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Contents

Watershed Management in India – A Study Dr. N. Radhakrishnan	1 - 8
Ethnographic Profile of Reddiyar Community Dr. K. Parimurugan	9 - 20
Planning and its Importance in Organizational Management: A Case Study P. Mahendran	21 - 32
Sagarmala Concept and its Impact on Blue Revolution in India Dr. V. Neelamegam	33 - 44
The Pradhan Mantri Suraksha Bima Yojana Editor	45 - 47

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**WATERSHED MANAGEMENT IN INDIA – A STUDY****Dr. N. Radhakrishnan**

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Abstract

Watershed management is the process of guiding and organizing the use of land and other resources in a watershed to provide desired goods and services without adversely affecting soil and water resources. Management of a watershed thus entails the rational utilization of land and water resources for optimum production but with minimum hazard to natural and human resources, with due recognition of the inter-relationships among land use, soil and water and the linkages between uplands and downstream areas. Each project under the programme is a micro level effort to achieve this objective by treating the underproductive or unproductive land and taking up allied activities for the benefit of the landless. The programmes adopt a common strategy of multi-resource management involving all stakeholders within the watershed who, together as a group, co-operatively identify the resource issues and concerns of the watershed as well as develop and implement a watershed plan with solutions that are environmentally, socially and economically sustainable. Water is fundamental to the development of Economy. It is an essential for sustaining all forms of life, food production and quality environment for population, animals, plants and microbes worldwide for their wellbeing. It is also an impossible to substitute for most of its uses, difficult to de-pollute and it is truly a unique gift to mankind from nature. Water is one of the most manageable of the natural resources as it is capable of diversion, transport, storage, and recycling. All these properties impart to water its great utility for human beings. As human populations and economies grow, demand for water increases which addition to threatening the human food supply; water shortages and reduce biodiversity both in aquatic and terrestrial ecosystems. Water pollution facilitates the spread of serious human diseases and diminishes water quality. In recent years the sustainable development and efficient water management is become complex challenge in Indian States.

Key Words: Watershed, Climatic changes, Drought, Soil, Biodiversity, Rainfed.

Introduction

Water is very much essential to human consumption and availability of fresh water poses a concern especially in the wake of urbanization, industrialization and population growth combined with climatic change effects. The quantity and quality of water available for human consumption especially with the ongoing environmental stress creates a major problem for the human civilization not only for the present but also for the future generations. Unless and otherwise all the people in the globe wholeheartedly resolve themselves to the wake-up call as on today, there will be a dismal future for the availability of fresh water which is one of the natural resources. Everybody knows that two-thirds of our globe is covered with water but of the remaining one-third, how much is therefore safe drinking is a big question mark. All the political set up have awakened to this call and there has been a political commitment in providing safe drinking water.

In the Economic Development of a country especially an agricultural country like India, water and soil plays an important role. Both water and soil are gift of nature, for the existence of humanity, they should be utilized carefully and preserved.

Water is fundamental to the development of Economy. It is an essential for sustaining all forms of life, food production and quality environment for population, animals, plants and microbes worldwide for their wellbeing. It is also an impossible to substitute for most of its uses, difficult to de-pollute and it is truly a unique gift to mankind from nature. Water is one of the most manageable of the natural resources as it is capable of diversion, transport, storage, and recycling. All these properties impart to water its great utility for human beings. As human populations and economies grow, demand for water increases which addition to threatening the human food supply; water shortages and reduce biodiversity both in aquatic and terrestrial ecosystems. Water pollution facilitates the spread of serious human diseases and diminishes water quality. In recent years the sustainable development and efficient water management is become complex challenge in Indian States.

This paper focuses on programmes of Watershed Management, limitations and suggestions for improvement of Watershed Management in India.

Need for Watershed Management

The need is to sustain and protect the available fresh water. Whatever be the source of fresh water there is an urgent need to protect it without wasting it. There have been instances of floods where rain water is not properly channelised to augment the fresh water resource. Perennial rivers discharge precious fresh water into the sea, unutilized. Climatic changes have triggered frequent floods, droughts which will indirectly affect the availability of fresh water.

Widespread urbanization due to the ever changing requirements of mankind and indiscriminate destruction of natural resources have created acute shortages in the urban centre. The water channels, reservoirs, lakes and ponds which were adding to the fresh water resources have been blocked or destroyed for human habitation which not only has squeezed

the water supply but also depleted the groundwater table which is very much required for various human consumption. In the coastal areas there is a threat of the sea water entering into the fresh underground water base making it more saline in nature.

Pollution is another major factor which destroys the fresh water base. There are instances where industrial wastes let into the lakes, ponds, rivers and the water available for human consumption gets contaminated. Water-borne diseases spread due to this callous attitude of the industrialists. The flora and fauna of the river beds also get spoiled. Skin diseases, animal deaths, land fertility also gets impaired. It is all our own creation. If we had wisely utilized our god given resources well, we could have reaped more benefits and life on the earth will be much happier.

India is heading towards a fresh water crisis mainly due to improper management of water resources and environmental degradation which has led to lack of access to safe water supply to millions of people. There has been lack of adequate attention to water conservation, efficiency in water use, water reuse, and ground water recharge and ecosystem sustainability. An uncontrolled use of borewell technology has led to the extraction of ground water at such a high rate that often recharge is not sufficient. The causes of low water availability in many regions are also directly linked to the reducing cover and soil degradation. Pollution of groundwater resources has become a major problem today. The pollution of air, land and water has an effect on the pollution and contamination of groundwater.

Importance of Watershed Management

The watershed concept for development of rain fed agriculture is gaining importance over the years and it amply demonstrated that watershed developmental tools are very effective in meeting the objectives and mission. In the words of eminent economist, C.H. Hanumantha Rao "Watershed development has been conceived basically as a strategy for protecting the livelihoods of the people inhabiting the fragile ecosystems experiencing soil erosion and moisture stress".

In an agrarian nation like India, rural development is directly dependent on agriculture which is intricately linked to the natural resources like soil and water. Not only the national economy rests on the success of agro-output, but it also serves as a major occupation and is the prime livelihood option of the rural people. About 70 per cent of India's cultivated lands are under rainfed agriculture without proper irrigation cover. Rainfed agriculture in India's semi-arid tropics is characterized by low productivity, degraded natural resources, and widespread poverty. Environmental concerns associated with agriculture relate mainly to the sustainability of the resource base for agricultural production (e.g. soil quality), protection of biodiversity and habitats, and environmental services of resources influenced by agricultural land use (e.g. carbon sequestration). Degradation of soil and vegetative resources already threatens agricultural productivity, biodiversity, and water quality and availability in many 'hot spots' in the developing world. Soils is about 16 per cent of agricultural land area in developing countries, and a higher proportion of crop and dry lands, have degraded moderately or mainly through soil erosion, nutrient depletion and salinisation.

Types of Watershed Programmes

Watersheds could be classified into a number of groups depending upon the mode of classification. The common modes of categorization are the size, drainage, shape and land use pattern. The categorization could be based on the size of the stream or river, the point of interception of the stream or the river and the drainage density and its distribution. The All India Soil and Land Use of Surveys (AIS & LUS) of the Ministry of Agriculture, Government of India, has developed a system for watershed delineation like water resource region, basin, catchment, sub-catchment, and watershed. The usually accepted five levels of watershed delineation based on geographical area of the watershed are:

1. Macro watershed (> 50,000 Hect)
2. Sub-watershed (10,000 to 50,000 Hect)
3. Milli-watershed (1000 to 10000 Hect)
4. Micro watershed (100 to 1000 Hect)
5. Mini watershed (1-100 Hect)

Hydrologically, the shape of the watershed is important because it controls the time taken for the runoff to concentrate at the outlet. Watersheds may also be categorized as hill or flat watersheds, humid or arid watersheds, red soil watershed or black soil watershed based on criteria like soil, slope, climate etc. Depending on the land use pattern, as island watersheds, tribal settlements and watersheds in areas of settled cultivation.

Watershed Management Programmes in India

Watershed management is the process of guiding and organizing the use of land and other resources in a watershed to provide desired goods and services without adversely affecting soil and water resources. Management of a watershed thus entails the rational utilization of land and water resources for optimum production but with minimum hazard to natural and human resources, with due recognition of the inter-relationships among land use, soil and water and the linkages between uplands and downstream areas. Each project under the programme is a micro level effort to achieve this objective by treating the underproductive or unproductive land and taking up allied activities for the benefit of the landless. The programmes adopt a common strategy of multi-resource management involving all stakeholders within the watershed who, together as a group, co-operatively identify the resource issues and concerns of the watershed as well as develop and implement a watershed plan with solutions that are environmentally, socially and economically sustainable.

To accelerate the pace of development of wastelands/ degraded lands the Government had set up the National Wastelands Development Board in 1985 under the Ministry of Environment & Forests. Later a separate Department of Wastelands Development in the Ministry of Rural Development and Poverty Alleviation was created in 1992 and the National Wastelands Development Board was transferred to it. In April 1999, Department of Wastelands Development was renamed as the Department of Land Resources to act as the nodal agency for

land resource management. Consequently, all land-based development programmes and the Land Reforms Division were brought under this Department. In 1994, a Technical Committee under the Chairmanship of Professor C.H. Hanumantha Rao was appointed to appraise the impact of DPAP/ DDP and suggest measures for improvement. The committee recommended a common set of operational guidelines and expenditure norms for the three programmes of Ministry of Rural Development (MoRD). Accordingly, the Guidelines for Watershed Development were framed and brought into force from 1st April 1995. Since then, DPA, DDP and IWDP are being implemented on watershed basis. The Watershed Guidelines of 1995 were revised by MoRD in 2001 to make them more focused, transparent and suitable to local requirements. The revised guidelines, 2001 provided for a greater role of Panchayati Raj Institutions, Exit Protocol and provision for availing the credit facility from Financial Institutions to ensure higher value addition to the interventions. The Guidelines for these programmes were further revised with effect from 1.4.2003, and renamed as Hariyali Guidelines. The following three key watershed programmes are detailed below:

i. Drought Prone Areas Programme (DPAP)

The basic objective of the programme is to minimize the adverse impact of drought on the production of crops, livestock and productivity of land, water and human resources thereby ultimately leading to the drought proofing of the affected areas. The objectives are being addressed by taking up development works through watershed approach for land development, water resource development and afforestation / pasture development.

ii. Desert Development Programme (DDP)

The major objectives of the programme are:

- ∅ To mitigate the adverse effects of desertification and adverse climatic conditions on crops, human and livestock population and combating desertification.
- ∅ To restore ecological balance by harnessing, conserving and developing natural resources i.e. land, water, vegetative cover and raising land productivity.
- ∅ To implement development works through the watershed approach, for land development, water resources development and afforestation / pasture development.

iii. Integrated Watershed Development Programme (IWDP)

The major objectives of the programme are:

- ∅ Developing wastelands / degraded lands on watershed basis, keeping in view the capability of land, site conditions and local needs.
- ∅ Promoting the overall economic development and improving the socio-economic condition of the poor and disadvantaged sections inhabiting the programme areas.
- ∅ Restoring ecological balance by harnessing, conserving and developing natural resources, i.e. land, water, vegetative cover.
- ∅ Employment generation, poverty alleviation, community empowerment and development of human and other economic resources of the village.

Limitations of Watershed Management Programmes in India

The various limitations of watershed programmes are as follows:

1. Landless and marginal farmers often benefit only marginally or not at all, increasing inequities at the Village level
2. Common lands do not get adequately treated and re-vegetation does not take place as expected
3. Gains from recharge of groundwater are rapidly dissipated through increased withdrawal
4. Domestic, livestock and ecosystem, water needs often do not get adequately addressed and may even suffer as a result of increased withdrawal
5. Downstream impacts of intensive upstream water conservation are not being considered
6. Costs at which the gains are achieved are considered to be high.
7. People's participation is limited to the watershed project implementation

Suggestions

The following suggestions are improving the watershed management programmes in India.

1. There is an urgent need for action research on the grassroots of watershed management
2. Ensure well-defined rights of Panchayats over natural resources
3. There is a need for stronger national and international laws to promote conservation of water.
4. Water must be declared as a basic human right.
5. Water should be treated as a national resource and its development and use should be determined on sound scientific principles.
6. Water quality monitoring system for surface water and groundwater to identify the sources of pollution and to focus on the need for undertaking the corrective steps
7. Major institutional policy and technological initiatives are required to ensure efficient, socially equitable and environmentally suitable management of water resources.
8. Watershed development and management programmes should be implemented in a systematic and scientific way on watershed basis in a holistic way by all the departments in a coordinated manner.
9. Integrated watershed development actions have to be taken to use rainwater, soil water, groundwater and runoff water to increase production in rainfed areas
10. National and international research institutions must be made available to the designers of irrigation system in order to ensure that water delivery requirements are used as the basis of system design

Conclusion

Water is emerging as a national challenge and its most efficient management has to be given top priority in order to meet the future demands of foodgrains for a fast growing population. Managing water resource is more important than managing material wealth. Watershed

management has emerged as a new paradigm for planning, development and management of land, water and biomass resources with a focus on social and environmental aspects of a participatory approach. The approach is generally preventive, progressive, corrective and curative. Watershed management involves the judicious use of natural resource with active participation of institutions, organizations, in harmony with ecosystem.

Water is one of the most essential natural resources for sustaining life and it is likely to become critically scarce in the coming decades, due to continuous increase in its demands, rapid increase in population and expanding economy of the country. Variations in climatic characteristics are responsible for uneven distribution among the sectors across the States. No matter who we are, where we are and what we do, we are all dependent on water. We need it every day, in so many ways. We need it to stay healthy, for growing food, vegetation, transportation, irrigation, industry, energy and its sheer life giving properties. For increasing the availability of water resources, there is a need for better management of existing water resources. The vast majority of sicknesses and deaths of people caused by waterborne illness and it can be eliminated by improved water quality, hygiene, and sanitation. Research and new technology should form the foundation for new strategies designed to address the challenges for increasing food production, improving water supply, and ensuring efficient environmental protection. If initiatives are not pushed forward, water will become more constraining factor in the quest for inclusive and sustainable growth.

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ETHNOGRAPHIC PROFILE OF REDDIYAR COMMUNITY

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Abstract

Konda Reddis are distributed in South Indian states. Originally they were from Bison Hills in Godawari District of Andhra Pradesh. Then due to disturbance caused by the Mugals in India, they migrated to Tamil Nadu and Karnataka. The people of this community are commonly known in Tamil Nadu as Reddiars, and they are further classified as Poganatta Reddiar, Kongu Reddiar, Kappu Reddiar, Ganjam Reddiar, The Konda Reddis form a fine race. They are very tall and have good muscle power. The women also look pretty and have strong physical structure. They are brown in colour, and have black hair, thick lips, and blue eyes. This article tries to bring out life style, Culture, Society, Customs, economy and living nature of the Reddis community with the comparison of Erode and Salem Districts.

Key Words: Konda Reddis, Reddiar, Society, Customs

Introduction

The people of this community are living in Erode, Mettur, Salem, Trichy, and Uppiliyapuram areas. Their mother-tongue is Telugu. They are land-owners, hence, they form a cultivating community. In Erode, they are living near the Western Ghats. They go to the forest area for honey collection. They trap pigs, and rabbits by using snares. They eat fish, mutton and chicken. They don't eat beef. Lord Perumal is their principle deity. They had settled down in Tamil Nadu more than 200 years ago. The Reddiyar community people, who are living in Bhavani, area worship Gangamma and Mangamma. They tell mythological stories in support of their custom of worshipping Gangamma and Mangamma. The stone idol of Gangamma is found in a temple, which they worship, with devotion.

The Konda Reddis are found distributed in South Indian states. Originally they were from Bison Hills in Godawari District of Andhra Pradesh. Then due to disturbance caused by the Mugals in India, they migrated to Tamil Nadu and Karnataka. The people of this community are commonly known in Tamil Nadu as *Reddiars*, and they are further classified as *Poganatta Reddiar*, *Kongu Reddiar*, *Kappu Reddiar*, *Ganjam Reddiar*, *Thesar Reddiar* and *Viral Konda Reddy*. There are 45 sub-divisions (synonyms) in the community of Konda Reddis. In Tamil Nadu, the Konda Reddis are found in Kolathur (Mettur), Ammapettai (Bhawani taluk, Erode Dist.), Penugaran taluk in Dharmapuri district and Thuraiyur in Trichy district. A few thousands of people who belong to this Konda Reddy community are also found in Parameswaram Village in Radhapuram Panchayat in Tirunelveli district.

The Etymological meaning for Konda is, "hill", and Reddy is a surname i.e, the inhabitants of hills. Telugu is their mother-tongue. Even in Tamil Nadu, almost all the Konda Reddis claim Telugu as their mother-tongue.

According to the 1991 census, the Konda Reddy population in Kolathur, Mettur taluk in Salem district was consisted of 994 persons, and in Ammapet, Bhavani taluk in Erode district, the number was 490. The Konda Reddis are found chiefly in Kondamodulur, Akur, Kondada, Bodulu and Chavala Mauttahs in East Godavari in Andhra Pradesh, and Sukkumamidi, in the district of Nizam's dominions.

Table showing the no. of families belonging to the Konda Reddi Community in Erode District and Salem District

Sl. No.	Name of the settlement	No. of Families
1	Erode town	50
2	Bhavani town	150
3	Ammapettai	10
4	Uma Reddiyur	200
5	Sundra Palayam	20
6	Guruva Reddiyur	100
7	Komarayanur	25
8	Sennapatti	10

9	Jarakal / Kurali	20
10	Mathurchina	20
11	Alampalayam	5
12	Maravan Kotti	100
13	Kona Mukanur	30
14	Poonachi	30
15	Samaya tharanur	20
16	Pusariyur / Magallor	20
17	Ottar palayam	50
18	Udagatam	20
19	Konda Reddy Palayam	10
20	Adi Rddiyur	10
21	Chitti Reddi Palayam	10
22	Negi Reddi Palayam	5
23	Antheyoor / Puthupalayam	20
24	Maydambodi	50
25	Erupa Nayumpalayam	30
26	Koonakka Palayam	10

Physical Features

The Konda Reddis form a fine race. They are very tall and have good muscle power. The women also look pretty and have strong physical structure. They are brown in colour, and have black hair, thick lips, and blue eyes.

Sl.No.	Name of the settlement (villages)	Family
1	Kulathur	300
2	Pannavadi	50
3	Puthanpadi	50
4	Alamarathu patti	30
5	Edapaddi (Salem)	100
6	Chittur	50
7	Reddipatti	25
8	Elampalli	40
9	Nangavalli	30
10	Valaya Chettiyur	25
11	Ella kuttir	50
12	PullaVazhi Reddiyur	15
13	Chinna Serakai	30
14	Malli kuttai	25
15	Lakshmi Aaipuram	10
16	Koodakal	15
17	Kuppanoor	15
18	Jalakanda puram	25
19	Vanavasi	30
20	Karandapatti	10
21	Yercaud	30

Social Organisation

The Reddis are divided into three clans, viz., Pandava, Raja, and Surya vamsa Reddis (*Hemingway 1904:354*). They are cultivators and land lords. They belong to endogamous group. Lachmaya is the personal clan name ie., title of their house. They follow patrilineal system of alliance descent. There are eight patrilineal descent Group. They are identified as **Godavari** Reddis (hill) and they have Kudumbam ie., *Intiperulu*.

They are with the following surnames – Primary level

1. Galla	-	1. Ketchal	
2. Bali	-	2. Kchantal	
3. Gurgunta	-	3. Kola	
4. Vetla	-	4. Kalala	
5. Pittla	-	5. Valla	
6. Cherla	-	6. Chandula	
7. Chinthala	-	7. Chedula	
8. Kodala	-	8. Chuntra	(<i>Thanuja, 2006</i>)

Second Level: Patrilineal Group of lineages

Level of segmentation among Konda Reddis

1. Ketchal
2. Kichamtal
3. Koda
4. Kadala
5. Valla
6. Chandula
7. Chedula
8. Chuntru

Second level patrilineal Group lineages

- | | | | |
|----|----------------|---|------------------|
| 1) | Kudumpa | - | Code/Name |
| | a. Korkonda | - | m-Koperiumettu |

- | | | |
|-------------|---|---------------|
| b. Buggu | - | a Jaekulodi |
| c. Rachelka | - | m.Jinnethogu |
| d. Pujari | - | N-Karmankonda |
- 2) Second Level Patrilineal Group lineages
- a. Mittivadu
- | | |
|------------|-----------------|
| 3) a. Siri | 6) a. Nadungadu |
| b. Banguni | b. Pattu |
| c. Perivar | c. Pallal |
| d. Musisri | d. Errakonda |
| e. Mirup | e. Pujari |
| | f. Ejalur |
- | | |
|---------------|-----------------|
| 4) a. Addigla | 7) a. Iyyadulla |
| b. Ippur | b. Lukku |
| c. Pogalvadu | c. Selur |
| d. Maedipalli | d. Pedinti |
| e. Kuruda | |
- | | |
|----------------|--------------------------------|
| 5) a. Poosinur | 8) a. Puthal – Pedavaga |
| b. Gadarathu | b. Tuigur – Kotha karman konda |

(*Thanuja, 2006*)

Konda Reddis – Social Units

Lachmaya – Personal clan name (with title of their house). They come under patrilineal and patrilocal group. (They follow patrilocality i.e., after marriage the girl should follow her husband's clan and customs). Divorce, and widow remarriage are socially approved. They permit polygyny and not polyandry system. Joint-families are very common among the older families but now-a-days nuclear family is preferred by them. Neolocal residence is common after the marriage. Naming ceremony would be after 8th day of child birth. They

practice clan exogamous and village endogamy. Burying the dead bodies are common among them. There are two major clans among the Reddis –

1. Siva ghothiram (Sun)
2. Vishnu ghothiram (Moon)

In addition to this, 13 clan deities names are also used in their family / house titles (leanages / veedu). They are –

1. Naluppu devudu
2. Masana uthiraku
3. Enthira Ellamma
4. Kuththi Ellamma
5. Abopal Rayudu
6. Sriranga Rangramadu (Sriranga pattinam, Mysore)
7. Venkatachalapathi (Perumal)
8. Alamelu Mangamma (Alamelumanga puram, A.P.)
9. Palani Andavar (Murugan)
10. Nanjundeeswarer (Karnataka)
11. Pakkanadu Senroy Perumal
12. Pokkanapalli Chennakeswara (Mecheri)
13. Veeramathi (Pukkammal), Gopikirimalai (Ammapettai Village)

Social Divisions among the Konda Reddis (at Erode District)

- | | |
|--------------------|------------------------|
| 1. Paiyuru Reddi | 8. Edaval Reddi |
| 2. Panda Reddi | 9. Punjana Reddi |
| 3. Asantha Reddi | 10. Punugu Reddi |
| 4. Konapatta Reddi | 11. Chinna Kumbu Reddi |
| 5. Kangal Reddi | 12. Petha Kuna Reddi |
| 6. Salakal Reddi | 13. Namathari Reddi |
| 7. Eakal Reddi | |

Jatti Pillai

Among the Reddis, the “Jatti Pillai” play a very significant role. His status is low. But he has a thorough knowledge about each and every family. He is acting like a messenger. He is qualified to arrange marriage between two individuals. He sings songs during death ceremony. He tells folk tales, folklore and other social histories about the origin of the community to the younger generation. He has to regulate all rituals, and village festivals. He has to pass messages from one village to another. For his service he may get some money or grain from the head of the community (Ur Reddy).

Puberty Ceremony

When a girl attains puberty, she has to be kept in a separate place at the entrance of the house. A special '*kudisai*', a temporary room made up of kambu thattai (stems of Kambu) is the temporary shelter for her. She has to be provided with a separate food. An iron vessel and neem leaves have to be kept in the room. The small kambu materials should be burnt on the third day. Again two times, with a day's gap, the arrangements will be made. The girl will sit in the room for eleven days. A Brahmin priest will be called and a special puja will be performed. Cow's urine will be sprayed at the room and a vegetarian feast will be arranged for the family members. During that time they will worship Lord Ganesa.

Marriage Ceremony

There are two clans among these people: (a) Sivan clan – which perform 101 thread marriage and (b) Vishnu clan, which perform marriage using a thali. The Siva clan marriage is called as, "Puttu Naduthal". They are patrilineal clans. The pattern of marriage among these two group are of different. The Siva clan people will tie a yellow thread to *Naval tree* and perform a small puja, by using raw rice, coconut, banana, sugar, camphor, and incense stick. The bride groom's sister will supply 'Metti', aruna kairu, and dress for the groom.

In Vishnu clan, male can dress like a female, and the female can wear dress like male on the day of the marriage (sisters' relatives). The "Mulai Pari" basket will be taken in front of the groom. The girl (bride) will sit on a horse and go to the Pillayar koil. The *thali* will be tied at the back of the cloth shadow. A vegetarian feast will be arranged during the occasion.

New leather chepal would be gifted by a cobbler (*chekkalier* – SC) to the bride and the groom. Even for the death of any person, a paper made chepals (slippers) would be worn to the dead person. The groom should go for hunting in the day time during the marriage day. The leaves of naga tree would be kept in the 'panthakal', and pongal and puja would be performed. The bride should wear a white sari during the time of tali tying and later she can wear a silk (pattu) sari. A pongal feast will be arranged. The bride and the groom will jointly tie tali to 'Aavaram plant'. The bride-groom will supply the tali to the bride and then they will worship Lord Krishna.

Origin and Migration of Konda Reddis of Erode District

The origin of Konda Reddy community is traced to Godavari belt in Andhra Pradesh. When Mugals dominated the Nawab Palayam Province, A.P. during the 16th Cent, they had fought against the Muslim rulers. A group of Reddy community migrated to Nanjunkodu (Karnataka state) area. After reaching Kollegal area in the Western Ghats, the group split into three groups. One went to Muthaiswaran hills and settled down at Kulathur village in Salem district, just 200 years ago. The second group went to Penagaram and settled down in Dharmapuri district. The third group went to Podhihai Hills through Udumalaipettai and settled down at Parameswaran Village of Radhapuram taluk in Tirunelveli district. A few

hundreds of Konda Reddis also settled down at Ammapettai near Anthiyur Reserved Forests area.

Since 1850, this community had been recorded in the settlement maps, house pattas, land pattas by the British administrators. The Muslims in Nawab Palayam asked the Konda Reddis for marrying their daughters but, the Reddis refused. So they were tortured and ill-treated by the Muslims. The Muslims also arranged a feast for the Reddis. During the feast, beef was supplied to the guests. The Reddis did not eat beef. So they got angry and quarreled with them and later the Reddis vacated from their native villages and settled down in Southern Western ghats.

Apart from their indigenous worship of idols made of stones, they also worship Lord Krishna. The Reddies form an agricultural community and also depend for their subsistence on cattle herding. So, they worship idols with the images of cows and domesticated dogs. These idols are found in the "Ammapettai" reserve forests. The Reddis say that their ancestors were living in "Madura" (Andhra), Therkapuri, Uttirathree, Petha marugu, Kuthi Bellaru, Raikadam, Ranikonda, Thungapatra, and Godavari areas in Andhra Pradesh. The oldest Kula deiva temple for the Konda Reddis is in the 'Jalakandapuram' village. It is located in the forest near Aralupatti. All disputes among them will be dealt with and discussed in the temple premises to find solution.

Economy

The principle economic activity of these people is agriculture and subsiding income is from cattle herding, sheep rearing and keeping poultry birds. They are hard workers. Occasionally they go for honey collection to the nearby forests. Now many of them have got government jobs. A few women of this community work in their lands as labourers, and a few others are making bamboo products such as, '*sattai*', etc. They cultivate variety of vegetables such as, banana and greens in their lands. The lands are mostly depended on monsoon but, they avail well irrigation also.

Dietary Pattern

These people are generally non-vegetarian. Now-a-days they eat fish, chicken, mutton, etc. They never eat beef or pork since it is a taboo among them.

Religion

The Konda Reddis have common temple for worship at Cenrayanoor / Reddi Palayam. It is 200 years old temple. A grand celebration will be held during the month of Puratasi. All of them will be forbidden to eat any food for one day (fast). They also celebrate "Ugathi" festival. They are all Hindu "Vaishnavites", and the temple is located at the top of the hills near Ammapettai village. 'Veera Mathi' is another deity found in the agricultural land. It is considered as a Guarding God (kaval deivam). They also worship Goddess called, 'Mangammal' and 'Gangammal'.

There is a stone sculpture in the village. The image of the sun and the moon are found on the stone. It represents their clans - Suriya and Chandra kulam. An ancient Jain engraving is also found on the rock. Muniappan deity is also worshipped by them.

**Table showing the names of leanages and their respective temples,
Ammapettai, Bhavani**

Clan	Leanage (<i>gotra</i>) Veedu	Deities
Sivan Kulam	Nanool Kothiram	Eswaram
Vishnu Kulam	Kondavala Kothiram	Krishna Paramathma / Sriranganathar (Sriranga pattam)
	Chithaa Kollalu	Perumal / Thirumal
	Sirunella Veedu	Senrayal / Pakka Nadu – Kudakal
	Muthu Nella	Nanjundeswarer
	Enapusalu	Senrayan / Perumal
	Nalenna	Perumal
	Irandai molu	
	Mennala	Senrayan / Perumal
	Karathalon	Elumalayan, Tirupati
	Kavalla	Elumalayan, Tirupati
	Putlella	Sri Ranga, Srirangapattinam

Material Culture

They preserve ancient coins which were introduced by the Mugal rulers. Water containers similar to the vessels used at Punjab and northern part of Andhra Pradesh are found in their houses. The knife which is kept in temple is also an ancient one.

Death

They have the habit of burying dead bodies. There is a megalithic burial site in a forest at Poorai Medu' hamlet of Poomanur Panchayat, Mettur taluk. Local people call these houses as 'Pondiya' houses. It is believed that human beings are living since 1500 years ago. There are other hill-villages like Kottada in Asanoor Panchayat and Arapalam villages, and there are also similar type of megalith burial with pothole in those places. The dead body would be washed by water and then new clothes would be worn. The sons and the daughters of deceased person would be given sari/dothi called as, 'Kodi Poduthal'. The dead body would be kept inside a car (ther), made of bamboo, before taking it to the burial ground. Drum would be beaten during that time. There is a separate burial ground for the Reddis in the villages. There is the custom that if a father's body was burnt, his son's body has to be burned. The mourning would be observed for three days. The relatives would come to attend the last rite and eat food. On the fourth day, the mustache of the deceased person's sons might be removed. The eldest son used to ignite the bier of the mother, and the youngest son would ignite the bier of his father. They would play band and sound a bell while carrying the dead body to the burial ground. On eleventh day, the last puja would be performed. Vegetarian food would be arranged for the relatives.

Conclusion

Exogamous Units, and the surname (inti perulu) is Krishna Reddigaru (ancestors' name of Andhra Pradesh). They are Telugu speaking agricultural community, migrated to Tamil Nadu during the Muslim rule. They had migrated from Nanjancode / Nizam Province of Andhra Pradesh. Today they are worshipping Vishnu. There are temples in their villages. They also worship Siva. These two divisions are intermarrying clans and have several lineages / veedu. These people's culture, habitual behaviour, manners, religious ceremony, rituals, marriage pattern, family systems are unique in nature.

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**PLANNING AND ITS IMPORTANCE IN ORGANIZATIONAL
MANAGEMENT: A CASE STUDY**

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Abstract

Management begins with planning and planning begins with the determining of objectives. In the absence of objectives no organization can ever be thought about. Planning is the first important function of management. The other functions are organizing; staffing, directing and controlling comes later. In the absence of planning no other function of management can be performed. Planning is the process which begins with the beginning of business itself and ends with the ending of the business. It means that as long a business exists, the planning process is continuous. With this background this article is prepared with a case study. The case study about Dr. Reddy's Laboratories was discussed and the importance of planning is explained in this article.

Key Words: Planning, Management.

Introduction

Planning is known as a mental exercise as it is related to thinking before doing something. A planner has mainly to think about the following questions: (1) What to do?, (2) How to do it?, (3) When to do it?, (4) Who is to do it?. Planning is the first and most important function of the management. It is needed at every level of the management. In the absence of planning all the business activities of the organization will become meaningless. The importance of planning has increased in view of the increasing size of organizations. In the absence of planning, it may not be impossible but certainly difficult to guess the uncertain events of future.

Defining Planning

In the five management functions, planning, organizing, staffing, leading and controlling, planning is the most fundamental. All other functions stem from planning. However, planning doesn't always get the attention that it deserves; when it does, many managers discover that the planning process isn't as easy as they thought it would be or that even the best laid plans can go awry.

Before a manager can tackle any of the other functions, he or she must first devise a plan. A plan is a blueprint for goal achievement that specifies the necessary resource allocations, schedules, tasks and other actions.

A *goal* is a desired future state that the organization attempts to realize. Goals are important because an organization exists for a purpose and goals define and state that purpose. Goals specify future ends; plans specify today's means.

The word planning incorporates both ideas: It means determining the organization's goals and defining the means for achieving them. Planning allows managers the opportunity to adjust to the environment instead of simply reacting to it. Planning increases the possibility of survival in business by actively anticipating and managing the risks that may occur in the future.

In short, planning is preparing for tomorrow, today. It's the activity that allows managers to determine what they want and how they will achieve it.

Not only does planning provide direction and a unity of purpose for organizations, it also answers six basic questions in regard to any activity:

- What needs to be accomplished?
- When is the deadline?
- Where will this be done?
- Who will be responsible for it?
- How will it get done?
- How much time, energy and resources are required to accomplish this goal?

Importance of Planning

The planning helps an organization chart a course for the achievement of its goals. The process begins with reviewing the current operations of the organization and identifying what needs to be improved operationally in the upcoming year. From there, planning involves envisioning the results the organization wants to achieve and determining the steps necessary to arrive at the intended destination success, whether that is measured in financial terms, or goals that include being the highest-rated organization in customer satisfaction.

(a) Efficient Use of Resources

All the organizations, whether large and small, have limited resources. The planning process provides the information top management needs to make effective decisions about how to allocate the resources in a way that will enable the organization to reach its objectives. Productivity is maximized and resources are not wasted on projects with little chance of success.

(b) Establishing Goals

Setting goals that challenge everyone in the organization to strive for better performance is one of the key aspects of the planning process. Goals must be aggressive, but realistic. Organizations cannot allow themselves to become too satisfied with how they are currently doing or they are likely to lose ground to competitors. The goal setting process can be a wake-up call for managers that have become complacent. The other benefit of goal setting comes when forecast results are compared to actual results. Organizations analyze significant variances from forecast and take action to remedy situations where revenues were lower than plan or expenses higher.

(c) Managing Risk and Uncertainty

The managing risk is essential to an organization's success. Even the largest corporations cannot control the economic and competitive environment around them. Unforeseen events occur that must be dealt with quickly, before negative financial consequences from these events become severe. Planning encourages the development of "what-if" scenarios, where managers attempt to envision possible risk factors and develop contingency plans to deal with them. The pace of change in business is rapid and organizations must be able to rapidly adjust their strategies to these changing conditions.

(d) Team Building

Planning promotes the team building and a spirit of cooperation. When the plan is completed and communicated to members of the organization, everyone knows what their responsibilities are and how other areas of the organization need their assistance and expertise in order to complete assigned tasks. They see how their work contributes to the success of the organization as a whole and can take pride in their contributions. Potential conflict can be reduced when top management solicits department or division managers' input during the goal setting process. Individuals are less likely to resent budgetary targets when they had a say in their creation.

Planning Process

When we look at planning in the context of management process, it is called as an activity, it is being a part of management. But on the other hand, when it is studied separately it is called a process because to complete one has to clear many steps one after the other. So far as the number of steps included in the planning process is concerned it depends on the size of the organization. Different organization can have different planning process. The

following steps are generally taken in the business organization during the planning process.

1. Setting the objectives; Objectives are those end points for whose attainment all the activities are taken. In the planning process objectives are determined and defined first of all so that all the employees concerned can be informed about them to get their complete cooperation. Objectives have a hierarchy of their own organizational objectives, departmental objectives and individual objectives.

2. Developing the premises; The basis of planning is those factors which influence the possible results of different alternatives. Before taking a final decision about any alternative a forecast of this assumption is made. The rate of success of planning will be in direct proportion to the rate of the success of forecasting.

The assumption of planning is two types:

- (1) **Internal premises;** capital, labour, raw material, machinery ect.
- (2) **External premises;** Government polices, business competition, taste of customer rate of taxes. ect.

3. Identifying alternative course of action; Generally, there is no work which has no alternative method of doing it. On the basis of the objectives of the organization and limitations of planning, alternative course of doing a particular work can be discovered.

4. Evaluating alternative courses; All those alternative courses which are up to the expectations of the minimum preliminary criteria are selected for intensive study. it will be seen as to what extent a particular alternative course can help in the attainment of the objectives of the organizations. There is however, one problem which confronts us while analysing these alternative courses. Every alternatives course has its merits and demerits.

5. Selecting an alternative; Alternative a careful analysis of different alternatives the best one is selected. Sometimes the analysis yields more than one alternative course with similar merits. Keeping in view the uncertainties of future it is justifiable to select more than one good alternative course One of such alternative is adapted and other is kept in reserve.

6. Implementing the plan; After having decided the chief plan and the subsidiary plans, they are to be implemented. After implementing the plans the sequence of different activities has to be decided. In other words, it is decided as to who will do a particular job and at what time.

7. Follow up Action; The process of planning does not end with the implementation of plans. plans are formulated for future which is uncertain. It is of great importance that there is a constant review of plans so as to ensure success in the uncertain future. The moment there appears to be changes in the plans also. In this way we can say planning is Continuously moving process.

Types of Plans

Planning is a process and plan is its outcome. Plan is a sort of commitment to accomplish all the activities needed for the attainment of special results, from this point of view there are many plans. The following study will help in understanding different kinds of plans.

1. Objectives: objectives are those end points for the attainment of which all the activities are Undertaken.

Following are the examples of objectives:

- (1) To improve the communication system to hold regular staff meeting and publish a newsletter.
- (2) To cross the 20,000 crore mark in turnover of soaps.
- (3) To make available the employment to 100 people every year.
- (4) To reduce quality rejects to 3%

2. Strategies: Strategies refer to those plans which are prepared in view of the move of the competitors and whose objective is to make possible the optimum utilization of resources.

3. Policies: Policies are those general statements which are decided for the guidance of the employees while taking decision. Their purpose is laying down a limit within which a particular work can be done or decision taken. Objectives decide what is to be achieved and the policies tell us how it can be achieved.

4. Procedures: Procedures are those plans which determine the sequence of any work performance. For example, the recovery of money from the debtors can be done in the following order:

- (a) Writing letters, (b) connecting on telephone, (c) Meeting personally,
- (d) taking legal action.

This is the procedure of collecting money from all the debtors. There is a difference between policies and procedures.. There can be two policies of the organization regarding the recovery of money from the debtors. (A) Tight collection policy and (B) Lenient collection policy. Under the first policy an effort is made to recover money from debtors is by treating him harshly. Under the second policy the debtors will be given enough time for the payment of money while treating him leniently.

5. Methods: Methods is that plan which determines how different activities of the procedure are completed. Methods are not related to all steps but only to one step of the procedure. It is more detailed than procedure. There may be many methods to do a particular work. After extensive study, a method has to be selected from which a worker feels minimum fatigue, increase in productivity and there is reduction in costs.

6. Rules: Rules tells us what is to be done and what is not to be done in particular situation. In the absence of rules there is no need to take any decision. Whatever is said in the rules has to be followed without any thinking. For example, the rule "No smoking in the factory" is applicable to everybody and it must be observed. Provision for punishment in case of non-observing of the rule can also be made.

7. Budget: Budgets describe the desired results in numerical terms. A budget is that planning which provides detail about estimated money, material time and other resources for the achievement of pre determined objectives of various departments. For example, the sales department's budget gives estimated figures about the type of material that will be purchased, its quantity, the time of purchase and the amount to be spent on it. Similarly, budget of other departments are also prepared.

8. Programmers: a programme means a single-use comprehensive plan laying down the what, how who and when of accomplishing a specific job, through program me the managers are informed in advance about various needs so that there is no problem in future. The programmers can be different types-Production programme, Training programme, Sales promotion programme, Management developing programme.etc.

Advantages of Planning

Advantages of Planning are discussed below;

1. Planning facilitates management by objectives.

- a. Planning begins with determination of objectives.
- b. It highlights the purposes for which various activities are to be undertaken.
- c. In fact, it makes objectives more clear and specific.
- d. Planning helps in focusing the attention of employees on the objectives or goals of enterprise.
- e. Without planning an organization has no guide.
- f. Planning compels manager to prepare a Blue-print of the courses of action to be followed for accomplishment of objectives.
- g. Therefore, planning brings order and rationality into the organization.

2. Planning minimizes uncertainties.

- a. Business is full of uncertainties.
- b. There are risks of various types due to uncertainties.
- c. Planning helps in reducing uncertainties of future as it involves anticipation of future events.
- d. Although future cannot be predicted with cent percent accuracy but planning helps management to anticipate future and prepare for risks by necessary provisions to meet unexpected turn of events.
- e. Therefore with the help of planning, uncertainties can be forecasted which helps in preparing standbys as a result, uncertainties are minimized to a great extent.

3. Planning facilitates co-ordination.

- a. Planning revolves around organizational goals.
- b. All activities are directed towards common goals.
- c. There is an integrated effort throughout the enterprise in various departments and groups.
- d. It avoids duplication of efforts. In other words, it leads to better co-ordination.
- e. It helps in finding out problems of work performance and aims at rectifying the same.

4. Planning improves employee's moral.

- a. Planning creates an atmosphere of order and discipline in organization.
- b. Employees know in advance what is expected of them and therefore conformity can be achieved easily.
- c. This encourages employees to show their best and also earn reward for the same.
- d. Planning creates a healthy attitude towards work environment which helps in boosting employees moral and efficiency.

5. Planning helps in achieving economies.

- a. Effective planning secures economy since it leads to orderly allocation of resources to various operations.
- b. It also facilitates optimum utilization of resources which brings economy in operations.
- c. It also avoids wastage of resources by selecting most appropriate use that will contribute to the objective of enterprise. For example, raw materials can be purchased in bulk and transportation cost can be minimized. At the same time it ensures regular supply for the production department, that is, overall efficiency.

6. Planning facilitates controlling.

- a. Planning facilitates existence of certain planned goals and standard of performance.
- b. It provides basis of controlling.
- c. We cannot think of an effective system of controlling without existence of well thought out plans.
- d. Planning provides pre-determined goals against which actual performance is compared.
- e. In fact, planning and controlling are the two sides of a same coin. If planning is root, controlling is the fruit.

7. Planning provides competitive edge.

- a. Planning provides competitive edge to the enterprise over the others which do not have effective planning. This is because of the fact that planning may involve changing in work methods, quality, quantity designs, extension of work, redefining of goals, etc.
- b. With the help of forecasting not only the enterprise secures its future but at the same time it is able to estimate the future motives of its competitor which helps in facing future challenges.

- c. Therefore, planning leads to best utilization of possible resources, improves quality of production and thus the competitive strength of the enterprise is improved.

8. Planning encourages innovations.

- a. In the process of planning, managers have the opportunities of suggesting ways and means of improving performance.
- b. Planning is basically a decision making function which involves creative thinking and imagination that ultimately leads to innovation of methods and operations for growth and prosperity of the enterprise.

Disadvantages of Planning

(a) Internal Limitations

There are several limitations of planning. Some of them are inherit in the process of planning like rigidity and other arise due to shortcoming of the techniques of planning and in the planners themselves.

1. Rigidity

- a. Planning has tendency to make administration inflexible.
- b. Planning implies prior determination of policies, procedures and programmes and a strict adherence to them in all circumstances.
- c. There is no scope for individual freedom.
- d. The development of employees is highly doubted because of which management might have faced lot of difficulties in future.
- e. Planning therefore introduces inelasticity and discourages individual initiative and experimentation.

2. Misdirected planning

- a. Planning may be used to serve individual interests rather than the interest of the enterprise.
- b. Attempts can be made to influence setting of objectives, formulation of plans and programmes to suit ones own requirement rather than that of whole organization.
- c. Machinery of planning can never be freed of bias. Every planner has his own likes, dislikes, preferences, attitudes and interests which is reflected in planning.

3. Time consuming

- a. Planning is a time consuming process because it involves collection of information, it's analysis and interpretation thereof. This entire process takes a lot of time specially where there are a number of alternatives available.
- b. Therefore planning is not suitable during emergency or crisis when quick decisions are required.

4. Probability in planning

- a. Planning is based on forecasts which are meager estimates about future.
- b. These estimates may prove to be inexact due to the uncertainty of future.

- c. Any change in the anticipated situation may render plans ineffective.
- d. Plans do not always reflect real situations inspite of the sophisticated techniques of forecasting because future is unpredictable.
- e. Thus, excessive reliance on plans may prove to be fatal.

5. False sense of security

- a. Elaborate planning may create a false sense of security to the effect that everything is taken for granted.
- b. Managers assume that as long as they work as per plans, it is satisfactory.
- c. Therefore they fail to take up timely actions and an opportunity is lost.
- d. Employees are more concerned about fulfillment of plan performance rather than any kind of change.

6. Expensive

- a. Collection, analysis and evaluation of different information, facts and alternatives involves a lot of expense in terms of time, effort and money
- b. According to Koontz and O'Donell, ' Expenses on planning should never exceed the estimated benefits from planning. '

(b) External Limitations of Planning

1. Political Climate- Change of government from Congress to some other political party, etc.
2. Labour Union- Strikes, lockouts, agitations.
3. Technological changes- Modern techniques and equipments, computerization.
4. Policies of competitors- Eg. Policies of Coca Cola and Pepsi.
5. Natural Calamities- Earthquakes and floods.
6. Changes in demand and prices- Change in fashion, change in tastes, change in income level, demand falls, price falls, etc.

Dr Reddy's Laboratories: A good example of Succession Planning

Dr. Reddy's originally launched in 1984 producing active pharmaceutical ingredients. In 1986, Reddy's started operations on branded formulations. Within a year Reddy's had launched Norilet, the company's first recognized brand in India. Soon, Dr. Reddy's obtained another success with Omez, its branded omeprazole – ulcer and reflux oesophagitis medication launched at half the price of other brands on the Indian market at that time.

Dr. Reddy's Laboratories, is a multinational pharmaceutical company based in Hyderabad, Telangana, India. The company was founded by Anji Reddy, who previously worked in the mentor institute, Indian Drugs and Pharmaceuticals Limited, of Hyderabad, India. Dr. Reddy's manufactures and markets a wide range of pharmaceuticals in India and overseas. The company has over 190 medications, 60 active pharmaceutical ingredients (APIs) for drug manufacture, diagnostic kits, critical care and biotechnology products. Within a year, Reddy's became the first Indian company to export the active ingredients for pharmaceuticals to Europe.

In 1987, Reddy's started to transform itself from a supplier of pharmaceutical ingredients to other manufacturers into a manufacturer of pharmaceutical products.

International Expansion

The company's first international move took it to Russia in 1992. There, Dr. Reddy's formed a joint venture with the country's biggest pharmaceuticals producer, Biomed. They pulled out in 1995 amid accusations of scandal, involving "a significant material loss due to the activities of Moscow's branch of Reddy's Labs with the help of Biomed's chief executive". Reddy's sold the joint venture to the Kremlin-friendly Sistema group. In 1993, Reddy's entered into a joint venture in the Middle East and created two formulation units there and in Russia. Reddy's exported bulk drugs to these formulation units, which then converted them into finished products. In 1994, Reddy's started targeting the US generic market by building state of art manufacturing facility

Success Story

Dr. Reddy's began as a supplier to Indian drug manufacturers, but it soon started exporting to other less-regulated markets that had the advantage of not having to spend time and money on a manufacturing plant that would gain approval from a drug licensing body such as the U.S. Food and Drug Administration (FDA). By the early 1990s, the expanded scale and profitability from these unregulated markets enabled the company to begin focusing on getting approval from drug regulators for their formulations and bulk drug manufacturing plants in more-developed economies. This allowed their movement into regulated markets such as the US and Europe. In 2014, Dr. Reddy Laboratories was listed among 1200 of India's most trusted brands according to the Brand Trust Report 2014, a study conducted by Trust Research Advisory, a brand analytics company.

By 2007, Dr. Reddy's had six FDA plants producing active pharmaceutical ingredients in India and seven FDA-inspected and ISO 9001 (quality) and ISO 14001 (environmental management) certified plants making patient-ready medications five of them in India and two in the UK.

In 2010, the family-controlled Dr Reddy's denied that it was in talks to sell its generics business in India to US pharmaceutical giant Pfizer, which had been suing the company for alleged patent infringement after Dr Reddy's announced that it intended to produce a generic version of atorvastatin, marketed by Pfizer as Lipitor, an anti-cholesterol medication. Reddy's was already linked to UK pharmaceuticals multinational Glaxo Smithkline.

Expansion and Acquisition

By 1997, Reddy's was ready for the next major step. From being an API and bulk drug supplier to regulated markets like the USA and the UK and a branded formulations supplier in unregulated markets like India and Russia, Reddy's made the transition into generics by filing an Abbreviated New Drug Application (ANDA)

in the USA. The same year, Reddy's out-licensed a molecule for clinical trials to Novo Nordisk, a Danish pharmaceutical company.

It strengthened its Indian manufacturing operations by acquiring American Remedies Ltd. in 1999. This acquisition made Reddy's the third largest pharmaceutical company in India, after Ranbaxy and Glaxo (I) Ltd., with a full spectrum of pharmaceutical products, which included bulk drugs, intermediates, finished dosages, chemical synthesis, diagnostics and biotechnology.

Reddy's started exploiting Para 4 filing as a strategy in bringing new drugs to the market at a faster pace. In 1999 it submitted a Para 4 application for Omeprazole, the drug that had been the cornerstone of its success in India. In December 2000, Reddy's had undertaken its first commercial launch of a generic product in the USA and its first product with market exclusivity was launched there in August 2001. The same year, it also became the first non-Japanese pharmaceutical company from the Asia-Pacific region to obtain a New York Stock Exchange listing, groundbreaking achievements for the Indian pharmaceutical industry.

Succession Planning

Relinquishing control can often be difficult for company founders, but one Indian family business head is currently in the process of ensuring succession at his firm goes well.

Anji Reddy, founder and chairman of Dr Reddy's Laboratories, transferred the shares he personally holds in the Indian pharmaceutical company to the Reddy family's holding company. This was in a bid to ensure "smooth succession" at the Hyderabad-based firm, said Kavit Ramachandran, professor of family business and wealth management at the Indian School of Business.

In total, Reddy transferred a 0.35% stake in Dr Reddy's Laboratories, India's second-biggest generic drugs firm, to the holding company, which controls 23.4% of the pharmaceutical business. The transfer took place in November but it was only reported to the Bombay Stock Exchange. The figures may seem small, but according to Ramachandran, the transfer was important because it showed Reddy trusted the next generation to run the business and control the family fortune.

"The current decision has to be seen as a natural progression in smooth succession," Ramachandran told.

"By transferring shares to the holding company, he has ensured that the wealth goes to the full family and no one else," he added.

Reddy effectively left the management of the company to his son, Satish Reddy and son-in-law, GV Prasad, a few years ago, Ramachandran said. Since then, the second generation has focused on developing operations and the business's strategy, while the patriarch has worked on research.

Satish Reddy is the company's managing director and chief operating officer, while GV Prasad serves as vice-chairman and chief executive. Both are possible candidates to take over the chairmanship of the family business, which Reddy founded in 1984 with just 25 million rupees (€38,360). He is often credited with turning around Indian's drug sector, which in the 1980s was heavily dependent on imports but is now an export-oriented industry. In the financial year 2010-2011, the company reported revenues of 74,693 million rupees (€1.3 billion), a 6% increase on the previous year.

Conclusion

Planning is the function of management that involves setting objectives and determining a course of action for achieving those objectives. Planning requires that managers be aware of environmental conditions facing their organization and forecast future conditions. It also requires that managers be good decision makers.

Planning is a process consisting of several steps. The process begins with environmental scanning which simply means that planners must be aware of the critical contingencies facing their organization in terms of economic conditions, their competitors and their customers. Planners must then attempt to forecast future conditions. These forecasts form the basis for planning.

Planners must establish objectives, which are statements of what needs to be achieved and when. Planners must then identify alternative courses of action for achieving objectives. After evaluating the various alternatives, planners must make decisions about the best courses of action for achieving objectives. They must then formulate necessary steps and ensure effective implementation of plans. Finally, planners must constantly evaluate the success of their plans and take corrective action when necessary.

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SAGARMALA CONCEPT AND ITS IMPACT ON BLUE REVOLUTION IN INDIA

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Abstract

The Sagarmala Project intends to achieve the broad objectives of enhancing the capacity of major and non-major ports and modernizing them to make them efficient, thereby enabling them to become drivers of port-led economic development, optimizing the use of existing and future transport assets and developing new lines/linkages for transport (including roads, rail, inland waterways and coastal routes), setting up of logistics hubs and establishment of industries and manufacturing centres to be served by ports in EXIM and domestic trade. In addition to strengthening port and evacuation infrastructure, it also aims at simplifying procedures used at ports for cargo movement and promotes usage of electronic channels for information exchange leading to quick, efficient, hassle-free and seamless cargo movement.

Key Words: Major Ports, GDP, SEZs, CEZs

Introduction

“Sagar Mala” is a strategic, customer oriented initiative of Government of India to evolve a model of port led development whereby India’s long coastline will become the gateway of India’s prosperity. It envisages transforming the existing Ports into modern world class Ports on the one hand and developing new world class Ports, based on the requirement, on the other hand. Sagar Mala aims to develop Ports, hinterland and efficient evacuation systems through road, rail, inland and coastal waterways resulting in Ports becoming the drivers of economic activity in coastal areas.

The key components of Sagar Mala Project are:

- Focus on modernization of port infrastructure, transforming the existing Ports to world class Ports and development of new ports
- Improve hinterland linkages through efficient rail, road and water (coastal and inland waterways) networks for efficient evacuations
- Engender port led development by promoting Port based Special Economic Zones (SEZs), ancillary industries such as Ship Breaking, Ship Building/Ship Repair, Bunkering facilities, Container Freight Stations, Warehousing, Tourism and Waterborne Transport. These three components in turn have to be supported by enabling policies and institutional linkages to foster collaboration between various agencies and ensure collective development.

Background

Presently, Indian ports handle more than 90 percent of India's total Export and Import (EXIM) trade volume. However, the current proportion of merchandise trade in Gross Domestic Product (GDP) of India is only 42 percent, whereas for some developed countries and regions in the world such as Germany and European Union, it is 75 percent and 70 percent respectively. Therefore, there is a great scope to increase the share of merchandising trade in India's GDP. With the Union Government's "Make in India" initiative, the share of merchandise trade in India's GDP is expected to increase and approach levels achieved in developed countries. India lags far behind in ports and logistics infrastructure. Against a share of 9 percent of railways and 6 percent of roads in the GDP the share of ports is only 1 percent. In addition high logistics costs make Indian exports uncompetitive. Therefore Sagarmala project has been envisioned to provide ports and the shipping the rightful place in the Indian economy and to enable port-led development.

Amongst Indian States, Gujarat has been a pioneer in adopting the strategy of port-led development, with significant results. While in the 1980's the state grew at only 5.08 percent per year (National average was 5.47 percent), this accelerated to 8.15 percent per annum in the 1990's (All India average 6.98 percent) and subsequently to more than 10 percent per annum, substantially benefitting from the port-led development model.

The growth of India's maritime sector is constrained due to many developmental, procedural and policy related challenges namely, involvement of multiple agencies in development of infrastructure to promote industrialization, trade, tourism and transportation; presence of a dual institutional structure that has led to development of major and non-major ports as separate, unconnected entities; lack of requisite

infrastructure for evacuation from major and non-major ports leading to sub-optimal transport modal mix; limited hinterland linkages that increases the cost of transportation and cargo movement; limited development of centres for manufacturing and urban and economic activities in the hinterland; low penetration of coastal and inland shipping in India, limited mechanization and procedural bottlenecks and lack of scale, deep draft and other facilities at various ports in India.

An illustrative list of the kind of development projects that could be undertaken in Sagarmala initiative are (i) Port-led industrialization (ii) Port based urbanization (iii) Port based and coastal tourism and recreational activities (iv) Short-sea shipping coastal shipping and Inland Waterways Transportation (v) Ship building, ship repair and ship recycling (vi) Logistics parks, warehousing, maritime zones/services (vii) Integration with hinterland hubs (viii) Offshore storage, drilling platforms (ix) Specialization of ports in certain economic activities such as energy, containers, chemicals, coal, agro products, etc. (x) Offshore Renewable Energy Projects with base ports for installations (xi) Modernizing the existing ports and development of new ports. This strategy incorporates both aspects of port-led development viz. port-led direct development and port-led indirect development.

Concept

The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi, gave its 'in-principle' approval for the concept and institutional framework of Sagarmala Project (2015).

The prime objective of the Sagarmala project is to promote port-led direct and indirect development and to provide infrastructure to transport goods to and from ports quickly, efficiently and cost-effectively. Therefore, the Sagarmala Project shall, inter alia, aim to develop access to new development regions with inter-modal solutions and promotion of the optimum modal split, enhanced connectivity with main economic centres and beyond through expansion of rail, inland water, coastal and road services.

The Sagarmala initiative will address challenges by focusing on three pillars of development, namely (i) Supporting and enabling Port-led Development through appropriate policy and institutional interventions and providing for an institutional framework for ensuring inter-agency and ministries/departments/states' collaboration for integrated development, (ii) Port Infrastructure Enhancement, including modernization and setting up of new ports and (iii) Efficient Evacuation to and from hinterland.

For a comprehensive and integrated planning for "Sagarmala", a National Perspective Plan (NPP) for the entire coastline shall be prepared within six months which will identify potential geographical regions to be called Coastal Economic Zones (CEZs). While preparing the NPP, synergy and integration with planned Industrial Corridors,

Dedicated Freight Corridors, National Highway Development Programme, Industrial Clusters and SEZs would be ensured. Detailed Master Plans will be prepared for identified Coastal Economic Zones leading to identification of projects and preparation of their detailed project reports.

In order to have effective mechanism at the state level for coordinating and facilitating Sagarmala related projects, the State Governments will be suggested to set up State Sagarmala Committee to be headed by Chief Minister/Minister in Charge of Ports with members from relevant Departments and agencies. The state level Committee will also take up matters on priority as decided in the NSAC. At the state level, the State Maritime Boards/State Port Departments shall service the State Sagarmala Committee and also be, inter alia, responsible for coordination and implementation of individual projects, including through SPVs (as may be necessary) and oversight. The development of each Coastal economic zone shall be done through individual projects and supporting activities that will be undertaken by the State Government, Central line Ministries and SPVs to be formed by the State Governments at the state level or by SDC and ports, as may be necessary.

Sagarmala Coordination and Steering Committee (SCSC) shall be constituted under the chairmanship of the Cabinet Secretary with Secretaries of the Ministries of Shipping, Road Transport and Highways, Tourism, Defence, Home Affairs, Environment, Forest & Climate Change, Departments of Revenue, Expenditure, Industrial Policy and Promotion, Chairman, Railway Board and CEO, NITI Aayog as members. This Committee will provide coordination between various ministries, state governments and agencies connected with implementation and review the progress of implementation of the National Perspective Plan, Detailed Master Plans and projects. It will, inter alia, consider issues relating to funding of projects and their implementation. This Committee will also examine financing options available for the funding of projects, the possibility of public-private partnership in project financing/construction/ operation.

Improvement of operational efficiency of existing ports, which is an objective of the Sagarmala initiative, shall be done by undertaking business process re-engineering to simplify processes and procedures in addition to modernizing and upgrading the existing infrastructure and improved mechanisation. Increased use of information technology and automation to ensure paperless and seamless transactions will be an important area for intervention. Under the Sagarmala Project, the use of coastal shipping and IWT are proposed to be enhanced through a mix of infrastructure enhancement and policy initiatives.

The Sagarmala initiative would also strive to ensure sustainable development of the population living in the Coastal Economic Zone (CEZ). This would be done by synergising and coordinating with State Governments and line Ministries of Central Government through their existing schemes and programmes such as those related to community and rural development, tribal development and employment generation, fisheries, skill development, tourism promotion etc. In order to provide funding for such projects and activities that may be covered by departmental schemes a separate fund by the name 'Community Development Fund' would be created.

The Institutional Framework for implementing Sagarmala has to provide for a coordinating role for the Central Government. It should provide a platform for central, state governments and local authorities to work in tandem and coordination under the established principles of "cooperative federalism", in order to achieve the objectives of the Sagarmala Project and ensure port-led development.

A National Sagarmala Apex Committee (NSAC) is envisaged for overall policy guidance and high level coordination and to review various aspects of planning and implementation of the plan and projects. The NSAC shall be chaired by the Minister incharge of Shipping, with Cabinet Ministers from stakeholder Ministries and Chief Ministers/Ministers incharge of ports of maritime states as members. This committee, while providing policy direction and guidance for the initiative's implementation, shall approve the overall National Perspective Plan (NPP) and review the progress of implementation of these plans.

At the Central level, Sagarmala Development Company (SDC) will be set up under the Companies Act, 1956 to assist the State level/zone level Special Purpose Vehicles (SPVs), as well as SPVs to be set up by the ports, with equity support for implementation of projects to be undertaken by them. The SDC shall also get the Detailed Master Plans for individual zones prepared within a two year period. The business plan of the SDC shall be finalised within a period of six months. The SDC will provide a funding window and/or implement only those residual projects that cannot be funded by any other means/mode.

In order to kick start the implementation of projects it is proposed to take up identified projects covered in the concept of Sagarmala for implementation forthwith. These identified projects for implementation in the initial phase will be based on the available data and feasibility study reports and the preparedness, willingness and interest shown by the State Governments and Central Ministries to take up projects. All efforts would be made to implement those projects through the private sector and through Public Private Participation (PPP) wherever feasible. Funds requirement for starting the implementation of projects in the initial phase of Sagarmala Project is projected at Rs. 692 crores for the FY 2015-16. Further requirement of funds will be finalized after completion of Detailed Master Plan for Coastal Economic Zones for future years. These funds will be used for implementation of projects by line ministries in accordance with approvals by the SCSC.

Challenges faced by the Maritime Sector in India

The growth of India's maritime sector has been mired by many developmental, procedural and policy related challenges. Some of them have been enlisted below:

- Involvement of multiple agencies in development of infrastructure to promote industrialization, trade, tourism and transportation across country
- Presence of a dual institutional structure that has led to development of Major and Minor ports as individual projects

- Lack of infrastructure for evacuation at major and minor ports leading to sub-optimal transport modal mix
- Limited hinterland linkages that in turn increases the cost of transportation and cargo movement
 - Limited development of coastal centers for manufacturing, urban and economic activities
- Low penetration of coastal and inland shipping in India due to limited facilities, higher costs and policy constraints
- Presence of selective mechanization and procedural bottlenecks at ports
 - Lack of scale, deep draft and other facilities at various ports in India

Key Components of Sagar Mala

Sagar Mala is being envisioned as an integrated infrastructure cum policy initiative that will provide a three pronged approach for development of India's Maritime Sector focusing on port-development, port-led development and inland/coastal shipping supported by enabling policies, institutional framework and funding mechanism to ensure inclusive growth. Therefore, from development perspective, the Sagar Mala concept has three key deliverables enlisted below:

- **Port Modernization:** Transform existing ports into world class ports by modernization of port infrastructure and existing systems. Also ensure inter-agency coordination for synergistic development at both major and minor ports
- **Efficient Evacuation Systems:** Develop efficient rail, road and coastal / IWT networks to the hinterland and promote Inland / Coastal shipping as a most preferred mode of transportation
- **Coastal Economic Development:** Encourage coastal economic activity in coastal regions by:
 - o Development of Coastal Economic Zones (CEZ), port based SEZs / FTWZs, captive ancillary industries and
 - o Promotion of coastal tourism
 These three outcomes will in turn be supported by enabling policies, robust institutional structure and appropriate financing & funding mechanism to ensure inclusive growth.

Key Benefits of Sagar Mala

Sagar Mala is an integrated infra cum policy initiative to develop India's maritime sector that will contribute to the inclusive growth of the Indian economy.

The key preliminary/indicative benefits of Sagar Mala initiative have been enlisted below: Infrastructure and Developmental Benefits:

- 3-4 modern world class Mega ports of 200 MT capacity each
- Transshipment terminal as a Regional Container Hub
- Establishing 10 state - specific Coastal Economic Regions that will foster economic growth in ports and their hinterlands

- Better integrated connectivity in an CER and hinterland
 - Fully integrated coastline through inland and mega waterways (National navigation channels)
 - Greenfield / brownfield options for river & coastal ports
 - Shift of modal mix to an optimal modal mix (increase of coastal shipping and inland water transport)
 - 3-4 Coastal Tourist circuits to position India as a prominent tourist destination
- Economic Benefits:
- 15 X growth in Coastal / IWT traffic increase over next 20 years
 - Capacity augmentation to handle 5X ports traffic increase over next 20 years
 - Coastal Economic Regions (CER) leading to increased GDP/ EXIM
 - Significant employment creation in ports, shipping and ancillary areas/ecosystem
 - Structured urbanization of coast/rivers and development of riverine/ coastal communities
 - Revenue generation through increased economic activity due to all round development of the coastal cities and tourism

Key Initiatives required for development of India's Maritime Sector

In order to promote India's Maritime sector, there is a need for certain initiatives that would enable inclusive growth of coastal areas by stimulating economic activity, promoting modernization of ports & port-related infrastructure and ensuring development of efficient hinterland linkages. Some of such initiatives have been enlisted below:

- An Integrated Development Approach that focuses on the following:
 - o Undertake a comprehensive study to assess the port capacity requirements to promote trade and encourage economic activity
 - o Mechanization and modernization of existing port infrastructure and systems to improve efficiencies
 - o Plan capacity augmentation projects in existing ports and develop new ports where required
 - o Design and implement efficient multi-modal evacuation
 - o Development of industrial clusters / SEZs in the vicinity of the port and its hinterland that will power the economic activity in the region
 - o Promote Tourism in coastal cities
 - o Streamline inter-departmental co-ordination in ports to promote seamless and efficient interface for the trade.
 - o Promote synergistic planning and development across major and minor ports
- Build world class ports with all-encompassing infrastructure, modern and mechanized facilities and deep drafts
- Promote inland/coastal shipping by building dedicated channels, vessels and facilities

- Simplify policies and promote usage of online channels for information exchanges leading to seamless and hassle free cargo movement
- Provide enabling policies, institutional framework and appropriate funding mechanism for promoting collaborative development

Port Modernization

“Port Modernization” refers to up-gradation of port and port-related infrastructure that would increase operational efficiency of ports and facilitate trade, industrial activity and tourism in hinterland. This could be enabled by:

- Automating and increasing use of Information Technology
- Enhancing the capability of the Port Community System (PCS) to cover a larger group of user communities
- Undertaking a Business Process Re-Engineering exercise in all Major Ports to simplify, modify and eliminate redundant processes and procedures
- Cost-effective and efficient mechanization of ports ensuring inter-modal cargo handling at ports and direct port to plant transfers through conveyors and pipelines
- Setting-up of Hub Ports that would facilitate creation of a cooperation mechanism linking ports, industrial clusters and cities with highly efficient rail/road and coastal networks that facilitates efficient and secure distribution of cargo. World class ports and Hub Ports will facilitate better, smoother and efficient port operations by:
 - o Making ports capable of handling all types of cargoes
 - o Providing logistics & value added services
 - o Providing deep draft berths
 - o Development of Transshipment centers
 - o Providing a regional shipping freight system for hub and sub-ports supported by coastal/ feeder operations
 - o Providing allied services such as Ship building & repair and bunkering etc.

Coastal Economic Development

“Coastal Economic Development” signifies development of port hinterland through an increase in economic activity at a port and vice versa. This happens as a result of modernization of port and port-related infrastructure, which promotes more cargo movement and trade due to efficient logistics and lower transaction costs. This in turn facilitates growth of the port and the vicinity into a major economic hub and trade center with multiplication of ancillary and support services.

The development of port hinterland would include:

- Establishing industrial clusters or SEZs or FTWZs and captive industries in port hinterland and coastal cities
- Development of ancillary industries in port hinterland
- Increase in Coastal Tourism
- Collaborative growth and development of major and minor ports in the region

Government Strings Sagar Mala Blueprint

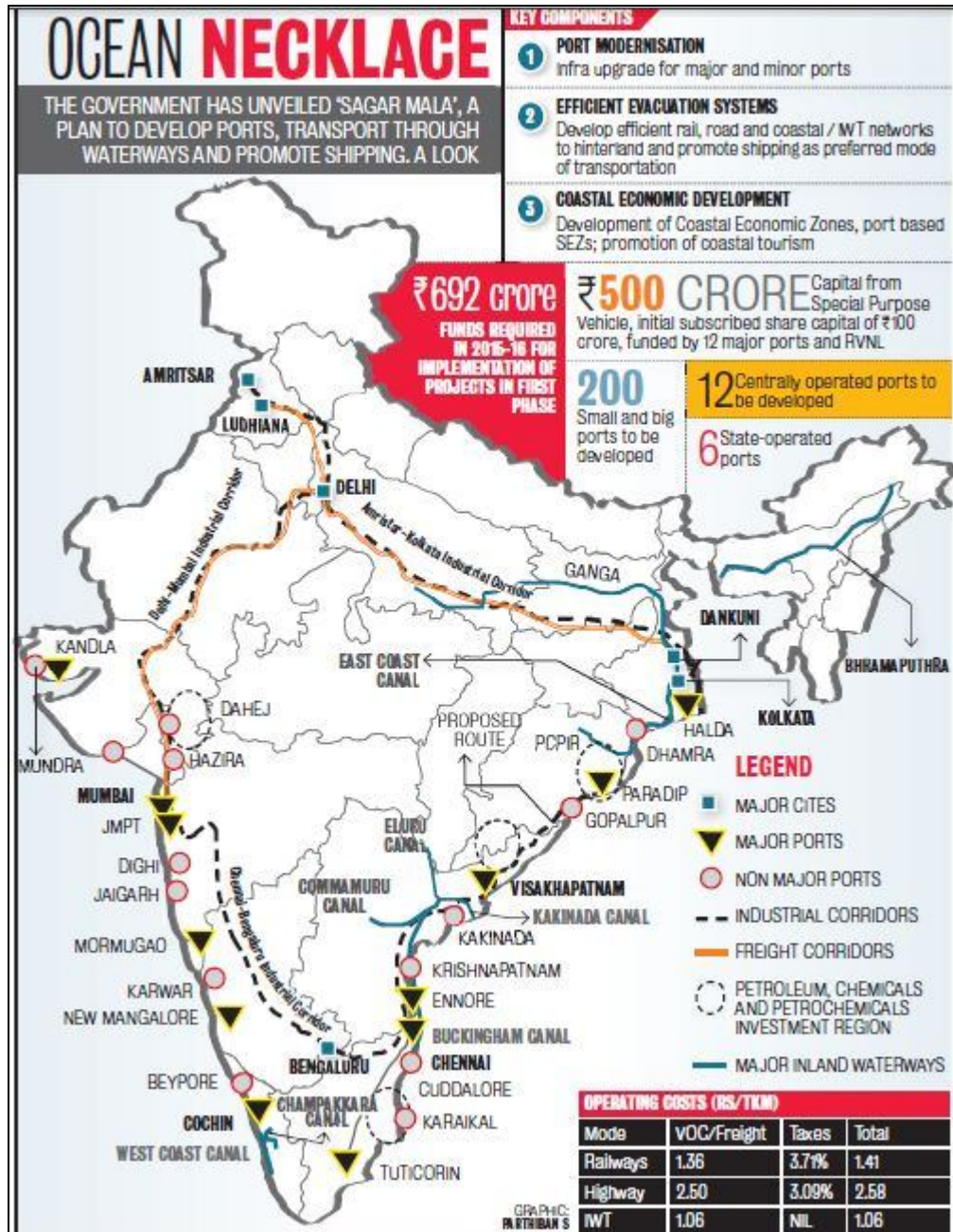
Shipping, Road and Highways Minister Nitin Gadkari gives importance to the holistic development of India's "impoverished" coastal zone and internal waterways, raising hopes of a 2 per cent boost to the country's GDP. With the promise of modernising and upgrading 200-odd ports, starting with 12 major ones operated by the Centre, 12 smart cities, Coastal Economic Zones, new railway connectivity and a new legislation to nationalise 101 internal waterways for cheap transportation and granting infrastructure status to ship-building in Kochi and Kandla. Calling it "Blue revolution - Sagar Mala project" that would not just rival China's port-land infrastructure but would be comparable to any of the first world facilities, Shipping, Road and Highways Minister Nitin Gadkari said, "It is the priority project of the Prime Minister."

The Union Cabinet for the first time, gave "in principle" approval to what is essentially a "project proposal". As part of the project, 101 internal waterways have been identified with special focus on Tamil Nadu, Kerala, Karnataka, Odisha, West Bengal, Assam, Gujarat and North Eastern states, which would be developed as national waterways.

For starters, an allocation of Rs 4,000 crore has been made for the SEZ at Jawaharlal Nehru Port Trust, which is one of the 12 major ports to be developed. A National Perspective Plan for the entire coastline will be prepared within the next six months, he said, adding that potential geographical regions that would be called Coastal Economic Zones are also being identified. Maharashtra, Gujarat, Kerala, Tamil Nadu and West Bengal will be the focus areas. Work on 40 projects that include last mile rail connectivity to ports will begin this year. Nearly 612 km of railways would be improved at Rs 2,372 crore. Union Minister Gadkari will head the multi-disciplinary panel which will oversee the project's implementation.

1,208 Islands to get more Touristy

Union Minister Nitin Gadkari said that 1,208 islands have been identified for development to attract tourists. As many as 189 light houses that are on the islands will also be developed for the entertainment and hospitality industry as part of the project



If Prime Minister Narendra Modi's Sagar Mala project goes according to plan, India will be witness to a holistic development of ports for the first time. So far, the centre and the states have been pursuing port development haphazardly in their own separate ways.

For long, the growth of India's maritime sector has been hampered by many procedural and policy related challenges, the most important among them being the presence of a dual institutional structure that has led to the development of major ports (those owned by the central government) and non-major ports (those owned by the state governments) as individual projects. The involvement of multiple agencies in the

development of infrastructure to promote industrialization, trade, tourism and transportation across the country is another deterrent.

Lack of infrastructure for evacuation of cargo at major and non-major ports leading to a sub-optimal transport modal mix, limited hinterland linkages and its impact on transportation costs, limited development of coastal areas for manufacturing and economic activities, low penetration of coastal and inland shipping, lack of scale and deep draft at ports also contributed to the skewed growth.

In the past, the federal government had tried to widen its reach to include ports owned by the states in its ambit to strike a balance between two set of ports operating in India. But it had to retreat in the face of stiff opposition from the states. The states did not want to cede control of a key infrastructure sector which could be developed through their own policies on private investments without help from the centre.

The blueprint of the Sagar Mala project-an infrastructure-cum-policy initiative being readied by the shipping ministry seeks to allow the central government to have a say in the development of non-major ports without adopting a confrontationist approach with the state governments.

The initiative, according to the ministry, will strive to tackle all the challenges by focusing on port modernization, efficient evacuation and coastal economic development through a structured framework for ensuring inter-agency collaboration and integrated development. It will provide the necessary institutional framework to enable the central and state authorities to work together for ensuring inclusive growth.

A key element of the project is the setting up of some 10 Coastal Economic Regions (CERs), which will be the focal point for economic development along India's vast coastline of over 7,000km. Each CER will hold an integrated and comprehensive plan of the area, combining the growth potential of various industrial clusters and economic activities with the upgradation and development of both major and non-major ports simultaneously. The CER will also develop transport systems for land- and water-borne evacuation of cargo from and to the ports on a regional basis, thus ensuring an optimal modal mix.

By linking major and non-major ports, industrial clusters and evacuation infrastructure into a single system at a larger regional level, a CER will enable seamless and efficient movement of cargo through gateways, thereby allowing ports to enhance competitiveness and offer multiple freight options to customers.

Ports will thus be able to actively participate in driving the economic development of a wider region, which is similar to the role large global ports are playing in their respective countries.

The shipping ministry says this will need enabling policies, institutional framework and appropriate funding mechanism for promoting collaborative development.

The Sagar Mala project would be implemented by a company set up at the national level. Each CER will be developed through a special purpose vehicle having equity

participation from the state government concerned and the company. The management of the CER special purpose vehicle would vest with the state government.

Conclusion

The project has the personal stamp of Prime Minister Modi, incorporating the port-led development model that he successfully delivered in Gujarat during his term as chief minister. This includes development port-based industrial parks, captive industries and ancillary facilities such as ship repair, shipbuilding, ship-breaking, bunkering, container freight stations, warehousing facilities, industries requiring significant import of raw materials and industries with large export potential. This will ultimately result in more cargo for ports.

The central government's plan to go for integrated development of the maritime sector and turn the coast into economic hubs through a collaborative approach with the states will eschew the need for a time-consuming and legislative framework to carry out this task. The states, too, have much to gain from such collaboration because it would ensure funding and other institutional support from the centre.

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THE PRADHAN MANTRI SURAKSHA BIMA YOJANA**Editor**

As per the Ministry of Finance's statistics, only 20 per cent citizens have Life Insurance, 11 per cent workers joined Pension Schemes and only 4 per cent citizens have Accidental Insurance. In order to reach out to the masses especially poor and rural population in India, Prime Minister Narendra Modi on 9th May 2015 launched insurance scheme namely called Pradhan Mantri Suraksha Bima Yojana in Kolkata, this scheme comes as a boon to the backward classes of India.

Details of the Scheme

The scheme will be a one year cover, renewable from year to year, Accident Insurance Scheme offering accidental death and disability cover for death or disability on account of an accident. The scheme would be offered / administered through Public Sector General Insurance Companies (PSGICs) and other General Insurance companies willing to offer the product on similar terms with necessary approvals and tie up with Banks for this purpose. Participating banks will be free to engage any such insurance company for implementing the scheme for their subscribers.

Scope of coverage

All savings bank account holders in the age 18 to 70 years in participating banks will be entitled to join. In case of multiple saving bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through one savings bank account only. Aadhar would be the primary KYC for the bank account.

Enrollment Modality / Period

The cover shall be for the one year period stretching from 1st June to 31st May for which option to join / pay by auto-debit from the designated savings bank account on the prescribed forms will be required to be given by 31st May of every year, extendable up to 31st August 2015 in the initial year. Initially on launch, the period for joining may be extended by Govt. of India for another three months, i.e. up to 30th of November, 2015. Joining subsequently on payment of full annual premium may be possible on

specified terms. However, applicants may give an indefinite / longer option for enrolment / auto-debit, subject to continuation of the scheme with terms as may be revised on the basis of past experience. Individuals who exit the scheme at any point may re-join the scheme in future years through the above modality. New entrants into the eligible category from year to year or currently eligible individuals who did not join earlier shall be able to join in future years while the scheme is continuing.

Benefits: As per the following Table

	Table of Benefits	Sum Insured
A	Death	Rs. 2 Lakh
B	Total and irrecoverable loss of both eyes or loss of use of both hands or feet or loss of sight of one eye and loss of use of hand or foot	Rs. 2 Lakh
c	Total and irrecoverable loss of sight of one eye or loss of use of one hand or foot	Rs. 1 Lakh

Premium: Rs.12/- per annum per member. The premium will be deducted from the account holder's savings bank account through 'auto debit' facility in one installment on or before 1 st June of each annual coverage period under the scheme. However, in cases where auto debit takes place after 1st June, the cover shall commence from the first day of the month following the auto debit.

The premium would be reviewed based on annual claims experience. However, barring unforeseen adverse outcomes of extreme nature, efforts would be made to ensure that there is no upward revision of premium in the first three years.

Eligibility Conditions

The savings bank account holders of the participating banks aged between 18 years (completed) and 70 years (age nearer birthday) who give their consent to join / enable auto-debit, as per the above modality, will be enrolled into the scheme.

Master Policy Holder

Participating Bank will be the Master policy holder on behalf of the participating subscribers. A simple and subscriber friendly administration & claim settlement process shall be finalized by the respective general insurance company in consultation with the participating Banks.

Termination of cover

The accident cover for the member shall terminate on any of the following events and no benefit will be payable there under:

- 1) On attaining age 70 years (age nearest birth day).
- 2) Closure of account with the Bank or insufficiency of balance to keep the insurance in force.

3) In case a member is covered through more than one account and premium is received by the Insurance Company inadvertently, insurance cover will be restricted to one only and the premium shall be liable to be forfeited.

4) If the insurance cover is ceased due to any technical reasons such as insufficient balance on due date or due to any administrative issues, the same can be reinstated on receipt of full annual premium, subject to conditions that may be laid down. During this period, the risk cover will be suspended and reinstatement of risk cover will be at the sole discretion of Insurance Company.

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

Administration

The scheme, subject to the above, will be administered as per the standard procedure stipulated by the Insurance Company. The data flow process and data proforma will be provided separately. It will be the responsibility of the participating bank to recover the appropriate annual premium from the account holders within the prescribed period through 'auto-debit' process. Enrollment form / Auto-debit authorization in the prescribed proforma shall be obtained and retained by the participating bank. In case of claim, the Insurance Company may seek submission of the same. Insurance Company reserves the right to call for these documents at any point of time. The acknowledgement slip may be made into an acknowledgement slip-cum-certificate of insurance. The experience of the scheme will be monitored on yearly basis for re-calibration etc., as may be necessary.

Appropriation of Premium

- 1) Insurance Premium to Insurance Company: Rs.10/- per annum per member
- 2) Reimbursement of Expenses to BC/Micro/Corporate/Agent: Rs.1/- per annum per member
- 3) Reimbursement of Administrative expenses to participating Bank: Rs.1/- per annum per member

The proposed date of commencement of the scheme will be 1st June 2015. The next Annual renewal date shall be each successive 1st of June in subsequent years. The scheme is liable to be discontinued prior to commencement of a new future renewal date if circumstances so require

Source: <http://pmjdy.gov.in>



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