact (Dependant Variable) on mutual fund. Further adjusted R square of all the constructs are marginally less than R square which shows that all the independent variables are contributing significantly

Multi Group Analysis

While framing a structural model Questionnaire researcher wants to understand the behaviour of those distributors on the bases of their experience, and does experience more than 5 years create significantly additional impact in the structural model. Therefore researcher considered experience as a categorical moderator and

wants to compare the direct and mediating effect in the path analysis of those distributor respondent having less than 5 years and more than 5 years of experience. Here Researcher has applied multi group analysis with Smart PLS -3

Table 7: Comparison between Low and High Experience

	(01)	(02)	(03)	(07)
Advisory -> Distributor Expenses	0.249	0.139	0.110	0.376
Advisory -> Investment Flow	0.380	0.394	-0.014	0.869
Distributor Expenses -> No of Investor	0.543	0.619	-0.076	0.287
Investment Flow -> Return of Distributors	0.079	0.110	-0.031	0.666
No of Investor -> Return of Distributors	0.663	0.589	0.075	0.193
Return of Distributors -> Overall Impact	0.457	0.385	0.072	0.430
(01)	Path Coefficients Original (low<2EXPERIANCE(1.0)EXPERIANCE(1.0))			
(02)	Path Coefficients Original (highGROUP_>2EXPERIANCE(2.0)EXPERIANCE(2.0))			
(03)	Path Coefficients Original Difference (low<2EXPERIANCE(1.0)EXPERIANCE(1.0) - highGROUP_>2EXPERIANCE(2.0)EXPERIANCE(2.0))			
(04)	Permutation p-Values			

From the above table Experience of less than 5 years distributors is shown in column 01 along with Experience of more than 5 years distributors shown in column 02

1. The impact of Advisory to Distributor Expenses:

Advisory services leads to increase in Distributor expenses by 0.249 in less than 5 years experienced distributors in compare of 0.139 of more than 5 years experienced distributors, with p-value of 0.376. Which clearly shows that experience of distributors more than 5 years has less distributor expenses in compare of other category.

2. The Impact of Advisory on Investment Flow:

Advisory services leads to increase in Investment flow by 0.543 in less than 5 years experienced distributors in compare of 0.394 of more than 5 years experienced distributors, with p-value of 0.869 which is on higher side shows the lessor variation in the impact result of both categories. Which clearly shows that there is marginal difference between the investments flows of both the distributors' categories

3. The Impact of Distributor Expenses on No of Investors:

Distributors Expenses leads to increase No of Investors by 0.543 in less than 5 years experienced distributors in compare of 0.619 of more than 5 years experienced distributors, with p-value of 0.287 which is on lower side shows the higher variation in the impact result of both categories. Which clearly shows that there is a difference between the Distributors expenses and its impact on the No of investors.

4. The Impact of Investment flow on Return of Distributors:

Investment flow leads to increase on Returns of Distributors by 0.079 in less than 5 years experienced distributors in compare of 0.110 of more than 5 years experienced distributors, with p-value of 0.666. Here also it shows clearly that there is a difference between the Return of Distributors and expenses and its impact on Investment flow.

5. **The Impact of Number of investor on Return of Distributors:**
 Number of Investors leads to increase on Returns of Distributors by 0.663 in less than 5 years experienced distributors in compare of 0.589 of more than 5 years experienced distributors, with p-value of 0.193 which is on the lower side which reflect marginal difference in the impact. Here it can be seen that there is marginal difference between the Return of Distributors because of Number of Investor.
6. **The Impact of Return of Distributors on Overall Impact:**
 Return of Distributors leads to increase on Overall Impact of investment on Mutual Fund by 0.457 in less than 5 years experienced distributors in compare of 0.385 of more than 5 years experienced distributors, with p-value of 0.430. Here it can be said that Return of Distributor have significant difference in the overall impact of investment but no vast difference is seen in the performance of both the categories.

Table 8: Specific Indirect Effect

	(01)	(02)	(03)	(04)
Advisory -> Distributor Expenses -> No of Investor	0.135	0.086	0.049	0.490
Investment Flow -> Return of Distributors -> Overall Impact	0.036	0.042	-0.006	0.839
Advisory -> Investment Flow -> Return of Distributors -> Overall Impact	0.014	0.017	-0.003	0.816
No of Investor -> Return of Distributors -> Overall Impact	0.303	0.227	0.077	0.219
Distributor Expenses -> No of Investor -> Return of Distributors -> Overall Impact	0.165	0.140	0.025	0.531
Advisory -> Distributor Expenses -> No of Investor -> Return of Distributors -> Overall Impact	0.041	0.020	0.021	0.301
Advisory -> Investment Flow -> Return of Distributors	0.030	0.043	-0.013	0.644
Distributor Expenses -> No of Investor -> Return of Distributors	0.360	0.364	-0.004	0.953
Advisory -> Distributor Expenses -> No of Investor -> Return of Distributors	0.090	0.051	0.039	0.374
(01)	Indirect Effects Original (low<2EXPERIANCE(1.0)EXPERIANCE(1.0))			
(02)	Indirect Effects Original (highGROUP_>2EXPERIANCE(2.0)EXPERIANCE(2.0))			
(03)	Indirect Effects Original Difference (low<2EXPERIANCE(1.0)EXPERIANCE(1.0) - highGROUP_>2EXPERIANCE(2.0)EXPERIANCE(2.0))			
(04)	Permutation p-Values			

Table 08 presents the mediating impact of the variables on the dependant variable while considering the experience as the categorical moderating variable. It can be clearly seen that post no entry load regime there has been no significance difference between the distributors performance on the basis of experience. Gradual growth is expected amongst both the category of distributors along with growth of experience. There are certain things were the benefits are been seen in the initial stages but in long run the experience has the upper hand, but that benefits are not contributing in the overall impact of the investment in the mutual funds. The p values mentioned in the table are more than 0.05 which shows that there is marginal difference in the impact of both the categories based on experience does not indicate the significant difference. Therefore researcher firmly believes that there is no unobserved heterogeneity evidence found in the study of structural path analysis of post no entry load regime in mutual fund investment with experience as a categorical moderator.

Discussion of result, Theoretical and Practical Contribution

Discussion of result

The results so derived from the study indicates that various independent variable like Advisory Services, Distributors expenses, Investment Inflow, No of Investor & Returns of Distributors have significant impact on the Overall investment in mutual fund. The results so derived in the study has helped the researchers to understand the real impact of individual factors on the dependent variable. The Role of Advisory Services is been the initiator of the new dimension to the field without charging any entry load, which has shown considerable increase in the distributors expenses but on the other hand the inflow of the fund is also being increased. The Increase in Distribution expenses has created positive impact on increase in No of Investors, which has significantly contributed to the Returns of Distributors. Parallel mediating effect is seen in increase of investment flow which leads to increase in returns of distributors. Overall impact on the mutual fund investment has shown a positive outcome from Returns of distributor's point of view, which has significant impact on overall mutual fund investment in post no entry load regime.

Using the Experience as a categorical moderator it has been observed that experience has not played any significant role in short term comparison. Experience of Distributor has led to high investors in flow, less expenses in compare of less experienced firm, while less experienced firm are concentrating more on return of distributors, however the difference between these two categories is marginal not indicating any significant differences. Both the categories based on experience fails to show serious heterogeneity amongst the respondent of the distributors.

Theoretical Contribution

It was been observed from the above research that no entry load funds have significantly performed positively in the last decade with the successful performance of distributors, the load funds do not produce returns sufficient to offset the load versus no-load funds (Hooks, 1996) So the decision of cutting short the entry load is having the positive impact on the mutual fund industry. With the no entry load the educated investors has shown inclination towards the investment with direct involvement in compare of the financial advisories services (Sun, 2020)

Practical Contribution

The role of less experienced distributors has shown the consistent progress but that is not the overall observation here. Experience when studied as a categorical variable has shown that experience is not a major requirement in the Indian Mutual fund, but established distributor firms are having an upper hand on the newly established firms on various ground. Certain factors such as "Number of Investor" has shown inclination towards the more advance distributors rather than experienced or unexperienced distributors. Distributor's expenses in various activities such as promotion, marketing and advertising can leads to awareness and establishing contact which in return increases the number of Investors. Established Distributors with high expense appetite are able to attract more number of Investors.

Conclusion, Limitation & Future Research

Conclusion

The mutual fund industry has seen the boom in Indian Market and Systematic Investment Plan (SIP) are playing a crucial role in the Indian Mutual fund. People above the age group of 30 years has shown high investment in mutual fund. Considering the new trend in the Indian Economy the flow of the investor has also shown the new scenario the adult ranging from the age group above 50 years have made a considerable investment in mutual fund along with 30 to 50 years of age group.

Post no entry load, various factors such as Advisory Services, Distribution Expenses and Investment flow has shown upward trend and that can be concluded from the direct impact of all the above mentioned factors on the overall impact of Investment in Indian mutual funds. The Distributors expenses have direct impact on the No of investors which has led to positive impact on Returns of Distributor. The Investment flow is been increased by the performance of Advisory Services which has led to positive impact on Returns of Distributors. Considering the mediating effect of all the variable, they are having a significant overall impact of investment in mutual funds.

Limitation of Research

Under the research so conducted the sample which has been collected is from the Tier-1 and Tier-2 cities of India, so there can be considerable difference in the outcome if Tier-3 cities are been studied along with rural and urban economies for combine investment habits. Further the research was directed on the No entry load regime and policy framework of the mutual fund industry which has restricted the scope of research to limited aspects only.

Future Research

The behavioral finance of the investors should also be considered in this model, as the researcher has studied the experience aspect of the distributor in the study which as overlooked the investors perception and the factors investors are considering for the investment. Risk, Return, Tax Shelter, Wealth Creation and Trust factor which are crucial elements for the investment can also be studied for Advisory services and its impact on overall performance of the Distributors.

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Effect of Social Media on Consumer behavior for Selecting Tourist Destinations

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Abstract

This paper is an attempt to study the effect of social media on consumer's behavior. This paper focuses on how one buyer's experience affect other buyer's decision in which they are influenced in every aspect of their everyday lives. The online user of social media is lured into a world, where they look at others life and get affected. They determine their happiness in terms of what other people are doing and what friend's think about them. In this era of high social status fascination, people tend to flaunt their social class through destinations they visit. They follow their friend's profile and make their friend's destination as their subtle fascination. The presence and accessibility of the internet in general has changed the way how tourists do plan and book their travel, and in which way they share the travel experience with others. Online networking is particularly essential for tourism. Travel planners require information that can help them to plan their holidays and help them chose the destination. They also require information on hotels, packages, and places to visit, travel modes available and so on which is like a virtual tour in advance. Social media give the information and first-hand experience of customers (user-generated content), along with the reviews that can be trusted. These are more trustworthy if the user-generated content is of a person who is the friend or networking circle. This paper provides on the essential qualities of the online networking use by destination marketing associations to formulate the best strategies suitable to them.

Key words: Marketing and Advertising, Social behavior and networking platforms, Tourism

JEL Codes: M31, M37, D91, Z33.

Introduction

Significance of social media has increased in day to day life decisions as customer is identified as an influencer to create new customer by seeding. Products and services that depends on customer co-creation like movies depends on the influencers (indirect critique). It can be planned the way activities which would lead to 'Voice of Mouth'. There is a 'Halo effect' in social media increases the value proposition of the product. Whether the comments about the opinion leader and comments of the opinion leader are influential across different categories. The destination marketer can also use social media to promote their destination and target new visitors. The vacation buyer personal and their behavior, when it comes to travel is the key for destination marketers to use social media to influence the buying decisions. Consumers put more faith on their friends, family and referred friends more than travel agency ads but most importantly they trust the lucrative pictures floating on the Instagram or Facebook pages. People post about their upcoming vacation, check-ins, post vacation pictures and video along with a review. People who are in planning phase look for suggestions and recommendations. The corona impact as well as sub conscious fascination of the place stays longer and pops up when the customer comes across the same name or picture. Effective socialization begins with compliance to external pressure proceeds to interpersonal identification and ends with individuals claiming ownership of socialized values and attitudes often by incorporating them into their sense of self. The user wants to see themselves as the hot models and actresses who post provocative pictures online, they start objectifying themselves and think of flaunting certain body parts to fit into the social media image they aspire. The development of internet has a huge impact on the utilization of marketing techniques. Online networking has a unique platform for destination marketing organizations (DMaOs). DMaOs can utilize online networking before to motivate, educate and connect both during the planning stage of the trip and after the holiday to leave impression for their friends to communicate.

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The fundamental essential for the best possible utilization of online networking as destination marketing tool is the selection of the strategies for their utilization.

Utilizing the web, Social media, mobile applications, and other digital media is a part of all individuals' day by day lives. In the present era the quantity of hours spent online by grown-ups has dramatically increased. Online networking has powered customers more than marketers. Worldwide, there are presently more than 2 billion (statista.com) individuals utilizing Social media and Facebook alone now has around 1 billion dynamic customers for each day. Individuals are presenting themselves to increasingly digital and online networking. This is incorporating into their parts as shoppers as well as propagators as they look for data about products they buy and use and speak with others about their encounters. Advertisers have reacted to this move by expanding their utilization of digital marketing channels. By 2017 end, roughly 33% of worldwide marketing spending is predicted to be in digital channels. Along these lines, future purchaser advertising will to a great extent be done in digital settings, especially online networking and mobile. It is in this manner important for marketing research to inspect and comprehend User behavior in digital situations. This has been going on in the course of the most recent decade, with expanding measures of research concentrating on digital User behavior issues. We live in 'the age of depression' (Horwitz and Wakefield, 2005), for the person suffering from depression is visible as someone who does not correspond to the societal demands for flexibility, willingness to change and develop, and mobility. Since the rise of the Internet, travel planning has changed starting from how explorers get to data about the place, the way they get ready for and book trips, and the way they share their travel experiences etc. Web affects the utilization of all marketing tools by giving item change, lessening the expenses of hunting down data on new items furthermore, administrations, and filling in as another channel to get to the advertisement.

With this background, this paper is an attempt to study the effect of advertisement on consumer's behavior. This paper focuses on how one buyer's experience affect other buyer's decision in which they are influenced in every aspect of their everyday lives. Paper also provides on the essential qualities of the online networking use by destination marketing associations to formulate the best strategies suitable to them.

Literature Review

Social Media and Objectification

Customers' Sentiment toward Marketing (CSM) is a component consider by analysts to measure how well buyers will see online networking marketing. CSM is characterized as an idea which alludes to the general sentiments that consumers have for marketing and the commercial center (Lawson, 2001; Mady, 2011). Online networking has progressed from just giving a stage to people to remain in touch with their family and companions. Presently it is a place where consumers can take in more about their most loved organizations and the items they offer. Advertisers and retailers are using these destinations as another approach to achieve shoppers and give another approach to shop. "Innovation related improvements, for example, the ascent of effective web indexes, propelled cell phones and interfaces, shared communication vehicles, and online informal communities have amplified advertisers' capacity to achieve customers through new touch focuses" (Shankar, 2011).

Social Media as a platform for consumers to interact with and influence each other has a more direct impact on micro marketing, by spreading word of mouth (WOM). Customer Influence Assessment (CIA), that is defined as the net influence wielded by a user (in a social network) in terms of his or her ability to spread positive or negative WOM through his or her direct and indirect connections, to measure the influence of an individual in a social network. Customer Influence Value (CIV), is the monetary gain/loss realized by the firm that is attributable to a customer's influence effect.

Objectification is being treated as a body (or a collection of body parts). The effect of Objectifying treatment is that it coaxes to adopt a peculiar view of self (Costanzo, 1992). Effective socialization begins with compliance to external pressure proceeds through interpersonal identification and ends with individuals claiming

ownership of socialized values and attitudes often by incorporating them into their sense of self (Cooley, 1902/1990; Harter, 1987). When customers look at beautiful women in social media posing in a particular tourist destination, then it registers the image of the women and fascinates them to go for the same destination, rather than the relevance of the destination itself.

Digital Culture

Digital culture is about the advanced conditions in which shoppers are arranged. A key part of this has been observed in how consumers' personalities and self-ideas reach out into digital universes. The capacity for buyers to have different selves because of having various online "personas." Bloggers approach building groups of onlookers and gathering social (or social) capital through exhibitions of "good taste." In an online networking setting this basically implies a blogger (or "influencer") makes proposals that flag her skill to others. This is in a particular setting, it has suggestions for micro marketing via Social media, since flagging constructive individual characteristics is likely a typical inspiration for posting certain things on destinations like Facebook. Together, these articles make an essential calculated commitment around how we see consumers in an advanced world, especially by suggesting personal economic planning.

The opportunity to blend with other individuals is a principal part of the buyer experience and long-range informal communication destinations have turned into a path in which shoppers can associate with each other and retailers (Georgi and Mink, 2012). On account of Electronic Customer to Customer Interaction (eCCI), buyers are assuming a more overwhelming part in impacting each other with their utilization choices.

Based on the above literature the following research question is developed:

R1-Whether the conversation on friends' profile/page which gives ideas about a destination, influences consumers?

It implies that the users who engage with a certain destination on any Social Media platform. (This might happen after enhancing knowledge, culture and importance of the destination and to obtain solutions to specific trip related problems.)

Buyers' perused other customers' assessments to diminish their dangers what's more, acquire pre-buy data; consequently, other customers' data rises as additional imperative than marketing, along these lines, people who post UGC progress toward becoming conclusion pioneers (Morrison, 2008). Customer Generated Advertising (CGA) is a type of customers produced content, which alludes to particular occurrences where shoppers make the brand, centered messages with the reason of educating, convincing, or reminding others (Campbell, 2011; Muñiz and Jensen Schau, 2007; Pehlivan, Sarican, and Berthon, 2011). Vigilante marketing is characterized as "unpaid marketing and advertising endeavors, including one to one, one to numerous, and many to many financially arranged communications, attempted by brand followers in the interest of the brand" (Muñiz and Jensen Schau, 2007).

User Intentions

It is crucial for retailers and advertisers to know about the elements that influence shopper states of mind and intentions since shoppers are progressively making content about brands, something beforehand controlled exclusively by organizations (Heinonen, 2011; Chu, 2011) likewise found that customers who are Facebook aggregate individuals keep up a better state of mind toward Social media and marketing. Customers who have more uplifting dispositions toward marketing will probably join a brand or a retailer's Facebook gathering to get limited time messages. In view of this outcome, Chu (2011) proposes that a connection exists between consumers' utilization of and engagement in gathering applications on an online networking site. The connection between consumers' utilization of and engagement with gathering applications impacts the rate and adequacy of marketing via Social media, especially Facebook. By and large, as Chu (2011) notes, Facebook's

school matured customers have the most positive demeanors toward social media marketing and are the biggest developing statistic, which proposes that online networking sites are a conceivably rich stage for web-based marketing efforts, particularly for organizations with a more youthful target marketing.

Likewise researched the connection amongst age and disposition and found that informal organization customers state of mind toward web-based marketing groups (i.e. websites, video, and brand channel or page) varied to some degree crosswise over age gatherings. This was on account of customers observed these advertisement organizations to be attractive, useful, and interesting (Cox, 2010).

The fun given by Facebook, and in addition the opportunity it gives customers to ask to recommendations in a simple and engaging way, spurs people to give careful consideration to the items advanced on Facebook. "Facebook advances a buyer to purchaser approach, abused by buyers to share encounters and make a basic information on items and administrations; on the other, it gives directors an immediate channel for speaking with customers through a business to buyer approach" (Di Pietro and Pantano, 2012). Retailers can enhance their Facebook page offer by including amusements, challenges, and intelligent applications, which can pull in more customers (Di Pietro and Pantano, 2012).

Here we can see that the level of satisfaction is the feeling of belongingness to a friend circle, which are influenced by friends posts on similar ideas, and level of interactivity. Based on this assumption the following research question can be formulated.

R2- What does one seek on a friend's profile/page for travel? and,

R3-Is it influenced by level of involvement one has with travel related posts?

Social capital is formed on an individual level what's more, happens in the connections among people. Moreover, the measure of a person's social capital relies on upon the extent of the system of associations that the customers can effectively assemble (Zinnbauer and Honer, 2011). A person's associations can conceivably help in forming brands into a basic piece of customers' social cooperation by means of interpersonal interaction.

User Generated Content

While online networking gives endless roads to imparting, it is the people who fill in as the influencers not the innovation" (Gonzalez 2010, 23). User generated content produces social capital for advertisers since it characterizes a brand. Social capital extraordinarily influences brand execution. Interpreting the hypothesis into today's universe of exponentially progressively social cooperation on the web, social capital can likewise be comprehended as the sum of genuine and potential assets accessible to a brand from its nearness in interpersonal organizations and groups" (Zinnbauer and Honer, 2011).

There are six segments of social capital: association, discussion, utility, support, data, and reimbursement (Zinnbauer and Honer 2011). Through their experimental review, Zinnbauer and Honer (2011) build up that albeit social capital comprises of six unique segments, brands don't depend on every one of them to encourage brand devotion among customers. It was found be that as it may, that what made a brand fruitful was being a fundamental piece of individuals' everyday lives. At the point when a brand ends up noticeably incorporated into a shopper's everyday life, it empowers customers to interface, connect, and advantage from likeminded brand customers, and along these lines, the probability of customer produced marketing for a brand expands.

Zhang, Jansen, and Chowdhury (2011) determined that organizations ought to have a brand nearness on a wide range of Social media destinations to expand their purchaser group of onlookers. Inquire about has demonstrated that introduction to electronic informal (eWOM) messages can create more intrigue in an item class than can introduction to data delivered by advertisers (Zhang, Jansen, and Chowdhury, 2011). Today, consumers are more educated of the items they expend because of the web enabling them to pick up access to data along these lines, making dynamic co-makers of significant worth (Zhang, Jansen, and Chowdhury, 2011).

Consumers as co-makers of significant worth can give organizations a vast measure of degree of profitability since it is expanding brand mindfulness, which connotes the significance of eWOM in today's marketing world. Online networking, for example, Facebook permit target buyers to wind up message senders by passing on promotions to companions, associating them to the publicists expressly, or rebranding on the promotion and having those rebrands gone along viral channels (Interactive Advertising Bureau 2009 as referred to in Chu, 2011).

Moreover, organizations are understanding the need to make their own particular image habitations on Social media not exclusively to control some of its image marketing, additionally to remain educated and keep track of the buyer created content encompassing their image. Mangold and Faulds (2009) express that despite the fact that organizations can't specifically control shopper, they do can impact the discussions consumers share in encompassing their image. Correspondingly they express that purchaser's ability to speak with each other limits the measure of control organizations have over the substance and dissemination of information. Social Capital increased through UGC can and ought to be overseen by organizations (Mangold and Faulds, 2009).

Viral Advertising

Viral marketing has turned into a path in which retailers are marketing and giving more data on their brands or items. A viral way to deal with web-based marketing has a noteworthy advantage since communication is more focused to a brand's planned customer (Bampo, 2008). This can be credited to the way that "viral communication manages the advertiser a more prominent level of artistic freedom through a message conveyance medium that is more private and customized, in this manner improving the probability of achieving hard to get crowd individuals" (Bampo, 2008). Viral marketing is "unpaid shared communication of provocative substance starting from a recognized support utilizing the Internet to induce or impact a group of people to go along the substance to others" (Chu, 2011). Various investigations of viral marketing have discovered that silliness, sexuality, stealth, and positive encounters are important elements that add to the accomplishment of viral marketing.

Objectification Process

The constant demand to find and realize one's true self can give people a sense of meaninglessness and emptiness (Cushman, 1990), and depression is a real risk when individuals are 'psychically overburdened by the diffuse but widespread demand that they must be themselves' (Honneth, 2004). A geographer has analysed agoraphobia (literally 'fear of the marketplace') as a postmodern consumer pathology (Joyce Davidson, 2003). Almost all panic incidents, which seem to presage the development of agoraphobia, occur in supermarkets, shopping malls and other 'spaces of consumption', which Davidson also refers to as 'agoraphobic landscapes'. Davidson understands agoraphobia as a gendered condition (the large majority of agoraphobics are women) mediated through consumerist environments.

Identity moves away from categories rooted in nationality and religion and toward 'commercial categories associated with brands and consumables' (Barber, 2007). The central problem is no longer to control desire - for desire is 'blown up out of all proportion' as put it - but to make choices concerning identity and life plans (Houellebecq, 2001).

On the one hand we see a psychology immersed in Western rationalist and individualist conceptions of human beings. Western psychologists think locally and act globally. With the current globalization of economy and culture, psychology may come to serve as a new cultural imperialism, following Lyotard's performance dictum - 'Be commensurable or disappear'. Psychologists take over as new secular missionaries, the technicians striving to make all humankind measurable and the humanistic psychologists preaching a gospel of self-worship. Human beings are de-situated from their culture and taught to pursue their own self-realization through commodities and individual therapy, becoming well-adapted consumers in a free global consumer market (Lyotard, 1979/1984).

Surprise coupled with other emotional reactions can create a halo effect which influences the entire memorization process. The most accessible information in the memory concerning a stimulus an individual has been confronted with is the general impression, the dominant emotion. Then, and only then, after a certain effort, may the different characteristics of the stimulus emerge in the memory (Srull and Wyer, 1989).

Taking into consideration about who influences the travel decision and participate more in making posts viral on social media, a research question can be developed as follows:

R4- Do female users who are involved with travel related posts find conversations on their friend's page more entertaining and visit their friend's account/page more often?

Customer Referral

While net promoter score (Reichheld, 2003) and customers referral esteem (Kumar, 2010) concentrate on the attributes of the people (has) who spread an example of WOM (promoters, spoilers, and so on.), existing examination investigates the impact of an example of WOM on the collector (Christiansen and Tax, 2000). Nonetheless, most existing reviews neglect to catch the system impact in WOM spread (Gupta and Mela, 2008). The idea of "impact" in light of the impact that a customer has on others' exercises inside a social organizing site (Trusov, 2009). The "influential speculation" (Watts also, Dodds, 2007) quickly highlights the significance of the effortlessly affected individuals to the fast spread of data. Concurrent assessment of impact from the point of view of both the affecting (host) what's more, the affected (recipient) individual is further confounded for reasons like, the impact of each singular customers is influenced by the impact of each other customers inside the system to fluctuating degrees (Marsden and Friedkin, 1993), and every person may assume the part of both the host and the beneficiary.

User who got a wise destination choice and solutions to specific trip related problems from the content of the friend's profile/page, which were eye-catching, entertaining and provided ideas; would like to say positive words about place, and platform to others. The research questions that arises from the above assumption are as follows:

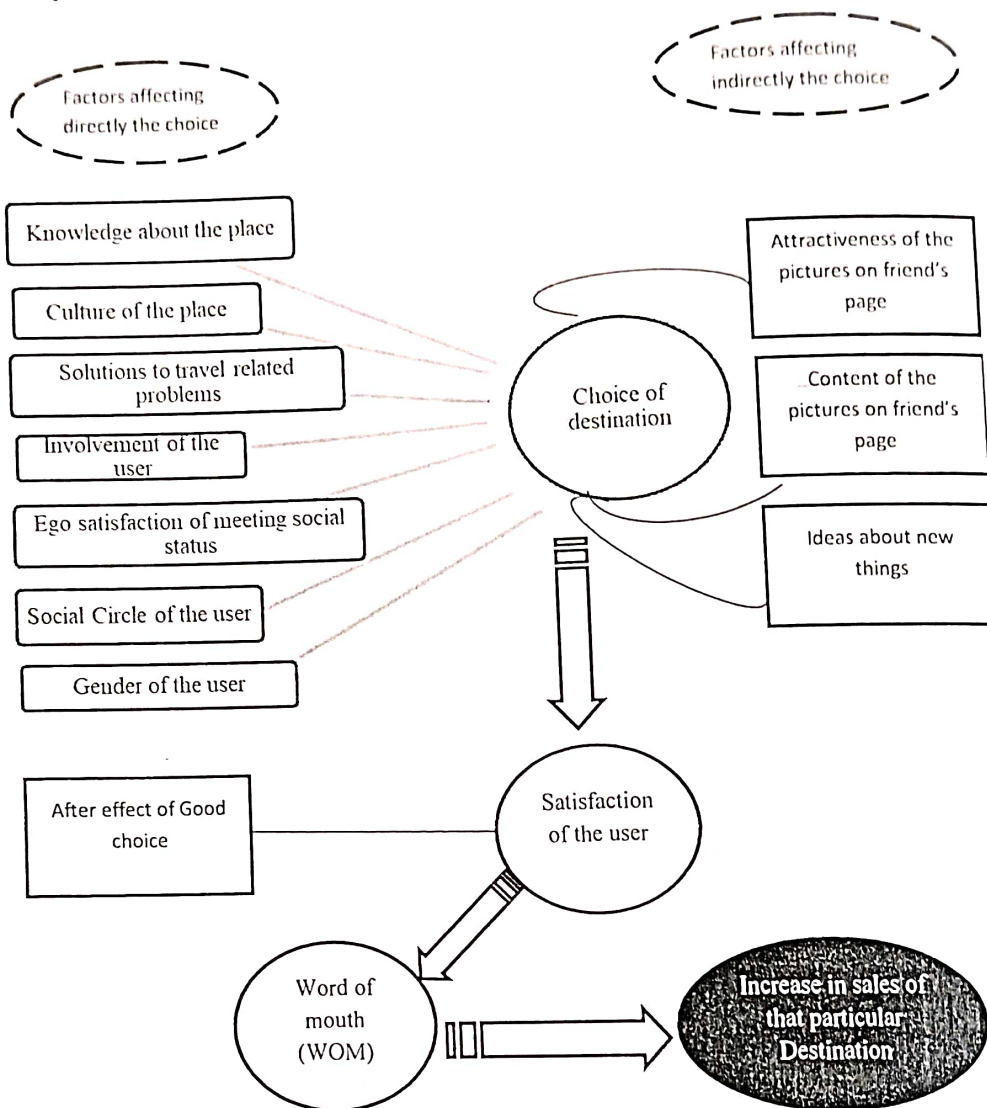
R5- Do eye catching and good content pictures on a friend's page attracts more user to choose the same destination?

R6- Would the users who have chosen destination based on pictures, give good WOM?

It is found that Social media customers' message sharing practices are additionally credited to the requirement for self-improvement. At the point when customers see an online notice to be predictable with their aspired body-image, they will probably share the message with others since it is illustrative of their identity and what they like. Along these lines, promoters ought to consider the typical and self-expression properties of their online advertisements and coordinate them to focused buyers' self-ideas (Taylor, Strutton, and Thompson, 2012). In different words, the marketing of an organization needs to have comparable qualities with its objective markets advantage.

Customers impact assessment (CIA), that is characterized as the net impact employed by a customer's (in an informal organization) as far as his or her capacity to spread positive or negative WOM through his or her immediate and indirect associations, to quantify the impact of a person in an informal community.

Figure 1. Conceptual Model of Dependent and Independent Variables



Data and Methodology

The literature study has led us to contemplate on online tourism and if customer engagement in online platforms important for evaluation of destination choice for vacation. It also emphasizes on Influencer's evolution and the ways in which customer loyalty in different platform vary and is related to the influencers on social media. If the Influencers help in increasing the perceived value of a destination, then how to use them to market the tourism destinations.

A group discussion was conducted with the participation of people to capture their experiences and views regarding specific issues closely related to the research question. Focus group data collection methods was followed as the initial survey response showed the need for multiple perspectives needed to be obtained regarding the same problem with different people from every type of customer segment identified in that survey. The Initial Survey was conducted and got 253 responses and the focus group had 33 people. The Focus group study was led by a moderator who is responsible to ensure that group discussions remain focused on research area.

The example gather in this investigation contains populace with the age 18-54 who have access to social media in India. In this examination, we initially relate dynamic Social media measures, for example, "brands" and "discussions" to understand the part and effect of impact in buy choices. The objective was to utilize these activities in online networking to in this traveling enthusiasm. This structure therefore measures the effect of WOM on deals, to gauge the virality of WOM on Social media, by measuring the impact of each customer as far as his or her capacity to spread WOM through his or her different friends and connections. This leads us to a framework for the methodology that can help us determine the level of influence.

Research proposal on relation between Social Media and Consumers destination choices was restricted to analyze market through studying the scope of social media in facilitating destination marketing, analyze user perception by looking into the distinctions between the travel portal and social media as per customer perception, analyze the buyer recognitions and brand personality produced through the corona impact of influencers in the Social media and analyze the net impact of opinion leaders or influencers on their social circles.

The data collected was analyzed through multiple regression analysis, the problem of interest is the nature of the relationship itself between the dependent variable (response) and the (explanatory) independent variable. The analysis consists of choosing and fitting an appropriate model, done by the method of least squares, with a view to exploiting the relationship between the variables to help estimate the expected response for a given value of the independent variable.

Results and Discussion

The focus group analysis was done on the data of initial survey done for 253 responses. The results showed that people preferred choosing a destination over social media more. The various platforms they followed showed a huge user base in facebook and Instagram. This shows that the pictures that their friends post on social media influences them a lot than the content given in other performans.

Figure 2. Preference of platform

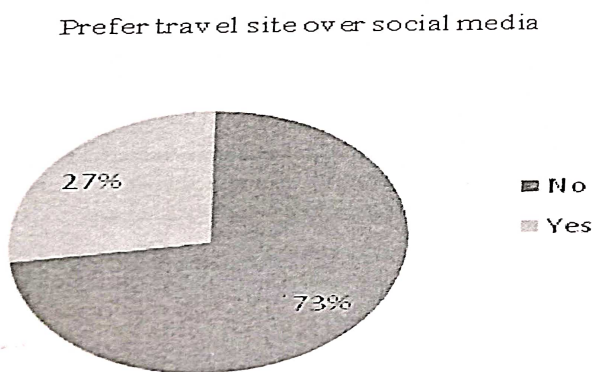
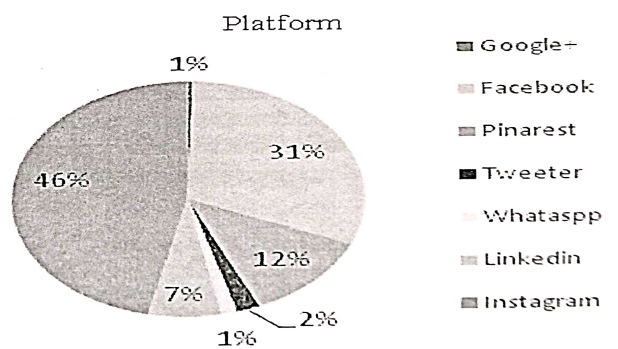


Figure 3. Various platforms that users followed



Results of the research question based on the focus group data:

Table 1: Regression results of the research questions asked in the focus group discussion.

Regression Statistics	P-value
R1. Whether the conversation on friends' profile/page which gives ideas about a destination, influences consumers? i.e. the users who engage with a certain destination on any Social Media platform.	0.71183506
1. I already have knowledge of the place and its importance.	0.123667586
2. I use google to obtain solutions to specific trip related problems rather than social media.	0.051732449
3. Knowledge about local people, culture and important must visits of the destination is found in google than social media.	
R2. What does one seek on a friend's profile/page for travel? and,	P-value
R3. Is it influenced by level of involvement one has with travel related posts?	0.014929481
4. Conversation on his/her profile/page makes me feel simulated and provides me with ideas	0.000518016
5. Based on interactivity on a friend's profile/page I decide to follow it.	0.531051036
6. I use social media for connecting and not for travel related posts.	
R4. Do female users who are involved with travel related posts find conversations on their friend's page more entertaining and visit their friend's account/page more often?	P-value
7. I prefer to visit a friend's page if it contains travel related posts.	0.001421366
8. I call my friends for conversations than commenting on this his/her profile/page for entertainment.	0.057492675
9. Conversations are not based on Gender.	0.410479814
R5. Do eye catching and good content pictures on a friend's page attracts more user to choose the same destination? And	P-value
R6. Would the users who have chosen destination based on pictures, give good WOM?	
10. The contents of the brand profile/page even if eye-catching does not influence me.	0.799208475
11. My choice of destination was wise.	0.017562225
12. Conversations on my page are entertaining and I come here for them.	0.648857114
13. Conversation on my page makes me feel simulated and provides me with ideas	0.917643218

Research problem R1 results:

The conversation on friends' profile/page which gives ideas about a destination, influences consumers who engage with a certain destination on any Social Media platform for enhancing knowledge, culture and importance of the destination and to obtain solutions to specific trip related problems. The results show that the social media posts help in enhancement of knowledge of the place and its importance provides ideas that one looks before deciding destination through social media. Users visit pages for getting solutions to specific trip related problems provides ideas that one looks before deciding destination through social media. Also, social media helps enhancement of knowledge of culture provides ideas that one looks before deciding destination through social media.

Research problems R2 and R3 results:

The level of satisfaction is the feeling of belongingness to friend circle, which are influenced by friends posts on similar ideas, level of interactivity one seeks on a friend's profile/page and, level of involvement one has with travel related posts. The results show that the conversation on friend's profile/page and interactivity does not make the user feel simulated with ideas, or increases the level of satisfaction that a customer seeks after posting about a destination and satisfaction of their choice and feeling of belongingness to their friend circle. Whereas the involvement of user with a travel related posts, increases the level of satisfaction that a customer seeks after posting about a destination and satisfaction of their choice and feeling of belongingness to their friend circle.

Research problem R4 results:

The conversations on a friend's page which is entertaining, increases the number of visits on the account/page. Gender of the user affects the frequency of the visits on a friend's account/page. Whereas the involvement of user with travel related posts does not increase the frequency of the visits on a friend's account/page.

Research problem R5 and R6 results:

User who got a wise destination choice and solutions to specific trip related problems from the content of the friend's profile/page, which were eye-catching, entertaining and provided ideas; would like to say positive words about place, and platform to others. The availability of solutions to specific travel related problems on social media, increases the willingness to say positive words about destination, and platform to others. Satisfaction of the user of choosing the right destination, increases the willingness to say positive words about destination, and platform to others. Contents of friend's page which are eye catching, encourages the customer to decide the destination and thus increases the willingness to say positive words about destination, and platform to others. Content of friend's page is entertaining, encourages the customer to decide the destination and thus increases the willingness to say positive words about destination, and platform to others. Content of friend's page which provides ideas, encourages the customer to decide the destination and thus increases the willingness to say positive words about destination, and platform to others.

Conclusion

The above analysis results give us few parameters which are important for a user to choose a destination by getting influenced on social media like enhancement of knowledge of the place and its importance and culture of the place, solutions to trip related problems. It also reflects that involvement of user with travel related posts, increases the level of satisfaction and the conversations on a friend's page which is entertaining, increases the number of visits on the account/page. Female users are frequent visitors on a friend's account/page and contents of friend's page which are eye catching and entertaining encourages the customer to decide the destination and thus increases the willingness to say positive words about destination, and platform to others.

Contrast to the above the level of interactivity that user seek does not increase the level of satisfaction that a customer seeks after posting about a destination and satisfaction of their choice and feeling of belongingness to their friend circle. Involvement of user with travel related posts does not increase the frequency of the visits on a friend's account/page, who have posted any travel related posts. And the satisfaction of the user of choosing the right destination does not increase the willingness to say positive words about destination, and platform to others.

Visitors require a personal approach, intelligent, creative, interactive, communication and messages including empathy and emotions. They want to participate in the creation of tourism products and want to buy based on relationship. Social media can help destinations to remain competitive if they present interesting content, use creativity and support and motivate interactive communication.

As of late, neuro-marketing has picked up constantly more intrigue and consideration in both established researchers and broad communications. In any case, it is imperative for the logical and advertising groups to find a solution to a progression of inquiries identified with the utilization of neuroscience in advertising research. Specifically, it is critical to comprehend which could be the down to earth utilization of such sort of neuroscience research in marketing, and how it can be bettered in future research. Actually, right now the neuroscience has restored an arrangement of connections between various properties of the neurophysiologic cerebral signs and the way of the marketing jolts.

From the perspective of retention procedures, it has been proposed as deferred reactions could be a test for the remembrance on long haul memory performed amid the perception of a business marketing. In the

event that these signs of remembrance are valuable in marketing research it is an intriguing inquiry.

Further Research and Benefits

This study has armed a robust methodology to measure the effectiveness of social media marketing expenditures and maximize the ROI of social media campaigns. This research can help in formulating strategy for any travel related services that are influenced by the customer review. Its can help in Product design and to evaluate the platform which should be considered for social media buzz.

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Covid-19 and its Impact on Indian Economy

Salma Chothiawala*

Abstract

In the 21st Century, Economy has faced various pandemics like SARS, MERS-COV, N1H1 (Swine Flu) and Ebola. In late December 2019, a new coronavirus pandemic outbreak in Wuhan province of China and fast spread around the World. WHO has announced a Public Health Emergency. The United States of America has shown the highest Number of Covid-19 patients till date, while India stood at 2nd position (till 31st October 2020). The total Confirmed cases are 81,82,881 and total deaths 1,22,149 in India. The paper analyses the coronavirus pandemic outbreak and shows its impact on Indian Economy. It examines various measures taken by the Government of India and RBI to overcome this situation and to push up the economy. The study shows the impact of outbreak on GDP, Inflation rate, Unemployment rate, crude oil, stock market, gold market, Industrial production, Repo rate and reverse repo rates, Exchange rates and Foreign Trade. The study Concludes that there is a significant impact of Coronavirus pandemic on Indian Economy. GDP, Foreign trade, Repo and reverse repo rate, Crude oil prices, Industrial production and Exchange rates has shown Negative impact and Inflation rates, Unemployment rates and Gold prices has shown positive impact on Indian Economy. Government of India and RBI have taken efforts but are insufficient or less than adequate fiscal stimulus as per the population and economic problems.

Key words: Covid-19, GDP, Inflation, Unemployment Rate, Stock Market.

Introduction

The covid-19 had come with the two types of shocks, Economics shocks and Health shocks. The novel coronavirus is a type of infectious and respiratory virus that causes illness and can be transmitted amongst the individuals. To overcome these health shocks various policies were implemented like social distancing, quarantine, self-isolation, lockdown in the whole nation. The policies or actions will ultimately affect or show its impact on the economy. This has raised the fear for the global economic slowdown. What is Covid-19? Covid-19 is an infectious respiratory disease which was recently discovered from coronavirus. It is a single stranded RNA virus; it is wrapped with virus particles which is approximately 120 nm in diameter. Coronavirus is named based on its appearance like Crown under electron microscope (corona means crown in Latin term)

Coronaviruses are largely family viruses that cause the illness of the respiratory diseases or gastrointestinal diseases. There are more than 40 different varieties of a coronavirus. It is only zoonotic in nature which means it can be transmitted between animals and humans. In 20th century, the World economy has experience various coronavirus pandemics such as Spanish influenza in 1918, Asian flu in 1957, Hong Kong flu in 1968 and in 21st century, the first known Several Acute Respiratory Syndrome (SARS) epidemics was recognize at the end of February 2003, it was transmitted from civet-cat to humans. A second outbreak was Middle-East Respiratory System (MERS-COV) which outbreaks in 2012 in Saudi Arabia and transmitted from dromedary camel to humans, A virus named N1H1 which commonly known as Swine Flu outbreak in march 2009 in US and Mexico and Ebola virus outbreak in Guinea and Democratic Republic of Congo (DRC) in 2013-14 which can be transmitted to humans from wild animals.

Recently in 2019, the novel coronavirus originated in the central Hubei province of China. This virus can be transmitted from human to human but its main source is yet to be discovered. The origin of this outbreak was linked to the Huanan Seafood Wholesale Market. On 31st December 2019, in Wuhan town, Hubei Province,

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the China Health Agency alerted the WHO for having a multiple case of pneumonia in Central China with uncertain Etiology. On 7th January 2020, Chinese center for disease control and prevention (CCDC) identified this novel coronavirus. WHO has also collected various samples of this virus for analysis purposes. On 11th February 2020, WHO had named this unknown new virus as 'Covid-19' (coronavirus disease 2019). It is also referred to as SARS-COV-2.

The World Health Organization has declared SARS-COV-2 as International Public Health Emergency (PHEIC). This pandemic is quickly growing in China and spreading in many other Nations. Up to 31st October'2020, the virus has spread over more than 210 countries and territories around the world. The cases reported a total of 46,421,757 confirmed cases and 1,200,362 total deaths all over the world. The highest coronavirus cases were found in the USA with 9,937,294 and China has 86,151 cases overall. In India, the first case was reported on 30 January 2020, in Kerala when a University student who arrived back from Wuhan was confirmed to have a positive case. As on 19th May, the Minister of Health and Family Welfare have confirmed a total number of 1,01,139 cases, 39,179 recovered and 3,163 deaths in the country. On 22nd March 2020, the honorable Prime Minister Narendra Modi had announced the Janata Curfew for 14 hours before the lockdown, from 25th March onwards the lockdown 1.0, 2.0, 3.0 and 4.0 has begun till 31st May in different phases to control the situation of the economy in India. Unlock 1.0 started from 1st June 2020 with some new rules and restrictions in India. Not only in India, but Worldwide the situation of lockdown, quarantine and various similar restriction known as stay at home orders, shelter in place orders, shutdown was followed to prevent future spread of this SARS-COV2 or Covid-19

The pandemic has shaken up the whole Global economy and the Indian Economy is experiencing the downward flow over the past few quarters. This outbreak has shown various social, economic, political, socio-cultural, educational and many more impacts on the Economy. No sector has been left. In other words, there are various demand and supply disruptions influencing each other, which slows down the Indian economy. Impact on supply chains are like Factory shutdowns, logistical bottlenecks, disruptions in availability of the input, labor shortage, drying of cash flows etc. Whereas Impact on demand would be like cutting in consumer's spending, lower global demand, loss of income and employment, weaker sentiments. The initial impact of the covid-19 has shown on the supply side as factories disclosure in China and spread of pandemic in rest of the world gives an external shock due to stagflation, which results in contraction of demand. This ultimately shows its impact on the long-run growth of the economy. The paper examines the various factors of demand and supply side which is affected by the covid-19 in India.

In the upcoming time, Indian economy is going to face huge challenges for the growth of the Economy. The Government of India and RBI has also taken various Financial steps to pull the economy out of this pandemic. The paper analyses the trend of coronavirus pandemic all over the world and in India, it further examines the impact on Indian economy due to this outbreak and what are the various government and RBI measures taken to raise the Economy.

Literature Review

Kasare (February 2020), the article focuses on covid-19 and its impact on tourism industries in India. The study includes the top 10 popular States of the tourist visits in India. It also analyzes the number of the foreign tourist arrivals in India and foreign exchange earnings of India from tourists before covid-19 and it shows various decisions taken by the government for removal of the covid-19. The secondary source of data is being used for analysis. It shows various effects of the covid-19 on tourism of India like unemployment, financial loss, fiscal deficit and hostile behavior towards the foreigners. It concludes that there is a tremendous loss of too many sectors including tourism. It is found that this will result in the huge loss for the country's GDP and proper measures should be taken by the government to recover these losses.

Reshi, Showkat, Rather and Mir (March 2020), this review aims to provide summary and critical analysis of early finding on the epidemiology, transmission pattern, preventions and controls and Economic impact of India 2019 n-Cov. The study uses the secondary data for the analysis. It concludes that responses mounted to covid-19 threats have largely been reactive. It has clearly demonstrated the weak preparedness against the emergence and re-emerging dangerous pathogens across the world. Further, initiation of the militarized control efforts, discrimination travels restrictions and poor coordination and planning has shown the limited ability to handle an outbreak with this pandemic across the world.

Maital and Barzani (March 2020), this research paper surveys summaries recent research and reports on the global economy. It shows various macroeconomic impacts like the supply side of the economy and demand side of the economy. It includes three main ways which affect the global economy are production, creating supply change and market disruption(supply) and its financial impact on the forms and market (demand). It finally concludes that exports epidemiologists assert that covid-19 will not disappear. It shows the major impacts on the supply side rather than the demand and larger remedies are applied to the demand side and further concludes that various business measures should also be taken to overcome this pandemic.

Dr. S. Gunaseelam and Dr. N. Kesavan (April 2020), the article examines the few aspects related to business and economic relations of the world economy and Indian economy before, during and after covid-19. It further gave an idea to policy makers to improve Indian economy and suggested some measures for the government to improve the national income in India. The time period of the study is from 2018-2020. The impact of the covid-19 is shown on International trade, gold market, stock market, Industrial progressive, Service sector of the economy and its impact on the business recession, agricultural sector and role of social quarantine. The study concluded that the Indian economy is highly affected by this tragedy of covid-19. The possibility is highly possible due to the world economic recession. It suggests that the social distancing and efforts of various departments like police, health, telecom and other services-oriented departments are helping to succeed in the stringent situation.

Chopra (April 2020), the article attempts to assess the current pandemic situation in India and various other Asian and Developed Economies. It further examines the probability of the effect of this pandemic in India's real estate sector which is an important contributor to GDP and discusses various efforts made by the Indian government to offer some respite to its vulnerable population in general and real estate sector in particular. The study concludes that real estate giants have been expecting and urging the government to 'give oxygen' to the industry by giving it access to the cheaper funding or delay liabilities by a year.

Selvam and Premanth (April 2020), the paper reports the condition of Indian financial framework in pre-covid-19 period. It analyzes the GDP and issues of NPAs in the Indian financial industry. The time period of the study is from 2019-2020. The study concludes that the large size of population, precautions situations of the economy, financial services in pre-Covid period and the economy's dependence on informal laborers, lockdown and social distancing measures would be hugely disruptive. The study provides suggestions to policymakers to scale up the responses and minimize the impact of the shocks on the formal and informal sector. It further concludes that it is not possible to have a zero NPA's but management shows they have speedy recovery processes to overcome this problem.

Venkatesh, Mutyala and Yadav (April 2020), the study analyzes the outbreak of covid-19 in India and its impact on the various major factors like stock market, gold price, oil price and currency of the economy. The time period of the study is from 2019 to 2020. The study concludes that gold price increases to almost 44,913 at the end of the March 2020, Nifty-50 has touched a low of 9,107 intraday on 13th March 2020. Nifty losses 3000 points from the beginning of 2020, crude oil prices have declined and on 16 March 2020 exchange rates were increased to 1 US dollar is equal to 79.016 INR. This outbreak has affected the economy the most. It concludes that economic policy choices have an important bearing on cushioning the implication of these measures and to speed the economy for moving back to normal conditions.

Kumar, Thombare and Kale (April 2020), the article analyzes the outbreak of the pandemic covid-19 and sector-wise impact on Indian industries compared with China. It shows impact on industries like the chemical industry, auto industry, foreign trade, electronic industries and effect on poultry. It finally concludes that chemical, auto & electronics major suppliers and plants are shut down in China which affect prices heavily. The import and export are also highly disrupted and lastly the prices of poultry like chicken, meat, fish, eggs have also fallen because of the robes that novel coronavirus is transmitted through their consumptions.

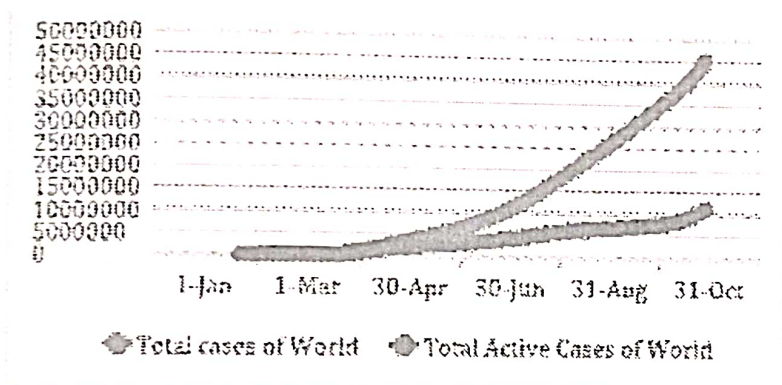
Methodology

- It is an explanatory and conceptual type of study. The secondary source of data has been used to analyze the trend and impact on Indian Economy from Newspaper Reports, Research Papers, Journals, Articles and Website as well the study includes time period from January 2020- October 2020.
- Hypothesis:
 H0: Covid-19 shows insignificant impact on various Macroeconomics factors of India.
 H1: Covid-19 shows significant impact on various Macroeconomics factors of India.

Covid-19 Cases across the World

All over the world, the pandemic covid-19 has been spread. First case was found in China in December 2019, the USA has the largest number of cases of this covid-19, whereas the UK, Italy, Spain, Russia, Brazil, France are also worse hit.

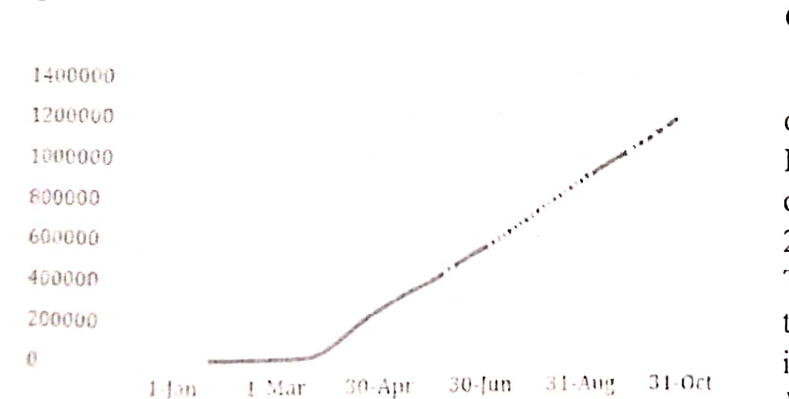
Figure 1: Total Confirmed Cases and Active Cases in the World



The covid-19 cases in the world are showing an increasing trend. Till 7th June the total confirmed cases in the world are 7.1 million, total active cases are 3.2 million and total number of deaths are about 4.05 lakh. But till 31th October, 46.42 million total confirmed cases were registered, total active cases are 11.46 million and total deaths about 1.2 Million has been recorded.

Source: <https://www.worldometers.info/coronavirus/>

Figure 2: Increase in Covid Cases in the World



Source: <https://www.worldometers.info/coronavirus/>

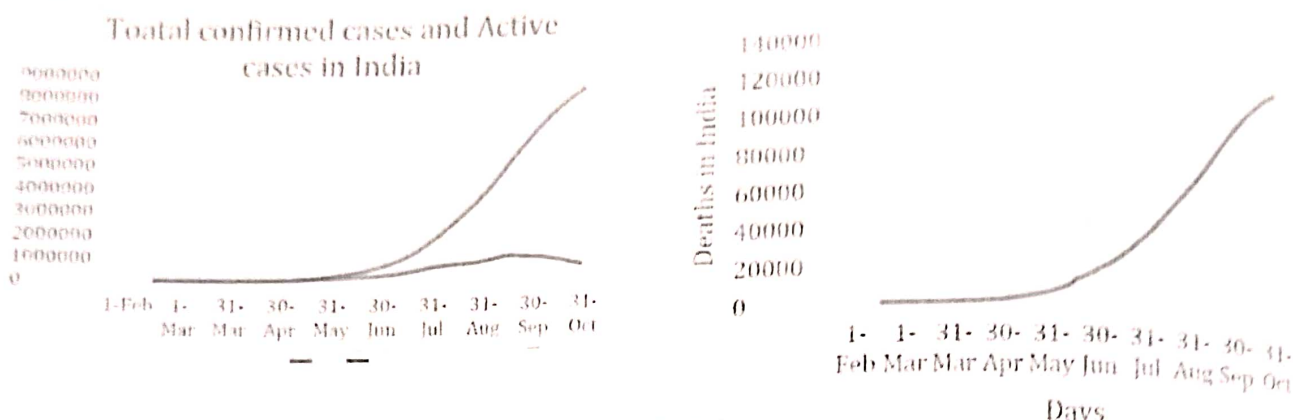
Covid-19 Cases in India

In India, the first case was registered on 30th January 2020 in Kerala, till 15th of February 2020 there were around 3 confirmed cases of covid-19 and first death took place on 2nd of march 2020. As shown in the diagram. The confirmed cases showed an increasing trend, till 7th June 2020 the confirmed case has increased to 2.5 lakh, total active cases around 1.2 lakh and total deaths occurred to 7,207. The total recovery rates of covid-19 patients are

around more than 50%. India was in 5th position till 7th June amongst the list of countries worst affected by this pandemic. But till 31th October the total confirmed cases have increased to 8.1 million, total active cases were

5.7 lakh and total number of deaths were 1.2 lakhs. India is now at second position in highest number of cases after U.S.A.

Figure 3: Total Confirmed Cases and Active Cases in India



source: <https://www.worldometers.info/coronavirus/country/india/>

State-wise Cases in India

The table shows the top 5 states of India with highest Coronavirus patients. The most affected state is Maharashtra where more than 43000 deaths till 30th October 2020 have occurred. Mizoram is the lowest affected state with 2,694 confirmed cases. While Gujarat is at 15th position with 1,70,878 confirmed cases.

Table 1: State-wise Cases in India (till 30th October 2020)

States	No. of cases
Maharashtra	16,66,668
Andhra Pradesh	8,17,679
Karnataka	8,16,809
Tamil Nadu	7,19,403
Uttar Pradesh	4,77,895

Source: <https://www.mygov.in/covid-19/?cbps=1&target=webview&type=campaign&nid=0>

Impact on Indian Economy

In order to reduce the spread of the coronavirus, Government of India has been announced the lockdown of 65 days in different phases from 25th March to 18th May 2020. Where all non-essential services and business, educational institutions, schools, places of religious worships, tourism and travel, public utilities and even various government offices were closed during this period of time. This lockdown time period was taken to prepare the health system and various plans were made out of how to deal with this pandemic. As India's Public Health System (PHS) is relatively poorer than developed and developing countries. India has spent about 15% of GDP on improving the Public Health system.

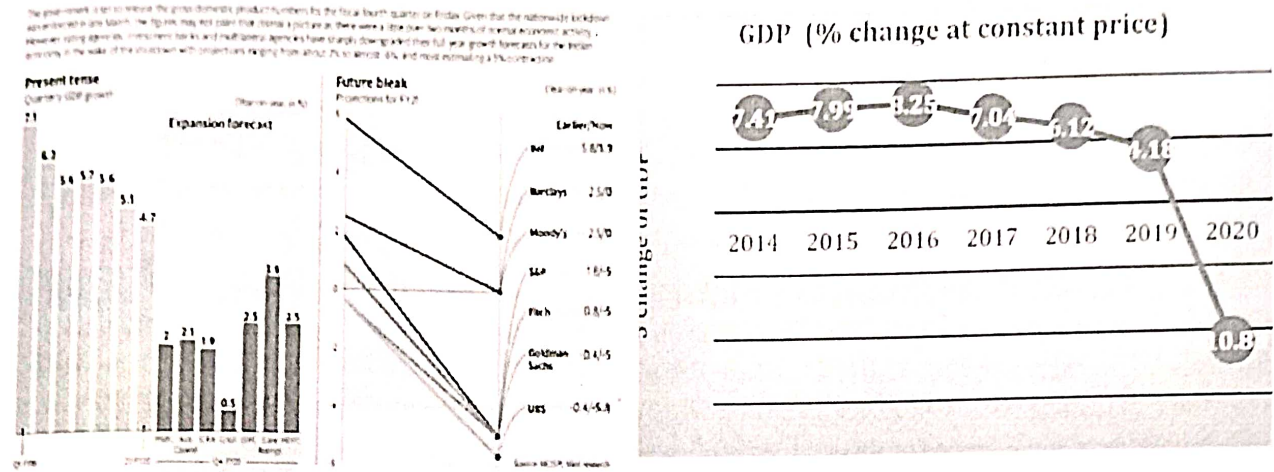
The never experienced before lockdown presumes to have a significant adverse effect on the Indian economy. The production of the goods, imports, exports, transport of the raw materials has been severely restricted. All the activity has been disrupting the supply and demand chain in the most sectors. These factors will adversely affect our productions, consumptions, employment, investment, exports etc. which will slow down the economy's growth rate. The various impact on the economy due to this outbreak are as follow:

1) Gross Domestic Product

This pandemic came at a time when the Indian growth rate was falling down. GDP in 2019 was about 4.18% which is the lowest since 2014. Due to lockdown, weak domestic consumption and production, delay in

investments etc. leads to pressure on Economic Growth. According to the World Bank Assessment, India is expected to grow from 1.5% to 2.5% & IMF projected GDP rate to about 1.9% in April 2020 because this noble pandemic has affected the global economy and the World Bank forecasted GDP to 3.2%, Earlier it was projected between 1.5% to 2.8%. This crisis is considered even worse than the Global Financial Crisis of 2007-08 since the Great Depression of 1930's. The World Economic Outlook Database of October 2020 shows contraction by 10.3 % in growth of India and forecast of 8 % by 2021.

Figure 4: Gross Domestic Product and Covid



Source: World Economic Outlook Database, october2020, IMF. Image source: Times of India https://www.imf.org/en/Publications/WEO/weo-database/2020/October/weo-report?c=534&s=NGDP_RPCH&sy=2014&ey=2025&ssm=0&scsm=1&sc=0&ssd=1&ssc=0&sic=0&sort=country&ds=.&br=1

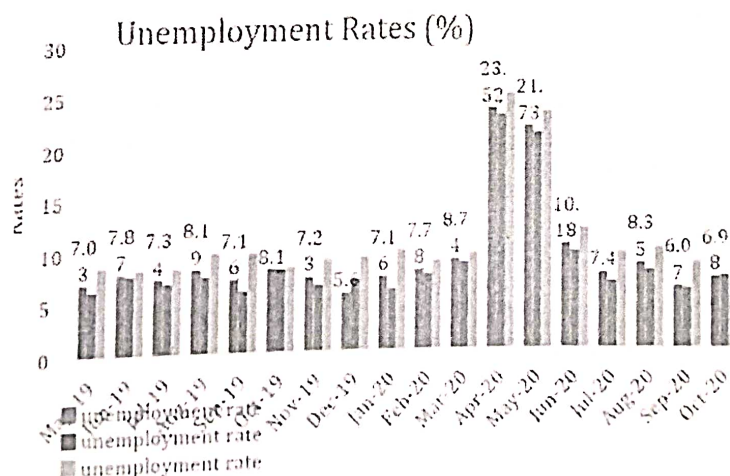
2) Unemployment Rate

During this lockdown period all business, educational institutions, industries, hospitality services etc. were closed down. Which has affected the unemployment rate to a major extent. Migrants have suffered a lot and about 120 million workers had lost their job in the month of April 2020, among which 27 million was youth between the age group of 20-30 years.

The unemployment rate in India has risen to 23.5% in April 2020 from 8.74% in March 2020. In the beginning of the month of May 3rd 2020, the unemployment rate was the highest ever about 27.1%.

At the end of April 2020, the highest unemployment rate in state India was seen in Pondicherry at 75.8%, Tamil Nadu 49.8%, Jharkhand at 47.1% and Bihar was about 46.6 % but the hilly state shows the lowest unemployment rate as in Himachal Pradesh at 2.2%, Sikkim at 2.3%, and Uttarakhand at 6.5%.

Figure 5: Unemployment Rate in India



<https://unemploymentinindia.cmie.com/kommon/bin/sr.php?kall=wshowtab&tabno=0001>

But In the month of May 2020, Jharkhand was at 59.2%, Pondicherry at 58.2%, Bihar at 46.2% Tamil Nadu at 33.2% and Delhi at 44.9%. Even the unemployment in hilly areas like Himachal Pradesh has increased to 28.2%, Sikkim at 24.5% and Uttarakhand at 8.0%.

While in hilly areas the unemployment increases due to lack of industrialization and more of tourism. The Government has given various alternatives like to increase the IT companies and food- processing industries to overcome this situation. But it was considered a universal problem. Further, this unemployment rate has reduced to 6.98% in the month of October 2020.

3) India's Foreign Trade

The covid-19 also has affected foreign trade. WTO has predicted the global trade volumes to drop sharply between 13% to 32% which has not been seen before. China is the major exporter for India. India plans to cut down the import from China and should focus on improving safety compliance and quality of the global market share.

The export and import of merchandise trade and service trade has declined in April 2020 as per government press release on India's foreign Trade on 15th May 2020. The trade deficit of merchandise trade has declined from 15.33 billion USD in April 2019 to 6.76 billion USD in April 2020. Whereas the trade deficit of service trade in April 2019 was 83.05 billion USD reduced to 6.93 billion USD in April 2020. The overall trade has experienced a trade surplus for the first time in April 2020 of about 0.16 billion USD.

But when we see the press release of the Government for the month of September 2020, the trade deficit of Merchandise trade has further reduced to 2.72 billion USD and the overall trade surplus has increased to 17.74 billion USD. The information provided by the government for the 'Indian Foreign Trade- September 2020' through Press Releases on 15th October 2020 are as follows:

Table 2: India's Foreign Trade and Covid

Merchandise April- September 2020	Services April- September 2020- 21* (Estimated)	Overall Trade = Merchandise + Services April* 2020 (Estimated)
Exports USD 125.25billion (-21.31%)	Exports USD 96.62billion (-9.75%)	Exports USD 221.86 billion (-16.66%)
Imports USD 148.69billion (-40.06%)	Imports USD 55.44billion (-18.54%)	Imports USD 204.12 billion (-35.43%)
Trade Deficit USD 23.44 billion	Net of Services USD 41.18billion	Trade surplus USD 17.74 billion

Source: RBI Press Release dated 15th October 2020.

*Note: i) The latest data for the services sector released by RBI is for August 2020. The data for September 2020 is an estimation, which will be revised based on RBI's subsequent release ii) the figures in brackets are growth rates vis-à-vis the corresponding period of last year.

Table 3: Merchandise Trade

EXPORTS & IMPORTS (US \$ Billion) (PROVISIONAL)		
	September	April -September
EXPORTS (including re-exports)		
2019-20		
2020-21	26.02	159.16
%Growth 2020-21/ 2019-20	27.58	125.25
	5.99	-21.31
IMPORTS		
2019-20		
2020-21	37.69	248.08
%Growth 2020-21/ 2019-20	30.31	148.69
	-19.60	-40.06
TRADE BALANCE		
2019-20		
2020-21	-11.67	-88.92
	-2.72	-23.44

Table 4: Service Trade

EXPORTS & IMPORTS (US \$ Billion) (PROVISIONAL)		
	August 2020	April- August 2020
EXPORTS	16.44	80.28
IMPORTS	9.60	45.95
TRADE BALANCE	6.84	34.33

<https://pib.gov.in/PressReleasePage.aspx?PRID=1664831>

4) Inflation Rate

Due to the coronavirus pandemic, the economic growth rate has been slowing which shows its impact on the inflation rate of the country, which is highly uncertain during this period. India CPI % (Consumer Price Index) was estimated in March to be about 5.91% from 6.58% in February 2020 but actual index was about 5.84% in March 2020. But in month of April 2020 it rose to about 7.22% and in September it was 7.34%.

Figure 6: Inflation Rate and Covid



The decision made by the RBI of achieving a medium-term target for CPI of 4% with a band of 2% up & down for increasing growth rate. Getting back to the 4% inflation rate is hard enough but it can be achieved by the monetary policy in conjunction with the fiscal policy, which would be a secondary goal and considered as a big shift.

Source: <https://tradingeconomics.com/india/inflation-cpi>

5) Repo Rates

The monetary policy committee on 22nd May 2020 has reduced the repo rate to 4% from 4.40% whereas reverse repo rate reduced to 3.35% from 3.75% with an objective to ensure inflation remains within the target. The major intention to cut these rates is to make borrowing cheaper for banks and could provide more loans to companies which could push up our economy, but a major problem arises is level of risk aversion which is very high. So, banks are not increasing their lending to stay away from the non-performing assets. The following table represents repo rate and reverse repo rate:

Table 5: Repo Rate and Covid

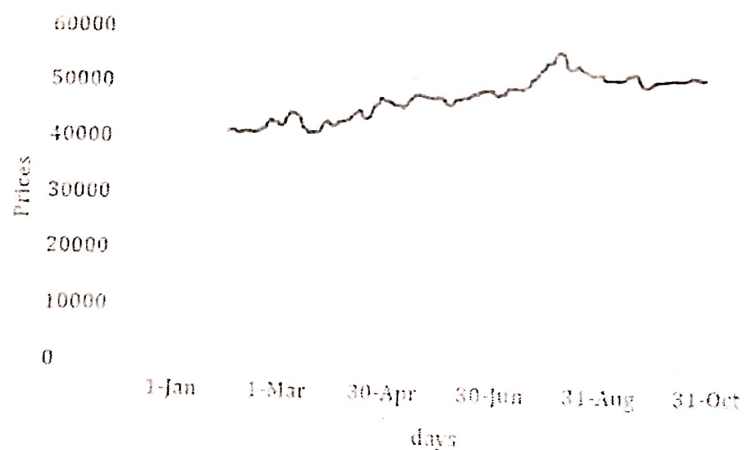
Months	Reverse Repo Rates	Repo Rates
Nov-19	4.9	5.15
Dec-19	4.9	5.15
Jan-20	4.9	5.15
Feb-20	4.9	5.15
Mar-20	4	4.4
April-20	3.75	4.4
May-20	3.35	4
June-20	3.35	4
July-20	3.35	4
Aug-20	3.35	4
Sept-20	3.35	4

Source: RBI <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications>

6) Gold Prices

The trend of the gold prices also shows at an increasing rate due to this pandemic. On 28th May the gold price was about 45,840 rupees and the highest price was recorded on 7th August 2020 which was about 56,000 rupees.

Figure 7: Gold Prices and Covid



Source: <https://www.goodreturns.in/gold-rates/#Weekly+%26+Monthly+Graph+of+Gold+Price+in+India>

There are few reasons behind increasing trend of gold prices which are mentioned below

- Due to a pandemic situation, which led the investor to invest more in gold which is considered as safe-haven appeal.
- Due to U.S. and China sour relationship had witness U.S.-China trade tension

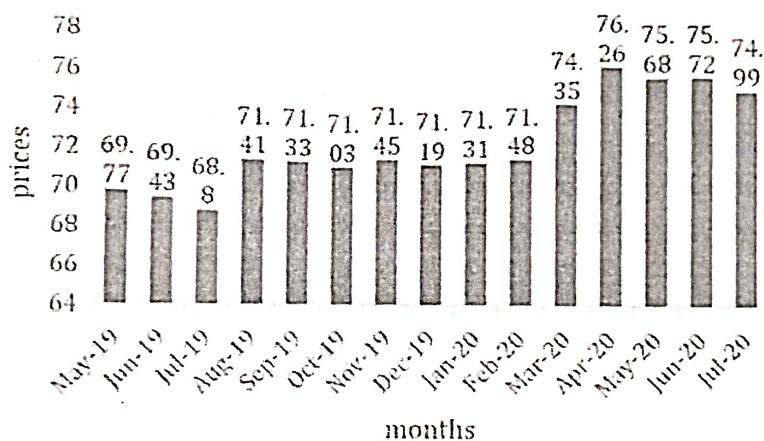
- Due to cut in rates by the central banks which shows a green signal for generating a heavy liquidity in markets and it always led to positive for yellow metals.
- According to the World Gold Council, due to this pandemic the gold mining production has fell down the supply of Gold which resulted in the higher prices
- Exchange rate also plays an important role, Rupee has fallen against the US dollar. which has weakened the domestic equities and foreign fund outflows.

7) Exchange Rate

The virus has adversely affected the various aspects of the Indian economy amongst which one of its impacts is on exchange rate. It is said that stronger the economy, stronger the exchange rate. The US dollar is stronger than Indian currency and it is demanded more. While Rupees is losing its value shown in below graph:

On 22nd April 2020, the exchange rate was highest that is 76.8 rupees but in the month of May 2020 Rupee edges to lower about 75.6 rupees against dollar. Whereas in the month of July 2020, rupee value becomes stronger compared to April, May and June but still not to February 2020. It creates a twin deficit of current account deficit and trade deficit. The Depreciation of exchange rate shows the high inflation in the economy.

Figure 8: Exchange Rate and Covid



Source: <https://dbie.rbi.org.in/DBIE/statistics.rbi?action=RL&f=30&sd=6>

8) Crude Oil

Due to this lockdown, people stay at home and demand for transportation fuel globally has been reduced to about 30%. So, the price of U.S benchmark crude oil fell below zero on 21st April which is considered as historically low ever price. Because the storage capacity reaches its limit and another reason is a price war between Saudi Arabia and Russia is also considered for the impact on oil prices.

Investment in crude oil is dropping down as the U.S. has cut the production to have a balance between demand and supply. India has taken the benefit of this reduction of price. India's capacity of storage is about 5.33 million metric tons. But India purchased 9 million metric tons of the crude oil and stored it in a different area, whereas India has saved 25 thousand crores for the treasury, which is announced by the petroleum & Steel minister 'Dharmendra Pradhan'. The crude oil prices fell by 32.20\$ in March to 21.04\$ in April. Further which rose to about 40.60\$ in the month of September 2020. The price of the crude oil has risen but the demand is still slacked. U.S. inventory data showed a lack of fuel demand from the world largest oil consumer China, due to US-China tension showing its impact on the Global financial market.

Table 6: Crude Oil Price and Covid

Months	Crude oil per \$ barrel
Nov-19	60.40
Dec-19	63.35
Jan-20	61.63
Feb-20	53.35
Mar-20	32.20
April-20	21.04
May-20	30.38
June-20	39.46
July-20	42.07
Aug-20	43.44
Sep-20	40.60

Source: <https://www.indexmundi.com/commodities/?commodity=crude-oil&months=180>

9) Industrial Production

Country wide lockdowns have shown its major impacts on industrial production and various sectors of the economy. Most of the factories and production units are closed but some of them are still functioning. Industrial production in the month of March was conducted to 16.7%. According to MOSPI data, Manufacturing sector output fell by 20.6% compared to the growth of 3.1% in the same month year ago. Electricity generation fell by 68% and Mining sector output remains flat and shows no drastic change. Further, we can say that India has to go beyond self-reliant and need to be 'Made in India' tag to go global.

One major sector in industries which is impacted most is MSME. Because their sizes are small, scale of operation and limited financial & managerial resources. MSMES is the backbone of Economy which provides 114 million employment opportunities. They cannot survive during this period of time because they don't have much capacity to deal with such unexpectancy. India is considered as the third largest ecosystem for the startup. Startups are the main objective of India to grow the business and they are generally done in small companies. There are around 6.3 crores MSMES units which contributes 30% of GDP and about half of export (data by directorate General of the Commercial Intelligence and Statistics).

MSMES has faced a huge financial burden of unpaid salaries, unpaid EMI and closure of various operations with its impact on loss making balance sheets. Which becomes difficult for them to get financial help from NBFCs. The major reason for increase in unemployment is due to negative impacts on MSMES and the industrial sector.

Table 7: Index of Industrial Production

Months	Primary goods	Capital Goods	Intermediate goods	Mining	Manufacturing	Electricity
July-20	114.1	70.9	122.9	87.2	118.8	166.3
June-20	109.2	64.3	102.2	85.4	106.9	156.2
May-20	105.5	37.1	77.6	87.0	82.4	149.6
Apr-20	92.3	7.7	42.0	78.3	45.1	126.1
Mar-20	135.6	76.4	125.8	132.7	114.8	149.2
Feb-20	131.1	97.5	141.5	123.4	133.3	153.8
Jan-20	133.4	102.5	147.1	124.3	137.6	155.6
Dec-19	129.6	93.7	146.9	120.9	135.4	150.3
Nov-19	124.5	91.1	140.9	112.7	130.6	139.9
Oct-19	121.7	88.5	136.4	99.5	126.3	145.8

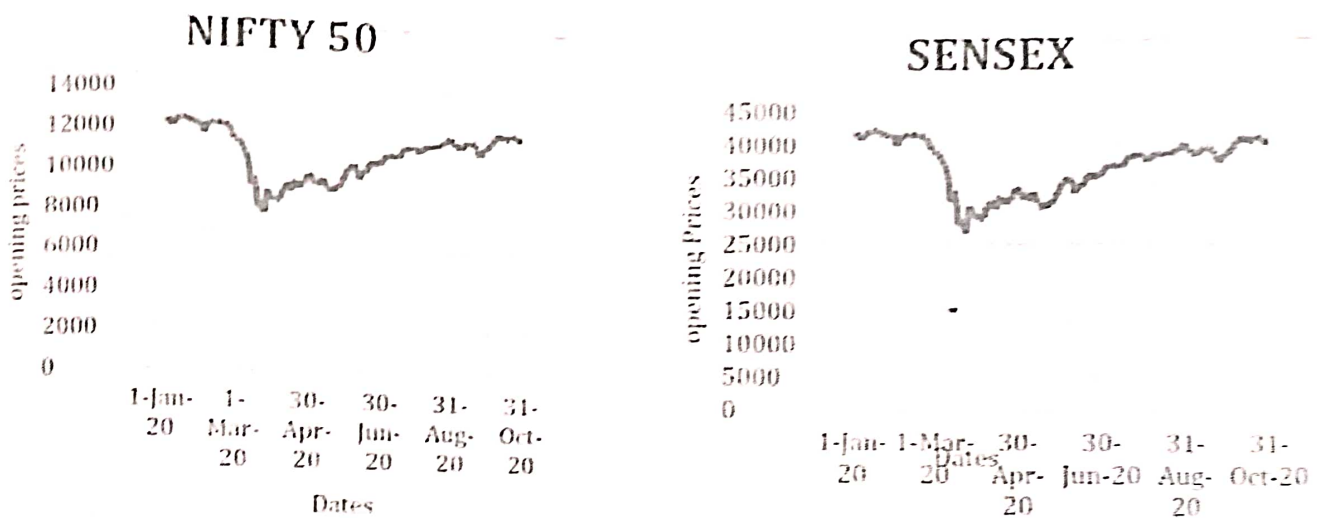
Source: https://www.rbi.org.in/Scripts/BS_ViewBulletin.aspx (RBI monthly bulletins from January to October 2020)

10) Stock Market

The sentiments in the stock market across the globe is gloomy. It affected the share prices all over the world. There are various reasons like fall in oil prices, coronavirus pandemic, Saudi Arabia and Russia trade war, deepening Yes Bank crisis etc. has shown its impact on the stock market in the month of February and March. Covid-19 is considered as Black Swan Event. The Financial Market in India witnessed sharp volatility due to fall in the global market. The investors or FPIs are looking towards their safety side of dollar-backed which leads to sharp fall in Indian stock market. In FY20 the Mid cap failed by 26% while Sensex fell by 22%.

Coronavirus crisis falls are different from past falls. This decline in the share market is considered temporary. The growth is revived up the indexes in the post lock down.

Figure 9: Stock Market and Covid



Source: <https://www.bseindia.com/Indices/IndexArchiveData.html>

https://www1.nseindia.com/products/content/equities/indices/historical_index_data.html

Coronavirus disease has shown its impact not only on the above mentioned factors, not a single sector is left to be affected by this pandemic Other than the above mentioned factors are like drugs and pharmaceuticals, retail sector, wholesale sector, textiles, livestock's, logistics, tourism, metals, automotive, entertainment, Banking, Gems and Jewelleries, Hospitality, Electricity, electronic service sector, agricultural sector, real estate sector, public health sector, corporate sector, educational institution, schools and colleges, financial market, financial services, aviation, capital market, E-Commerce, financial services fintech, private security service, construction, automobiles, medical devices, consumer durables, migraines, livelihood etc.

Government and RBI Measures

Indian Prime Minister Narendra Modi has announced a lockdown in different phases from March 25 to 31st May, which shows a disruptive impact on Indian economy. Where the Government of India and RBI has taken various measures through which the society doesn't feel the pinch of the lock down. Various measures are like

Government introduced the Aarogya Setu mobile app on 2nd April by NFI under Meity. Till 13th May, 100 million of citizens have installed this app. It is a tracking app which uses smart phone GPS and Bluetooth devices features for tracking corona infection.

Union Human Resource Development Minister, Ramesh Pokhriyal Launched a web portal in April named the 'Yukti'- Young Indian Combating Covid with knowledge, Technology and Innovation. It will include various initiatives and efforts of institutions in academics, research especially related to covid-19, social initiatives by institutions and the measures taken for the betterment of the total wellbeing of the students' he said.

Nirmala Sitharaman, Finance Minister announced on 26th March an immediate release of 1.7 trillion rupees package, will primarily focus on migrant laborers and daily wage labor. The package includes:

- Under Pradhan Mantri Garib Kalyan Ann Yojana, across 80 crore poor peoples will be covered 5 kg rice/ wheat and 1kg pulses per household will be given till 3 months under this scheme. Spending of the government will be 45,000 crores.
- 50 lakh insurance will be covered for each health care worker for 3 months like Safai karam Charis, ward-boys, nurses, doctors, technicians and specialists.
- Direct Benefit Transfer (DBT) covers the farmers, MNREGA workers, poor widows, pensioners, divyang, Jan dhan Yojana account, BPL families, under ujjawala schemes, self-help women groups, EPFO organizers, workers, construction workers and district mineral workers.
- Under PM-Kisan Samman Nidhi 8.69 crore farmers benefited with first installment of rupees 2,000 in first week of April, 3 crores senior citizens, divyang and widows will get 1000 Rs in 2 installments over 3 months, 20 crores to Jan dhan women account holder will be covered and compensation of 500 rupees per month for next 3 months.
- BPL families will get free cylinders for 3 months under Ujjawala scheme.
- EPFO has extended the due date of payment of contribution for the wage month of March 2020 from 15 April to 15 may.
- Employee and employer contribution reduced to 10% from 12% for next 3 months (may, June, July 2022) for selected companies.
- The government dedicated to double the collateral free loan to 20 lakhs for self-help groups women under Deen Dayal National livelihood mission which help 7 crore women.
- Individuals could withdraw a three-month salary from EPF account or 75% non-refundable advance from credit in PF account whichever is lower.
- For the welfare of construction and building workers 31,000 crore RS were used to provide relief for medical testing, screening and providing better health care facilities.
- Wages under MNREGA will increase to 202 RS from 182 RS and 2000 RS as additional income will be provided per worker.

Various other announcements are like

- The date of filing income tax return form 2018-19 as extended to 30th June 2020 and delay in income tax payment, interest rate declines to 9% from 12%.
- For filing GST returns for March, April and May has extended till 30th June 2020. No penalty will be charged for late payment for the companies with turnover up to 5 crores.
- Deadline extended from 31st March to June 30 2020 for linking Aadhaar and PAN cards.
- The Pension Fund Regulatory and Development Authority (PFRDA) allows partial withdrawal from NPS to fulfill financial needs towards this pandemic for illness of any member of the family.
- The Finance Minister has announced the medical insurance of 5 million per healthcare worker. About 2 million health services and ancillary workers will benefit from such an insurance scheme.
- Government announced a debit card holder to withdraw cash from bank's ATMs without charges for next 3 months and completely waiver of minimum balance charges for saving bank accounts.

On 27th March, RBI has made an announcement which are as follows

- The repo and reverse repo have declined to 4.40/4.00 percent from 5.15/4.90%.
- The 91 days treasury bill rate dropped to 4.31% from 5.09% on 26th March.
- A new targeted long-term Repo Operation (T-LTRO) mechanism has been announced the limit of rupees 1 trillion which helps banks to borrow short term bases from RBI using the repo window.
- The CRR ratio declined to 3% for the first time in the last 8 years.
- MSF and Bank declined from 5.4 to 4.25%.
- All commercial banks, Financial & Non-financial and Corporate banks are permitted to allow a moratorium of 3 months on payment waiver of installments of term loans outstanding from 1st March 2020.

On 17th April, RBI announced TLTRO2.0 where the 50,000-crore initial, to financials like NABARD, SIDBI & NHB to enable them to meet the rural and agricultural sector credit needs. Further, the reverse repo rate declined to 3.75% from 4% and repo rate to 4% from 4.40%. The Prime Minister office has announced that the PM Care Fund will allocate 3100 crores to Covid relief, including funds for ventilators, migrant workers and vaccine development.

On 12th May, prime minister Narendra Modi announced an economic package of 20.97 lakh crores rupees to wake up the Nobel coronavirus. The vision for this announcement was 'Vocal for local' through 'Atma Nirbhar Bharat Abhiyan' or self-reliance. Under this, self-reliance founded on the 5 pillars namely the economy, infrastructure, technology-driven system, demography and demand. Atmanirbhar Bharat Abhiyan focuses on land, labor, liquidity and law to cater to laborers, middle class, cottage industries, MSMEs and industries among others.

The two different rhymes 'vocal for local' and 'Atmanirbhar Bharat Abhiyan' means the same 'Make in India'. This package is an opportunity to kick start for make in India 2.0. The stimulus will help to revive every sector of the Indian Economy including the demand and supply chain and the manufacturing sector and it is expected to ease the difficulties of the migrant laborers and farmers suffered during this pandemic, taxpayers, help to grow home industry including cottage industry, small scale and MSMEs that provides livelihood to the crores of people. So, this package will re-energize, revamp and reinforce a strong industrial and manufacturing sector for India's in long term growth in post Covid situations. The finance minister has announced the stimulus content of economic package in a five different tranche which are given below:

Table 8: Stimulus Provided by Announcement on First Tranche on 13th May 2020

Measures	Rs (in crores)
Emergency W/C facility For Business including MSMEs	3,00,000
Subordinate Debt for stressed MSMEs	20,000
Fund of Funds for MSMEs	50,000
EPF support for business & Workers	2800
Reduction in EPF rates	6750
Special liquidity Scheme for NBFC/HFC/MFIs	30,000
Partial credit guarantee scheme2.0 for liability ofNBFCs/MFIs	45,000
Liquidity injection for DISCOMs	90,000
Reduction in TDS/TCS rates	50,000
TOTAL	5,94,550

Table 9: Stimulus Provided by Announcement of Second Tranche on 14th May 2020

Measures	Rs (in crores)
Free food grain supply to stranded migrant workers for 2 months	3500
Interest subvention for Mudra shishu loans	1500
Special Credit Facility to Street vendors	5000
Housing CLSS-MIG	70,000
Additional Emergency Working Capital through NABARD	30,000
Additional Credit through KCC	2,00,000
Total	3,10,000

Table 10: Stimulus Provided by Announcement of Third Tranche on 15th May 2020

Measures	Rs (in crores)
Food Micro enterprises	10,000
Pradhan Mantri Matsya Sampada Yojana	20,000
Top to Total: operation Greens	500
Agri Infrastructure Fund	1,00,000
Animal Husbandry Infrastructure Development Fund	15,000
Promotion of Herbal Cultivation	4,000
Beekeeping Initiative	500
TOTAL	1,50,000

Table 11: Stimulus Provided by Announcement of Fourth and Fifth Tranche

Measures	Rs (in crores)
Viability Gap Funding on 16 th May 2020	8100
Additional MGNREGA allocation on 17 th May 2020	40,000
Total	48,100

On 17th May 2020, Finance Minister has gone through the earlier spending done by Government of India which is included in this Economic Package as given in below table:

Table 12: Stimulus from Earlier Measures

Measures	Rs (in crores)
Revenue lost due to tax concessions since Mar 22 nd 2020	7800
Pradhan Mantri Garib Kalyan Package on 26 th March 2020	1,70,000
PM's announcement for Health sector	15000
Total	1,92,800

Source: <https://transformingindia.mygov.in/aatmanirbharbharat/>

The economic package of 20 lakh crore includes PGKY and RBI measures of 9.9 lakh (RBI support is equal to 3.5% of GDP) which was announced earlier and around 11 lakh crore details have been announced by the finance minister. Most observers estimate that Indian economy will not rise but fall in 2021, In spite of this economic package. Government shows the stimulus which is 10% of GDP from with only 1% of GDP is a fiscal stimulus other 9% is RBI measures promises, guarantees, proposals, future projects, expansion of some schemes etc. This package is considered as too little and too late which is announced in the second half year where demand is not going to come up.

Table 13: Stimulus As% of GDP

STIMULUS AS % OF GDP	
JAPAN	21.1
US	13.0
SWITZERLAND	12.0
GERMANY	10.7
INDIA	10.0
FRANCE	9.3
SPAIN	7.3
ITALY	5.7
UK	5.0
CHINA	3.8
SOUTH KOREA	2.2

Source: Ceylan Elgin,
Columbia University

The pandemic is faced by all over the World, where various other countries also announced economic packages to push up the economy, the highest stimulus as a percentage of GDP has been announced by Japan of 21.1 percent and lowest by South Korea about 2.2 percent of GDP on the economy.

The major focus of the government by this stimulus package is to provide liquidity boost to MSMEs, banks, farmers, employment etc. This loan support helps the businesses to blow up, but the demand or the consumer spending won't be able to increase because the package proposed by the government gears up more to improve supply side criticism and increase the GDP for the medium and long term.

Conclusion

The study concludes that the trend of the confirmed cases and death toll of covid-19 is sharply increasing in the World. India has announced the Unlock 1.0 from 1st June 2020, after which the faster increase in cases are seen, within 15 days across 1.5 lakh cases new cases and 2000 new deaths had registered. Further, the study concludes there is a significant impact of Coronavirus pandemic on various Macroeconomic Factors seen in Indian Economy. The factors like GDP, Foreign trade, Repo and reverse repo rate, Crude oil prices, Industrial production and Exchange rates has shown Negative impact whereas Inflation rates, Unemployment rates and Gold prices has shown positive impact which highly affects the Indian Economy. After Unlock 1.0 in above factors recovery in prices and rates has been examined. Government of India and RBI have taken efforts but are insufficient or less than adequate fiscal stimulus as per the population and economic problems. Various agencies and the World Bank have predicted that even after the government and RBI measure, GDP for FY21 will shrink to 3.2%. Finally, India is likely to end up with elongated U-shaped recovery.

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Youth Development Ecosystem: Need and Challenges in India

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Introduction

Efforts for harnessing full potential of youth are imperative for faster economic development in every nation. The policy makers and experts form the most crucial part of the spectrum of stakeholders in the Youth Development Ecosystem and their inputs assume higher value. In case of India as well youth development is one the prime focus area due to opportunity presented by demographic advantage it enjoys at present, due to large majority of youth population. Globally, the development of youth is planned more deliberately, so that they are able to contribute more effectively in nation building.

Hence, this paper attempts to study the relationship between youth development needs and the policies and the amenities available and required. It is felt imperative as efforts at understanding and dealing with youth development is important for improvement of youth development policies and overall development of the Nation. It is a real challenge for government of India and India as a nation to utilize youth productively for its development. The present paper attempts to study existing youth development ecosystem in India and challenges faced for maximizing demographic dividend for national development. In order to assess need and challenges for youth development in India opinion of policy makers and experts was sought through administering a structured questionnaire and data thus collected has been analysed and results presented.-

Sample Profile

The collection of primary data from senior policy makers and expert category of respondent stakeholders was carried out through a questionnaire sent to the Union Government and all the State Governments and Union

Table1: Sample Respondents - Policy/Decision Makers and Experts

Category of Respondents	Total Numbers Contacted	(Per cent)	
		Numbers responded/ Interacted	Non Respondents
Govt. of India and State Government Ministers incharge of Youth Affairs	29	08	21
State Government Officials incharge of Youth Affairs	60	21	39
Heads/Senior officers of Government Youth Development Organisations	28	19	09
Heads/Senior officers of Voluntary/Non Government Youth Development Organisations	78	28	50
National Awardee Youth Leaders	23	13	10
International Youth Development Organisations (UN) officials	11	06	05
	229	95	134

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Territories and through personal interaction cum interviews. In order to fulfill objective of present study it was ensured to get views from various experts at national as well as state level institutions. Care was taken to ensure that experts working in policy formulation as well implementation of youth development policy and programmes are fairly well represented among sample respondents. The sample profile of respondents is as given in table 1 below.

The responses and their analysis as categorized alongwith essential inferences deduced have been laid out herein below in a systematic and logical manner. The respondents were asked regarding various aspects of youth development, present policy framework and challenges faced in youth development.

Result and analysis

The respondents felt that they the demographic change in India is taking place continuously since decades and will continue in future as well. The respondents provided answers regarding proportion of population below 35 years of age presently in their view.

Table 2: Current Population below 35 Years of age

Aspect (Percentage)	Frequency	Percentage
60	11	11.58
65	66	69.48
70	18	18.94
Total	95	100

Status of Youth Development and Management in India

It is observed from the responses received that the Status of Youth Development in India is indicated as partial attainment of the perceived /desirable objectives. It further indicated that three National Youth Policies have been promulgated so far after independence, the third being National Youth Policy 2014 being in force currently. It was also learnt that numerous government departments, international organisations and non government organisations are engaged in various aspects of youth development in different domains, with varied objectives and resources. Further it is observed that the understanding on the concept of Youth Development as well as definition of major programs needs greater attention to have clarity and overlapping. A majority of respondents felt that there exist need for new youth development policy at the national level including development of vision, structures and programmes considering new realities of economy.

Table 3: Response Regarding Need for Youth Development related Policies, Structures and Resources at the National Level

Response for	(Per cent)	
	Yes	No
Need for new National Youth Development Policy	75	25
Need for new National Youth Development Vision, Strategy, Objectives, Schemes and Programs	75	25
Need for new National Youth Development Structures	75	25
Need for new National Youth Development Budget	75	25

National Youth Policy

The last version of the National Youth Policy was declared and promulgated by the Government of

India in the year 2014. It has been observed from the responses that the National Youth Policy 2014 has been implemented partially in different domains in varying degrees among different categories of the Youth in different States.

The system of recording evaluation being in a nascent stage the responses received are more judgmental and subjective than being objective however stakeholders being involved in the policy, decision and management level process their inputs have been factored as more or less reliable albeit with caveat that they may vary slightly from State to State. In view of the large amount of changes in the socio-economic conditions, advancements in technology and other National developmental imperatives 75 per cent respondents felt that a new National Youth Policy with clearly defined Vision, Strategy, objectives, Schemes, Programs, Structures and tools supported by adequate budgeting is required. In view of the above and National developmental imperatives it is essential that a new National Youth Policy with clearly defined Vision, Strategy, objectives, Schemes, Programs, Structures and tools supported by adequate budgeting be formulated based upon more rigorous collection of data, consultation with all stakeholders at the National and State Level, all related ministries, institutions, UN, International and Regional Level organisations and finalized through final deliberations by Youth Development Experts under overall National Level Youth Development Body.

Effect of the Policies and Amenities on Holistic Youth Development

Table 4: Effects of the Policies and Amenities on Holistic Youth Development

Aspect Considered	(Per cent)			
	Substantial Effect	Partial Effect	Marginal Impact	No Impact
Effect of the Policies on Holistic Youth Development	45	35	15	05
Effect of the Amenities on Holistic Youth Development	50	35	10	05

From the responses received from the authorities of the National and State Governments, other Youth Development Organisations and extensive Personal interactions and analysis it is observed that there is Substantial effect in majority domains, Partial effect in few domains and marginal or negligible effect in fewer domains. This being a complex subject, it merits greater attention, well defined policies, adequate amenities with better allocations for the Holistic Youth Development objectives to be achieved.

Development of Defined Competencies for Holistic Youth Development

From the responses received from the authorities of the National and State Governments, other Youth Development Organisations and extensive Personal interactions and analysis it is observed that 45 % of the respondents felt that the Governments need a planned system of defined competencies to be developed among the various categories of Youth in each domain, at various stages/levels.

Domains/Priority Areas to be Defined for Holistic Youth Development

From the responses received from the authorities of the National and State Governments, other Youth Development Organisations and extensive Personal interactions and analysis it is observed that 55 % of the respondents felt that in keeping with the National Youth Development objectives the Governments need to work out a comprehensive plan for Holistic Youth Development wherein the Domains and priority areas are clearly defined for such development.

Concepts of Structures and Organisations for Youth Development

From majority of the responses received it is observed that all the State Governments presently have

different concepts of structures and organisations for planning, advising, Monitoring, Evaluation and implementation of Youth Development. There is a need for well designed objective oriented professional bodies for performing these critical functions related to the Holistic, Youth Development for meeting the National Development Objectives.

Organisations, Institutes and Departments For Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that the need for the major organisations, institutes and departments for Youth Development haven't been evaluated professionally in all domains by 80 % Areas. There is a need for these both for the short term and long term Youth Development needs. These may include centres of excellence at both levels besides domain specific as well as multi domain Youth Development organisations of both formal and volunteer nature.

National State and District Level Coordination for Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that 65 per cent of the respondents felt that in keeping with the National Youth Development objectives the Governments need to constitute district, state and national level coordination committee comprising qualified and experienced professionals, Youth Development Experts and Youth Leaders besides representatives from all stake holding government departments and organisations to coordinate youth development Implementation programs being conducted by different departments and organisations at relevant levels.

Need for National and State Youth Development Website and Youth Portal

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that 65 per cent of the respondents felt that in keeping with the National Youth Development objectives the Governments need to create and have a daily updated Website and Youth Portal where State Government's Youth Policy and all other related information is available.

Achievements of the State Government for Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that 75 per cent of the respondents felt that the major achievements of the State Government with regard to youth development have been

- (a) Engagement of about 85-95 per cent of children enrolled for primary education.
- (b) Provide mid day meal to about 75-80 per cent students
- (c) Engage 15-20 per cent Youth in various Institutionalised Youth Development activities like NCC, NSS, NYKS, Scouts, Environment Clubs and UN organization conducted activities.
- (d) Engage 15 -18 per cent Youth in institutionalized Skill development Activities.
- (e) Create 5-10 per cent opportunities for organized sector jobs.
- (f) Provide orientation and financial support to a fraction of the percentage of the Youth

State and District Level Structures for Youth Development

From the responses received from the authorities of the National and State Governments, other Youth Development organisations and extensive Personal interactions and analysis it is observed that the availability of the various structures areas observed indicate

State & District Level Youth Development Commission/Board/ Committees-55 per cent,

State & District Level Youth Advisory Committees /Council- 45 per cent,

State & District Level Youth development Organisations - 65 per cent,

State & District Level Youth Development Monitoring/Evaluation Mechanism - 35 per cent,

Merit based and Objective well Defined Composition and Criteria for selecting the Office Bearers of above Organisational Structures - 25 per cent.

State Governments Youth Policies, Structures, Budgets and Model

Table 5: State Governments Youth Policies, Structures, Budgets and Model

(Per cent)

Subject	Existing with Year	Not existing	Need for it Yes/No
State Government Youth Policy & Year of declaration	40	60	Yes 90
State Government Youth Development Vision	40	60	Yes 90
State Government Youth Development Strategy	20	80	Yes 80
State Government Youth development Objectives	35	65	Yes 75
State Government Milestones for specific Objectives	0	100	Yes 75
State Government Structure for Youth Development	30	60	Yes 80
Adequate State Government Budgetary Allocations for specific Scheme/Program/head for Youth Development Year-wise for last 5 years	Inadequate 90	Adequate 10	Yes 100
Planned annual budget for 2021-22	Inadequate 100	0	Yes 100
Present Status of Youth Development	40	60	
Youth Development Planning System	10	90	Yes 75
State Government Current Model of Youth Development and planned changes if any	0	100	Yes 75

From the responses received it is observed that 40 per cent State Governments have an existing Youth Policy however, in majority of the cases they are very old in as much as more than 10 years. 90 per cent respondents agreed that there is a need for a Proper well defined Youth Policy. From the responses received it is observed that 20 per cent State Governments have a existing Youth Development Strategy, however, in majority of the cases they are not well defined. 80 per cent respondents agreed that there is a need for a Proper well defined State Government Youth Development Strategy.

From the responses received it is observed that 20 per cent State Governments have a existing State Government Youth development Objectives however, in majority of the cases they are not well defined. 75 per

cent respondents agreed that there is a need for a Proper well defined State Government Youth development Objectives. From the responses received it is observed that none of the State Governments have existing State Government Milestones for specific Objectives. 75 per cent respondents agreed that there is a need for a Proper well defined State Government Milestones for specific Objectives.

From the responses received it is observed that 30 per cent State Governments have an existing State Government Structure for Youth Development however, in majority of the cases they are not well designed. 80 per cent respondents agreed that there is a need for a Proper well designed Structure for Youth Development in the State.

From the responses received it is observed that 10 per cent State Governments have an adequate Budgetary Allocations for specific Scheme/Program/head for Youth Development Year-wise as seen over the last 5 years however, in majority of the cases they are not adequate. 100 per cent respondents agreed that there is a need for enhancement of budget by the State Governments for the Youth development to attain desired Objectives.

From the responses received it is observed that 100 % State Governments have sought enhanced annual budget for 2021-22 for adequate Youth development. From the responses received it is observed that majority of the State Governments have attained about an average of 40 per cent Youth Development in different domains.

From the responses received it is observed that 10 per cent State Governments have a Youth Development Planning System however, in majority of the Governments this is being managed by existing officers mostly not specially trained for this purpose nor having adequate exposure, orientation or experience. 70 per cent respondents agreed that there is a need for a appropriately structured professional expertise supported Youth Development Planning System.

From the responses received it is observed that all the State Governments presently do not have a defined and designed State Government Current model of Youth Development and are in the open to planning a New appropriate Youth Development model. 75 per cent respondents agreed that there is a need for a Proper well deliberated, planned, designed and clearly defined State Government Youth development model.

Major Challenges

Existing Challenges: From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that Challenges for Youth Development comprise a matrix of issues faced at different levels by different authorities/organisations depending upon local existing and emerging conditions, backgrounds, categories of beneficiaries and gaps in objective achievement. These mainly comprise resource availability (80 per cent) both qualitative as well as quantitative, structures (60 per cent), funding (80 per cent) and both competence and efficiency of Professionals involved (75 per cent) and most importantly the Leadership involved.

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive Personal interactions and analysis it is observed that the emerging challenges to Youth development in the coming decades as visualized include job shrinkage owing to fast developing technologies, increasing corporatization leading to job losses in semi organized and unorganized sectors, economic and political pressures on communities and reduction of available opportunities although there would be some accretions too however whether these could offset the entire inadequacies will need to be factored in order to ensure their effect on educational and holistic development of the youth is taken care off.

Human Resource/Manpower for Youth Development

In response to the question - Do the Governments have adequate human resource/manpower for ensuring complete implementation of its declared specific schemes for Youth Development? Broad Category and Percentage of shortage if any, the responses received indicate that there is a. Shortage of Planning Experts - 90 per cent. b. Shortage of Implementing Professionals - 75 per cent and c. Shortage of Monitoring & Evaluation Professionals - 90 per cent.

From majority of the responses received it is observed that all the State Governments presently have different degrees of shortages of Youth Development Planning, Implementing, Evaluating and designing Experts. There is a need for making up the requisite numbers of professionals and experts for getting desired out comes of the Youth Development in the States and the Country.

Budget Analysis Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that Budgets allotted for Youth Development needs to be analysed with respect to the aims and outcomes related to each of the Scheme/Program, institution, organization and department involved in the Youth Development. The responses received and extensive interaction over a long period indicate that

- (a) Specific amounts need to be allocated for the specific desired objectives defined clearly,
- (b) More important and prioritized objectives need greater resource allocation,
- (c) Meaningful economic engagement and empowerment merit greater allocation,
- (d) Allocations for projections, celebrations and non substantive objective yielding events need least resource allocation,
- (e) Overall budgetary allocations Department wise need to be evaluated for effectiveness, measureable tangible outcomes and efficiency of expenditure

Opportunities and Avenues for Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development Organisations and extensive Personal interactions and analysis it is observed that 75 of the respondents felt that the major opportunities and avenues available for the Youth Development include NCC, NSS, NYKS, Scouts, Environment Clubs and UN organized activities. 65 per cent respondents felt that this area needs greater deliberation with a view to strengthen and refine the current opportunities for the immediate short term and create innovative holistic Youth Development Programs for achieving desired National Youth Development Objectives.

Review and Evaluation of the Existing System for Youth Empowerment

The Union and State Governments are required to review of the existing structures, institutions/ organisations, schemes and programs for Youth Empowerment and analyse the need to meet emerging opportunities and challenges. From the responses achieved it is observed that almost all the Governments do carry out the review, however their process, tools, techniques and competence being sub optimal the results are not so well defined in about 80 per cent cases. Extensive Personal Interaction, for the purpose of the instant study also indicate that, there is a need to re assess and strictly re evaluate the entire structure, procedures and processes along with the competence of the professionals and decision makers involved system of review and evaluation with a view to ensure the highest standard of efficiency and professionalism to attain the National Youth development objectives in a time bound manner delivering both qualitative and quantitative defined objectives.

Need for Engaging Youth for Holistic Youth Development in different Domains (including Competence, Community Development, Nation Building, Character Strengthening, Social, Life and Soft Skills Development and Sports.)

Table 6: Domains for Engagement of Youth for Development

(Per cent)

Subject	Yes	No	No Response
Need for Engaging Youth for Cognitive Development and competence development	70	10	20
Need for Engaging Youth for Skill Development and Entrepreneurship development	75	10	15
Need for Engaging Youth for Community Development.	50	20	30
Need for Engaging Youth for Nation Building.	70	20	10
Need for Engaging Youth for Leadership development and Character Strengthening.	65	20	15
Need for Engaging Youth for Social Skills Development.	55	35	10
Need for Engaging Youth for Life Skills Development.	60	30	10
Need for Engaging Youth for Soft Skills Development.	45	45	10
Need for Engaging Youth for Physical Fitness and Sports.	65	25	10
Need for Engaging Youth for Participation in Decision making at all levels and Political development.	40	30	30

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive personal interactions and analysis it is observed that majority of the respondents felt that the Governments need a well planned system of holistic Youth development including the abovementioned defined competencies to be developed among the various categories of Youth in each domain, at various stages/levels.

Encouraging Youth Development - Competitions, Awards and Incentives

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive personal interactions and analysis it is observed that the need for Promoting and Encouraging Youth Development -through Competitions, Awards and Incentives has been supported by majority of respondents (80 per cent). There is a need for the National and the State Governments and organizations to have well defined schemes for holding Competitions at regular frequency for recognizing, encouraging and incentivizing best performance by Youth Leaders and organisations in priority areas yielding at least certain level of achievements and giving Awards and incentives for them (90 per cent). Prior advertisements giving adequate time for planned achievements for each category, and defining clearly their criteria for evaluation is essential.

Transparent and Efficient Quality Assurance of Youth Development Programs

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive Personal interactions and analysis it is observed that 56 per cent of the experts in the domain felt that for the attainment of the desired objectives of the National Youth

development objectives it is essential to have Social or Third Party Audit of the Outcome of the Specific Youth Development Schemes and Programs. It was also observed that 75 per cent of the respondents mentioned that the Governments are yet to put in place a well defined objective professional mechanism to monitor and carryout a social or third party audit of the outcome of the specific schemes for Youth Empowerment. Very few cases where an attempt had been made to carry out a third party audit of the outcome of the specific schemes there was a need for taking into account of the findings in a professional manner to define gaps and review essential initiatives and measures required to bridge the gaps identified.

Best Practices For Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive Personal interactions and analysis it is observed that 65per cent of the respondents felt that for the attainment of the desired objectives of the National Youth development objectives there is a need to incorporate best practices for the holistic Youth development.

Plan for Development of Professionals for Youth Development

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive Personal interactions and analysis it is observed that 65 per cent of the respondents felt that inkeeping with the National Youth Development objectives the Governments need to work out a comprehensive plan for Development of required numbers of Professionals for Youth Development for all the Domains/priority areas.

Plan and Curriculum Design

From the responses achieved it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive Personal interactions and analysis it is observed that 65 per cent of the respondents felt that inkeeping with the National Youth Development objectives the Governments need to ensure plans and curriculum design by professional experts for ensuring holistic youth development, create appropriate youth leaders in all desired domains, make Youth career ready, ensuring proper linkage between skills desired by job givers and education systems/youth development organisations and reduce the percentage of Youth unemployment at various levels.

Need for National and State Youth Development Website and Youth Portal

From the responses it is observed that the authorities of the National and State Governments, Other Youth Development organisations and extensive personal interactions and analysis it is observed that 65 per cent of the respondents felt that inkeeping with the National Youth Development objectives the Governments need to create and have a daily updated Website and Youth Portal where State Government's Youth Policy and all other related information is available.

Relationship Between Holistic Youth Development and National Building

Table 7: Relationship Between Holistic Youth Development and National Building

(Per cent)

Aspect Considered	Substantial relation	Partial relation	Marginal relation	No relation
Relationship Between Holistic Youth Development and National Building	65	35	10	0
Need for Nation Building Aspect to be incorporated in all Programs of Youth Development	60	25	10	05

From the responses it is observed that the authorities of the National and State Governments, Other Youth Development organisations and its analysis it is observed that 55 per cent of the respondents felt that inkeeping with the National Youth Development objectives there is a strong relation between Holistic Youth Development and National Building and need to incorporate this into all Youth Development programs.

Conclusion

Youth development is an important subject which has the highest potential to contribute towards the economic and overall development of the country as well as contribute towards the attainment of the Sustainable Development Goals globally. Responses from the Policy/Decision Makers and Experts in the field of the Youth Development indicate that there is an urgency for the system of the Youth Development to be reviewed in the light of the Youth Bulge related Demographic dividend available for a limited period only offering the best opportunity now. The variation in the understanding of the concepts of the Policy Construct, Structures and related amenities/resources further indicate the need for a welldefined holistic system for youth development in the country as well as at the States and Union Territories level. The variation in the different status of achievement amenities/resources further indicate the need for an urgent review and creation for a objective result/defined output oriented well defined holistic system for youth development in the country as well as at the States and Union Territories level. Having collected relevant information from the policy/decision makers and experts there is a need for getting the responses from the implementation side to get the appropriate view of the subject. The next chapter deals with the primary data received from the teachers/professors at the High School, colleges and University levels and their analysis.

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