

Multidisciplinary Global Journal of Academic Research (MGJAR)

Vol. V Issue I January 2018 Impact Factor: 2.0674 ISSN: 2394-1758



www.academicresearchsupport.com

Multidisciplinary Global Journal of Academic Research (MGJAR)

Vol. V Issue. I Jan. 2018 Impact Factor: 2.0674 ISSN:2394-1758

Contents

The Art of Statecraft Mandira Dutta	1 - 6
Women Empowerment Saista Parwin	7 - 14
Food Security in India Dr. S. Sivakamasundari	15 - 26
Ethno-Archaeology of the Savara Tribe of Andhra Pradesh Dr. K. Parimurugan	27 - 34
Can Indian Banks Detoxify their Assets from NPA Stress and Strain? Dr. Somanath V S	35 - 48

Publisher



SVM Publications

45, T.A. Koil 5th Street, Velachery,
Chennai – 600 042, Tamil Nadu, India.

Cell: 094440 77646

Email: svmpublication@gmail.com

www.academicresearchsupport.com



SVM Publications

www.academicresearchsupport.com

Multidisciplinary Global Journal of Academic Research (MGJAR)

Editorial Board

Dr. V. Neelamegam

Editor in Chief (Hon)
Assistant Professor, FS&H,
SRM University, Tamil Nadu, India.

Dr. José G. Vargas-Hernández

University Center for Economic and
Managerial Sciences,
University of Guadalajara,
Universitario Los Belenes, C.P. 45100,
Zapopan, Jalisco, México.

Dr. Sanjay N. Tupe

Associate Professor & Head,
Dept. of Banking and finance,
B.Y.K. College of Commerce
College Road, Nashik-422005, India.

Dr. B. Johnson

Associate Professor
Dept of Commerce and Management
Studies, University of Calicut
Kerala State 673 635, India.

Dr. R. Ramachandran

Asst. Professor
Commerce DDE, Annamalai University
Tamilnadu - 608 002, India.

Dr. K. Kaviarasu

Assistant Professor of English,
Bishop Heber College (Autonomous),
Trichirappalli - 620 017. T.N., India.

Dr. P. Arunachalam

Professor
Department of Applied Economics
Cochin University of Science and
Technology, Kochi - 682 022, Kerala. India.

Dr. Sonia Selwin

Business Management Trainers,
Commercial Studies Division,
Bahrain Training Institute, Ministry of
Education,
Kingdom of Bahrain

Dr. Pranam Dhar

Associate Professor,
Department of Commerce & Management,
West Bengal State University. Barasat,
West Bengal, Kolkata – 700126, India.

Dr. S. R. Sheeja

Assistant Professor of Economics
School of Distance Education (SDE)
University of Kerala
Thiruvananthapuram -34, India.

Dr. D. Amutha

Associate Professor (Economics)
St. Mary's College (Autonomous),
Thoothukudi, Tamilnadu, India

P. Anbarasan, B.E., MSW.,

Researcher & Social Worker,
Daasya, Chennai
Tamilnadu, India.



SVM Publications

Impact Factor: 2.0674

Multidisciplinary Global Journal of Academic Research (MGJAR)

Vol. V Iss. I Jan. 2018 ISSN:2394-1758

The Art of Statecraft

Mrs. Mandira Dutta
Asst. Professor
Department of Economics
DG Vaishnav College
Arumbakkam, Chennai 600106.

Abstract

Kautilya's Arthashastra had been forgotten and had been gathering dust amidst many western theories and models, but it surely forms the bedrock for generations of policymakers even before the concepts formulated by Adam Smith or Karl Marx. This 4th century BCE book written by him stresses on the fact that the absence of economic activity would bring material and social distress in the economy. On this note, I attempt to critically evaluate the performance of the current government which has come to power on the basis of a huge mandate. The similarities of the heads of state are similar and I hope that the current government can not only replicate but also goes beyond what Chandragupta had achieved. In the words of Kautilya, a man promising a better future is one from the people and the one who sweeps the nation with his convictive vigor. Narendra Modi has the qualities of a 'raja-rishi' (hermit-king) and is seen as foresighted, sharp, captivating, and attentive and engenders the net working with other nations. His recent visit to 5 nations in 140 hours has won him many admirers as well as numerous detractors. However, his approach to foreign policies has gained visibility in the global community and he is seen as a pragmatic leader intent on taking the nation to greater heights.

Key Words: *Arthashastra, Modi Government, Economic Reforms, Governance.*

JEL Classification: H00, H11

Introduction

In the happiness of the subjects lies the king's happiness; in their welfare his welfare. He shall not consider as good only that which pleases him but treat as beneficial to him whatever pleases his subjects.

Kautilya

The Arthashastra (1.19.34)

From the time humans have explored philosophy, there has been a constant endeavor to follow the righteous path of dharma. Great importance is accorded *artha*, *kama* and *moksha*, though dharma has always occupied the foremost position. *Artha* follows dharma. In *Arthashastra*, Kautilya has given greater significance to *artha* than mere accumulation of wealth. The material well-being is just a part of it. This article is an analytical study between the periods of Chandragupta Maurya, a *vaishya* who ascended the throne of Magadha and laid the foundation of an ideal state aided and guided by the genius of Chanakya also known as Acharya Vishnugupta to our current prime minister Narendra Modi, who has won the mandate of a nation of over a billion. The two have been visionaries of growth, sustainability and growth with people. A king once asked Chanakya if he would desire for position and wealth as endowments from the king. The master answered, "My wealth is my knowledge and with that I have the strength to create a king who would support me. No teacher in this world is ordinary as the creators and destroyers both play in his lap".

Public Participation and Inclusive Development

Public Participation is a key economic strategy where the people invest or undertake to assist in working towards a goal that the government needs to deliver for public use or consumption. In an ideal Kautilyan economy the king was akin to a warlord assisted by oligarchy of chiefs. The ideal kingship should engage all parties to have a stake / ownership in their domains. The chieftains were invited to participate in common initiatives pertaining to trade routes and resource sharing thereby laying the foundation of PPP in the country. Inclusive governance has been a watchword for the current Modi Government where it has been stressing on its commitment towards 'sabka saath, sabka vikas' (Development for All). Kelkar Committee on 3P (Public Private Partnership) made key recommendations on public participation in the areas of Governance, Acceptance policy, Financial Risk assessments and benchmarks. On the basis of these recommendations, the government has increased infrastructure spending and jointly embarked on rural and urban connectivity programmes under Road and Transport and Power and Renewable energy ministries. One of the major success stories of the current government is its success in the rural electrification programme. 99.25% of villages were electrified at the end of March 2017 - Out of the 18,452 un-electrified census villages in the country, 13,469 villages have been electrified up to 15th May, 2017. As compared to 2013-14, five times more Villages were electrified in 2016-17 under DDUGJY and 256.81 lakh free electricity connections have been released to BPL households up to 30th April 2017. Programmes like "Jan Dhan Yojna" which are steps that the government has taken

towards direct transfer of benefits enables anyone (legally eligible) to open a bank account. The LPG subsidy reforms which was initially started as the give it up program has been successful for creating LPG connections to those who were deprived of it. The total number of accounts opened under Pradhan Mantri Jan-Dhan Yojana (PMJDY) up to 02.11.2016 was 254489236.

Other programs include Swachh bharat mission for a better breathing and environment friendly nation. School Sanitation has been introduced as a major component to encourage wider acceptance of sanitation among the rural masses. During the year 2015-16, 12741367 individual household latrines were constructed. During the financial year 2016-17, 2331496 individual household latrines have been constructed.

National Security and External Affairs

Chanakya was instrumental in building cordial relationships with the kings far and wide, extending sharing of technology and knowledge. The guiding principles which govern the Kautilyan theory and support the foreign policy are based on the king's ability to develop his state i.e. augment the resources and power in order to enable him to embark on a campaign of conquest. Secondly to eliminate the enemies and adopt a prudent course where ever it can be and finally peace to be always preferred than war. At the same time, Chanakya stresses on the importance of War craft and importance of having forges and armories to be able to keep its army armed. Though India today imports a lot of equipment from various defense corporations, the indigenously developed LCA and missiles are also gaining importance and are being purchased by governments for induction into their armies

Strengthening the national security framework of the country was one of the major electoral promises for Modias a candidate in the pre-election. His recent collaboration with France, Russia and Israel has been a step in the right direction towards reforming and revamping the national security and furthering the Make in India initiative as well. The government has been able to clear multiple up-gradation and modernization initiatives that was previously not cleared due to some reasons. On the external affairs front the ministry led by Sushma Swaraj has delivered outstanding results. Even when it comes to strategic initiatives like the India- Afghanistan friendship dam (Salma Dam) has been completed and dedicated to the Afghan people. India-Iran jointly developed the Chabahar port outside the Persian Gulf, which recently received its maiden shipment of wheat from India's western seaport of Kandla to Afghanistan, is also seen as token of collaboration and also holds strategic importance to India as it provides critical land access to The Middle East.

Women and Society

An oft spoken topic in current times is the degradation of the position of women in our society. The position of women In the Kautilyan society was different from what it is today. Female foeticide, lower position in the society, forced marriages and low level of education plagues the society today. The prime position of a woman was begetters of sons. But he did not restrict their position only to that. Women had right to property, remarriage and employment. In the present government headed by Narendra Modi women's empowerment and involvement in the rallies at various

places has taken a prominent place. The initiative of transforming India incorporates 'betibachao, betipadao' (Aims at Prevention of gender biased sex selective elimination, Ensuring survival & protection of the girl child and Ensuring education and participation of the girl child)(BBBPS is a centrally sponsored scheme that provides 100% financial assistance to state governments to encourage girl child education), 'Sukanya Samriddhi Yojna' (encourages parents to save and operate an account which offers a higher rate of interest, the amount can be used for the higher education or marriage of the girl child once she attains the age of 21), 'Swacch Bharat Abhiyan' (building toilets in rural India for better safety, sanitation and health).Percentage of schools with Girls toilets has significantly increased from 37% in 2005-06 to 97.6% in 2015-16, thus facilitating to enhance the enrolment of girls in schools.

Security of women and her morality was well taken care of during the Kautilyan period. Those violating the rules were punished to the extent of amputation of their middle or index finger or even their hand. A pregnant woman had the liberty to use ferries free of cost. In recent times, the society as a whole fails to offer the same status to women. Though the current Modi government has taken steps in the right direction (like his predecessors as well) but much more is required to ensure that India's women are safe and laws have been grounded in the protection of women from all forms of violence must apparently become the norm. The development of women through education, skill, empowerment and self-sufficiency has been identified as the key to the development of the nation and the overall growth of the same.

Agriculture and Unorganized Sectors

Agriculture was and is one of the most important economic activities in the Kautilyan economy as well as during the reign of the now Prime minister. Efficient public administration and finance was the core objectives. Standard weights were allotted and regular supervision of the same was essential. In the Kautilyan economy crops and vegetables could not be sold directly by the farmer, they had to be brought to the respective markets, sale elsewhere than at the point of production attracted heavy penalty. The chancellor is advised to use secret agents disguised as ascetics to find out about dishonest farmers and cowherds. Land had various categories- arable land, forests, reservoirs, mines and others suitable for settlement. Farmers were provided the essentials required for the produce and were also given adequate share in form of material wealth. The king had to ensure that it was protected from harassment by not levying onerous taxes or fines and by not making undue demands for free labor. In recent times the present government has taken commendable steps in providing crop insurance at much better rates. 366.637 lakh farmers insured in India under PMFBY and RWBCIS (combined) during Kharif 2016. It has also like in the Kautilyan economy, offered loans at soft rates as well as waived off for distressed sections of the farmers. However, MSP (minimum support price) and produce support to farmers need to be better. The National security market, a recent policy of the Narendra Modi government is a step taken to ensure better security for farmers and better returns for their produce. Micro-Insurance facility initiated by the current government has

also made a steady start and is gaining quick acceptance in the rural and un-organized sectors. Claims disbursed under Pradhan Mantri Suraksha Bima Yojana (PMSBY) as on. 01.10.2016 was 5742.

One area where there is a visible cause of concern is the reliance on unorganized businesses in providing employment. Custom Tailoring, Manufacturing of Bidi, Manufacturing of Bricks, Weaving, Manufacturing of Cotton and Cotton Mixture Fabrics, Zari Work and Other Ornamental Trimmings, Flour Milling Manufacturing of jewellery of Gold, Silver and Other Precious and Base Metal etc. contribute to more than 75% of the gainfully employed population and yet, contributing only 16% of Gross Value Added(GVA). Poor Worker benefits and remuneration plague the sector thereby counter-effecting any positive steps taken.

Trade and Commerce

The Kautilyan society and framework laid stress on building better infrastructure and trade routes. The major trading countries were Ceylon, Arachosia, Burma, Nepala, Kapisa and Harahura. Duty was collected at the city gates. Merchants produce quality was evaluated and the weights assigned to them for measurement were detected frequently to check fraud. The development and connectivity through roads, railways, aviation and ship has become a prerequisite for the generation of funds and better net working with other nations. The king was advised to maintain a diversified economy. Along with agricultural practices, commerce and trade, forest and mines were also given equal importance. The kings had the sole objective of encouraging welfare of the people and behave like a sage monarch. His intellect should give immediate remedial measures to his subjects and focus on current prosperity and future growth.

In addition to strategic and diplomatic wins and a vigorously pursued 'Make in India campaign', resulted in an increased flow of FDI - up by 48% to USD 53 Bn in 2015-16. India is poorly ranked when it comes to cost of export as logistics in India is one of the most highly priced in the world. Under Trade Infrastructure for Export scheme (TIES) current government under ministries of road, railways, electricity, urban development and commerce have made considerable Improvements in providing connectivity to the last mile. Even Indian Railways has geared up to a public-private collaboration scheme to increase goods traffic and extension of rail network throughout the country. The government's 'Setu Bharatam program'- an Initiative to make all national highways and railway crossings free by 2019 is a fresh breather. The budget of 2015-2016 has implemented the gram sadakyojna for connecting all the villages with roads. This would boost the produce, meet the required market and cut the bridge between the agricultural produce and Industrial output.

Domestic Deregulation has improved the trade and commerce in the domestic market – moving India up by 30 places by World Bank Group. While this statistic is being celebrated, the actual movement is only from 56.05 DTF (Distance to Frontier) to 60.76 DTF (10%~ improvement). Areas like getting credit and paying taxes have shown marked improvements, the others parameters being clear laggards.

Conclusion

Kautilya's Arthashashtra was a treatise on good and ideal governance, the same idea

that Narendra Modi had ridden to power in 2014. Modi and his team ensured the lax attitude of government officials were done away with and the daily affairs of his government were carried on in a professional manner. PowerPoint presentations were almost unheard of in power circles of New Delhi.

However, Arthashastra laid a lot of stress in keeping pace with the times and ethos of the people. It is never meant to be prescriptive. This is something, in my opinion, is lacking in the current government. At times, It can be seen as dictating the way the nation thinks, eats and behaves. Arthashastra is more of streetlights and not guardrails; It doesn't force compliance in any form.

While the Arthashastra is relevant even today, the some sections of treatise however don't hold good in today's times - practice of the occult and black magic was reserved for the King. Black Arts are certainly lost or more clandestine art today. Arthashastra accepted and provided guidelines for gambling and prostitution, which is missing in today's society. The changing times and societal metamorphosis has not only forgotten to accept other people's views and culture but has only enforced their own on others.

Arthashastra lays stress on good governance considering the prevailing social conditions, which has metamorphosed into a different society due to Infusion of Buddhism, Jainism (monastic nature) and then Islam and Christianity. Invading rulers also brought in their cultures and the region assimilated all the changes and developed into what It Is today. To call the process of change, good or bad is a matter of subjectivity. However, if the ethos of Arthashastra is followed, it will take the country to greatness.

References

- L Rangarajan – The Arthashastra by Kautilya, Penguin Publications, 1987
- Raghavan, TCA Sharad. "Kelkar chalks out rules for PPP revival". The Hindu. Retrieved 2016-12-12.
- "Kelkar panel suggests easy funding for PPP projects in infra sector". The Financial Express. 2015-12-29. Retrieved 2016-12-12.
- ShreyaSengupta and AtanushasanBasu - Status of Unorganized Manufacturing Sector: An Introspective Study [Journal of National Sample Survey Office, 103rd Issue, September, 2017]
- U-DISE, Elementary Education in India 2015-16
- Dr. T. C. A. Anant, Chief Statistician of India and Secretary – India Country Report 2017 – SAARC Development Goals [Oct 2017]
- KR Sudhaman - India's Sustained Trade Reforms under Modi Government [Press information Bureau, Special Services and Features -12]
- Richard Rossow - Three Years Of Modi Government: The Global Business View – Bloomberg [[weblog](#)]
- Ease of Doing Business 2018 Report – World Bank Group



Women Empowerment

Saista Parwin
Lecturer in Political Science
Women's College, Khordha
Odisha, Pin-752055.

Abstract

Women empowerment refers to the creation of an environment for women where they can make decisions of their own for their personal benefits as well as society. There is no denying the fact that women in India have made a considerable progress but still there are many obstacles that resists the forward march of its women folk. The Four World Conferences on Women organised under the auspices of the United Nations and other similar conferences set strategic objectives and actions for the advancement of women and the achievement of gender equality. From time to time various schemes, initiatives, programs and activities have been undertaken by government for the development of women. Several self-help groups and NGOs are working in this direction and women themselves are breaking the societal barriers and achieving great heights in all dimensions. In this paper an attempt is made to highlight the obstacles to women empowerment and the remedial steps to overcome these obstacles and achieve a gender equal society.

Key Words: *Women Empowerment, Gender Empowerment.*

Introduction

Women are considered as a weaker sex. They were given subordinate status. According to Hindu Society norms 'She is protected by the father in her childhood, by the husband in her adulthood and by the son in her old age'. The male – dominated paternal system allows her to survive as secondary member of the family and lower citizen of society.

Women empowerment means emancipation of women from the vicious grips of social, economical, political, caste and gender-based discrimination women empowerment refers to the creation of an environment for women where they can make decisions of their own for their personal benefits as well as society. It refers to increasing and improving the social, economic political and legal strength of women, to ensure equal-rights of women, and to make them confident enough to claim their rights, like self-respect and dignity, complete control of their life both within and outside of their home and workplace, to make their own choices and decisions, have equal rights to participate in social, religious and public activities, have equal social status in the society, have equal rights for social and economic justice, get equal opportunity for education, determine financial and economic choices, get equal employment opportunity without any gender bias, and get safe and comfortable working environment.

Thus when we talk of women's development and women's status, it is important for us to recognise that interventions at all levels namely, social, cultural, political, economic are required and are possible only if changes take place in the existing system and social structures, which are not at all, favourable to the women today.

Scope

Women empowerment is a subject which includes the all-round development of women – social, political and economic. Achieving empowerment for women is uphill task and is not an easy one owing to the obstacles in the way. In the recent years different agencies have taken up this issue and are trying to help women to achieve gender equality. The main objective of this paper is to study some of those attempts made both in the international as well as national fronts to strengthen women to achieve women empowerment. The scope of this paper is limited to study the international conferences on women and the steps taken by at the national front to implement the recommendations of these conferences through the governmental and non- governmental initiatives.

Women Empowerment in India

There is no denying the fact that women in India have made a considerable progress in almost seven decades of independence. Women have been playing very important and significant economic roles in both the urban and rural areas. But they still have to struggle against many hardships and social evils in the male dominated society. Many evil and masculine forces still prevail in the modern Indian society that resists the forward march of its women folk. It is ironical that a country which has recently acclaimed the status of the first Asian Country to accomplish its Mars mission in the maiden attempt is positioned at the 29th rank among 146 countries across the globe on the basis of gender inequality index.

There has been amelioration in the position of women, but their true empowerment is still awaited. Swami Vivekananda, one of the greatest sons of India, quoted that, "there is no chance for the welfare of the world unless the

condition of women is improved, it is not possible for a bird to fly on only one wing". Therefore, the inclusion of women empowerment as one the prime goals in the eight Millennium Development goals underscores the relevance of this fact. Thus in order to achieve the status of a developed country, India needs to transform its colossal women force into an effective human resource and this is possible only through the empowerment of women. For this there is a need to enhance the socio economic status of young underprivileged women by empowering them with self confidence and the required skills, to enable them to become independent and contribute to family and society.

Gender Empowerment Measure: A Calculator of Women Empowerment

Women empowerment is measured through the Gender Empowerment Measure (GEM), which shows women's participation in a given nation, both politically and economically. GEM calculated lower participation of women than men. Gender equality is a human right, but our world faces a persistent gap in access to opportunities and decision making power for women and men.

Globally women have fewer opportunities for economic participation than men, less access to basic and higher education, greater health and safety risks and less political representation. Guaranteeing the rights of woman and giving them opportunities to reach their full potential is critical not only for meeting a wide range of international development goals. Empowered women and girls contribute to the health and productivity of their families, communities, and countries, creating a ripple effect that benefits everyone.

Though women comprise more than 50% of the world's population, they only own 1% of the world's wealth. Throughout the world, women and girls perform long hours of unpaid domestic work. In some places, women still lack rights to own land or to inherit property, obtain access to credit, earn income, or to move up in their work place, free from job discrimination. At all levels, including at home and in the public arena, women are widely underrepresented as decision-makers. In legislatures around the world, women's political participation is crucial for achieving gender equality and genuine democracy. The World Economic Forum recently ranked the United States as 19th in the world on its gender gap index. With women comprising less than one fifth of elected members of congress, the report identifies political empowerment as the greatest gender equality issue for the U.S.

The U.S. ranked higher in economic empowerment, but women's earning power remains approximately 20% lower than that of men's. Globally, no country has fully attained gender equality. Scandinavian countries like Iceland, Norway, Finland, and Sweden lead the world in their progress towards closing the gender gap. In these countries, there is relatively equitable distribution of available income, resources, and opportunities for men and women. The greatest gender gaps are identified primarily in the Middle East, Africa, and South Asia. However, a number of countries in these regions, including Lesotho, South Africa and Sri

Lanka outrank the U.S. in gender equality. Many of the barriers to women's empowerment and equity lie ingrained in cultural norms.

Many women feel these pressures, while others have become accustomed to being treated inferior to men. Even if men, legislators, NGOs etc. are aware of the benefits women's empowerment and participation, many are scared of disrupting the status quo and continue to let social norms get in the way of development. Research shows that the increasing access to the internet can also result in an increased exploitation of women. In 2010, working to Halt Online Abuse stated that 73% of women were victimized through releasing personal information on websites. Types of victimization include cyber stalking, harassment, online pornography and flaming. Sexual harassment in particular is a large barrier for women in the work place.

According to the International Labour Organization (ILO), Sexual harassment is a clear form of gender discrimination based on Sex, a manifestation of unequal power relations between men and women. Furthermore, the UN Convention on the Elimination of all forms of Discrimination against Women (CEDAW) is urging for increased measures of protection for women against sexual harassment and violence in the work place. 54% had experienced sexual harassment in the work place. Recent studies also show that women face more barriers day by day including sexual harassment, unfair hiring practices, career progression and unequal pay. Murder, kidnapping and domestic violence form a major hindrance in the way of empowerment.

World Conferences on Women and Recommendations for Empowerment

The Four World Conferences on Women organised under the auspices of the United Nations are significant in this regard. These took place in Mexico City in 1975, Copenhagen in 1980, Nairobi in 1985 and Beijing in 1995. The last was followed by a series of five-year reviews. The 1995 World Conference on Women in Beijing was a significant turning point for the global agenda for gender equality. The Beijing Declaration and the Platform for Action, adopted unanimously by 189 countries, is an agenda for women's empowerment and considered the key global policy document on gender equality.

It sets strategic objectives and actions for the advancement of women and the achievement of gender equality in 12 critical areas of concern: Women and poverty, Education and training of women, Women and health, Violence against women, Women and armed conflict, Women and the economy, Women in power and decision-making, Institutional mechanism for the advancement of women, Human rights of women, Women and the media, Women and the environment, the girl child.

The Beijing conference built on political agreements reached at the three previous global conferences on women, and consolidated five decades of legal advances aimed at securing the equality of women with men in law and in practice. More than 17,000 participants attended, including 6,000 government delegates at the negotiations, along with more than 4,000 accredited NGO representatives, a host of

international civil servants and around 4,000 media representatives. A parallel NGO Forum held in Huairou near Beijing also drew some 30,000 participants. There were follow up Conferences in 2000, 2005, 2010, and 2015. In the last one the Economic and Social Council of the UN requested the commission inform deliberations, the Council also called on UN Member States to perform comprehensive national reviews, and encouraged regional commissions to undertake regional reviews.

In the National front also there have been initiatives to empower women the latest being the National Policy for Women 2016, formulated by the Ministry of Women and Child Development, Government of India. The objectives of the programme are as follows.

- i Creating a conducive socio-cultural, economic and political environment to enable women enjoy *de jure* and *de facto* fundamental rights and realize their full potential.
- ii Mainstreaming gender in all-round development processes/programmes/projects/ actions.
- iii A holistic and life-cycle approach to women's health for appropriate, affordable and quality health care.
- iv Improving and incentivizing access of women/ girls to universal and quality education.
- v Increasing and incentivising work force participation of women in the economy.
- vi Equal participation in the social, political and economic spheres including the institutions of governance and decision making.
- vii Transforming discriminatory societal attitudes, mindsets with community involvement and engagement of men and boys.
- viii Developing a gender sensitive legal-judicial system.
- ix Elimination of all forms of violence against women through strengthening of policies, legislations, programmes, institutions and community engagement.
- x Development and empowerment of women belonging to the vulnerable and marginalized groups.
- xi Building and strengthening stakeholder participation and partnerships for women empowerment.
- xii Strengthen monitoring, evaluation, audit and data systems to bridge gender gaps.

Though there are efforts to bring in women empowerment, the barriers preventing women's empowerment extend beyond individuals – there are institutional and systemic reasons why women in some societies cannot participate freely. To break down these barriers, individuals have to work together to reform the laws, social norms, or whichever institutions are inhibiting women's productivity. Societies must also acknowledge the potential for growth and prosperity that can be achieved when women are included.

Besides these, the responsibility of the government both at the Centre and the State is also big in this regard. The Government is responsible to devise schemes in a very large scale and the dissemination and interpretation of a lot of knowledge to this effect in an innovative and efficient way.

Empowering women aims to inspire them and persuade them to come out from different adverse conditions, be it societal or religious, that have traditionally kept them suppressed and unable to see their true strength, power and beauty. We are living in the modern era, even though today women are suffering from various problems in different fields of life particularly in the rural areas.

Various schemes, initiatives, programs and activities are undertaken by government for the development of women. Pt. Jawaharlal Nehru rightly observed when he said, "You can tell the condition of a nation by looking at the status of its women".

Conclusion

Why do women need empowerment and not men? Women make almost 50% of the total population of the world. Then why this substantial section of the society needs empowerment? They are not in minority so as to require special treatment. Biologically speaking also it is a proven fact that female race is superior to male. Then the question arises why we are debating the topic women empowerment. The answer to these questions is also a known fact by now. Need for empowerment arose due to centuries of domination and discrimination done by men over women, they are the suppressed lot. India is a complex country. We have, through centuries, developed various types of customs, traditions and practices.

These customs and traditions, good as well as bad, have become a part of our society's collective consciousness. We worship female goddesses; we also give great importance to our mothers, daughters, sisters, wives and other female relatives or friends. But at the same time Indians are also famous for treating their women badly both inside and outside their homes. Indian society consists of people belonging to almost all kinds of religious beliefs. In every religion women are given a special place and every religion teaches us to treat women with respect and dignity. But somehow the society has so developed that various types of ill practices, both physical and mental against women have become a norm since ages. For instance, *satipratha*, practice of dowry, *parda pratha*, female infanticide,

wife burning, sexual violence and other various kind of discriminatory practices, all such acts consists of certain amount of physical as well as mental element.

The reasons for such behaviour against women are many but the most important are the male superiority complex and patriarchal system of society. Though to eliminate these ill practices and discrimination against women various constitutional and legal rights are there but in reality there is a lot to be done. Several self-help groups and NGOs are working in this direction and women themselves are breaking the societal barriers and achieving great heights in all dimensions, political, social and economic. But society as a whole has still not accepted women as being equal to men and crimes or abuses against women are still on the rise. Society's age-old deep rooted mindset needs to be changed through social conditioning and sensitization programmes.

Therefore, the concept for women empowerment not only focuses on giving women strength and skill to rise above from their miserable situation but at the same time it stresses on the need to educate men regarding issue and inculcating a sense of respect and duty towards women for treating them as equals.

References

1. "Women empowerment", <https://www.importantindia.com/>
2. Sahay Sushma,(1998) *Women Empowerment: Approaches and Strategies*, Discovery Publishing House, New Delhi.
3. "What is Women Empowerment", [https://www. Artofliving.org](https://www.Artofliving.org).
4. "Empowerment of Women for Improved Quality of Life", Anewindia.org.in
5. "Women Empowerment in India", Iaspaper.net
6. Argawal, Bina (2010) *Gender and Green Governance- The Political Economy of women's presence within and beyond community forestry*, Oxford University Publication, London.
7. "Global Issues: Gender Equality and Women's Empowerment", www.peacecrop.in.
8. Nayak Purushottam, "Women Empowerment in India", <https://www.Researchgate.net>
9. Fadia B.L. (2017), *Indian Govt. and Politics*, Sahitya Bhavan, New Delhi.
10. "Women Education in India", India Celebrating .com
11. *National Policy for Women* (2016)Ministry of Women and Child Development, <http://wcd.nic.in>

12. "Role of Micro-finance in women's Empowerment", Patna Journals women empowerment-Jan. 2017
13. "Women's Economic Empowerment conceptual framework", Oxfam.
14. World Survey on the Role of Women in Development (Report)(2014)
www.unwomen.org
15. Debarati, H and Jaishankar, K. (2017) *Cyber Crime and victimization of women*, Sage Publications India, New Delhi.
16. UN. Women, <http://www.unwomen.org/>



Food Security in India

Dr.S.Sivakamasundari
Senior Lecturer
Amity Global Business School
Chennai

Abstract

Since independence India has faced two key economic challenges: achieving food security and alleviating poverty. To meet both of these challenges it focused on promoting growth in the agricultural sector. During 1950s agriculture promotional activities were initiated to increase food production and to reduce dependency on agricultural imports. This led to the formulation of policies like green revolution, Food Security Act, public distribution system and price support system for farmers. Sustainable food system requires measures to overcome the problems at all stages from production to consumption. The aim of food security is providing food to all people at all time. Government has taken many steps to ensure food for all people. Under the Minimum Common Need Programme Government of India provided food grains at subsidized rate from 1st June, 1997 onwards. People who are living below poverty line are provided with 35 Kgs of foodgrains (Wheat + Rice). But the nutritional outcomes show the existence of chronic hunger and food insecurity in India. The aim of food security is to ensure adequate food for the undernourished, underprivileged and other vulnerable groups of the society. Eventhough government had taken several steps to boost the production activities and maintaining the distribution system properly there are Issues in the production, distribution, consumption, availability and accessibility of food grains. The aim of this article is to highlight the achievements and analyse the issues and Challenges involved in the production as well as distribution of foodgrains.

Key Words: *Food production, public distribution system, productivity, food security, poverty, Central Warehousing corporation, Food corporation of India, sustainability, accessibility and availability.*

Introduction

To maintain sustainable food distribution system government should adopt new strategies in the production of food grains. It involves ecological maintenance, proper storage facilities, marketing, transport and high remunerative prices for the agricultural products. In the distribution channel periodical inspection by the government officials and coverage of the population living below poverty line are necessary. Government provides a minimum quantity of cereals at subsidized prices, through Public Distribution System (PDS).

Agricultural productivity increases in some areas but in many regions production is getting affected especially in the country's semi-arid tropical region is impeded by water shortages and recurrent drought, while environmental degradation and vulnerability to weather-related disasters pose challenges to the country as a whole. Problems related to irrigation, infrastructure, market and transport add significant cost to farmers' operations. Another issue is lack of delivery mechanisms. Though government had invested huge amounts of money for storage and distribution of foodgrains it is not able to eradicate poverty completely. This paper tries to analyse difficulties involved in the production, distribution and storage of foodgrains. It also focused on how the small farmers are struggling for producing, selling, and fixing price for their products in India.

Objective

- Assessing the food production trends in India
- Finding out the storage facilities and food distribution systems
- Analysing the productivity, price system and other risk factors involved in the food production.

Research Methodology

Secondary data had been utilized for this study as the main focus of this study is analysing the impact of government schemes the author had used government records and reports.

Food Security Act 2013

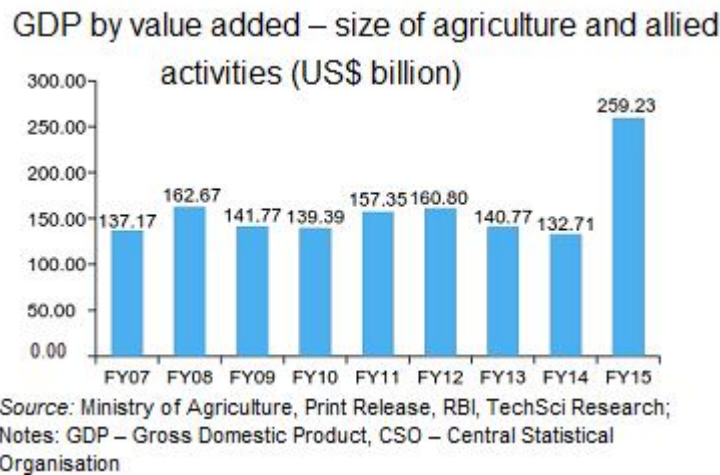
Government introduced many programmes especially for the rural people. The aim of the programme was to provide food to all the households throughout the country. Among the programmes, Midday Meal programme, is one which provides noon meals to the children at primary schools and the Integrated Child Development Scheme is another one which provides supplementary nutrition to young children and pregnant women, these two programmes were considered as major programmes introduced for enhancing food security. In addition to this government introduced food security act .The objective of National Food Security Act, 2013 was to provide adequate quantity of quality food at affordable prices to people. The act covers about two-

thirds of the population, almost 75% of the rural population and 50% of the urban population receives subsidized food grains under Targeted Public Distribution System (TPDS). The eligible persons will be entitled to receive 5 Kgs of foodgrains per month at subsidised prices of Rs. 3/2/1 per Kg for rice/wheat/coarse grains. The poorest of the poor, will continue to receive 35 Kgs of foodgrains per household per month through Antyodaya Anna Yojana (AAY). The Act is also providing nutritional support to women and children. Children upto 14 years of age will be entitled to get nutritious meals as per the prescribed nutritional standards.

Production of Foodgrains

India produces foodgrains like rice, wheat, maize, coarse cereals and pulses. Food grain production for the year 2014-15 reached 259 million tonnes with 103 million tonnes of rice; 96 million tonnes of wheat, 23 million tonnes of maize and 18.4 million tonnes of pulses. During 2015–16 the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) to Gross Value Added (GVA) was 15.35 per cent. Being the second largest fruit producer in the world India's horticulture output, comprising of fruits, vegetables and spices reached 283.5 million tonnes. Agricultural export constitutes 10 per cent of the country's exports.

Chart:1 GDP by Value Added- size of Agriculture and Allied Activities (US\$ billion)



Storage of Foodgrains

In some states, the location of godowns are far away from the place of production and the delay caused in transporting the grains involves wastage of the food products. Setting up of storage facilities near the production units would avoid wastage and transport cost. To prevent spoilage, contamination and wastage, storage is necessary. For safe and hygienic operation of food business and for maintaining nutritional quality of the food proper storage facilities are essential. Therefore government decided to construct storage houses.

The Central Warehousing Corporation (CWC) was set up on 2nd March, 1957. CWC provides scientific storage facilities for agricultural produce and other commodities. As on 01.01.2016, CWC was operating in 464 warehouses with a total storage capacity of 114.10 lakh million tonnes. It includes 57 custom bonded warehouses 4 Air Cargo Complexes, 31 Container Freight Stations/Inland Clearance Depots providing services to the Export and Import trade.

Table:1 Total Stocks of Foodgrains in Central pool

TOTAL STOCKS OF FOODGRAINS IN CENTRAL POOL AS ON 01.01.2016

Part-II Region	(Figs. in lakh MT)								
	STOCK WITH FCI			STOCK WITH STATE AGENCIES			TOTAL CENTRAL POOL STOCK		
	RICE	WHEAT	TOTAL	RICE	WHEAT	TOTAL	RICE	WHEAT	TOTAL
2	3	4	5	6	7	8	9	10	
Bihar	0.85	1.82	2.67	0.00	0.00	0.00	0.85	1.82	2.67
Jharkhand	1.36	0.27	1.63	0.00	0.00	0.00	1.36	0.27	1.63
Odisha	1.02	1.60	2.62	4.99	0.00	4.99	6.01	1.60	7.61
West Bengal	0.84	4.90	5.74	1.57	0.00	1.57	2.41	4.90	7.31
Zonal Total	4.07	8.59	12.66	6.56	0.00	6.56	10.63	8.59	19.22
Assam	1.37	0.47	1.84	0.00	0.00	0.00	1.37	0.47	1.84
Arunachal Pr.	0.11	0.00	0.11	0.00	0.00	0.00	0.11	0.00	0.11
Tripura	0.18	0.03	0.21	0.00	0.00	0.00	0.18	0.03	0.21
Mizoram	0.12	0.01	0.13	0.00	0.00	0.00	0.12	0.01	0.13
Meghalaya	0.11	0.00	0.11	0.00	0.00	0.00	0.11	0.00	0.11
Manipur	0.24	0.01	0.25	0.00	0.00	0.00	0.24	0.01	0.25
Nagaland	0.26	0.01	0.27	0.00	0.00	0.00	0.26	0.01	0.27
Zonal Total	2.39	0.53	2.92	0.00	0.00	0.00	2.39	0.53	2.92
Delhi	0.14	2.00	2.14	0.00	0.00	0.00	0.14	2.00	2.14
Haryana	5.80	34.00	39.80	0.00	7.35	7.35	5.80	41.35	47.15
Himachal Pr.	0.06	0.29	0.35	0.00	0.00	0.00	0.06	0.29	0.35
J&K	1.26	0.67	1.93	0.00	0.00	0.00	1.26	0.67	1.93
Punjab	26.08	38.36	64.44	0.00	51.36	51.36	26.08	89.72	115.80
Rajasthan	0.16	15.27	15.43	0.00	0.00	0.00	0.16	15.27	15.43
Uttar Pr.	15.35	16.83	32.18	0.00	0.00	0.00	15.35	16.83	32.18
Uttarakhand	0.59	0.69	1.28	0.63	0.00	0.63	1.22	0.69	1.91
Zonal Total	49.44	108.11	157.55	0.63	58.71	59.34	50.07	166.82	216.89
Andhra Pr.	6.46	0.21	6.67	5.90	0.00	5.90	12.36	0.21	12.57
Karnataka	5.42	1.61	7.03	0.00	0.00	0.00	5.42	1.61	7.03
Kerala	3.04	0.93	3.97	0.14	0.00	0.14	3.18	0.93	4.11
Tamil Nadu	6.98	1.21	8.19	0.00	0.00	0.00	6.98	1.21	8.19
Telangana	6.04	0.17	6.21	4.88	0.00	4.88	10.92	0.17	11.09
Zonal Total	27.94	4.13	32.07	10.92	0.00	10.92	38.86	4.13	42.99
Gujarat	0.67	3.90	4.57	0.00	0.00	0.00	0.67	3.90	4.57
Maharashtra	5.64	9.23	14.87	0.00	0.00	0.00	5.64	9.23	14.87
Madhya Pr.	0.07	1.68	1.75	4.29	39.64	43.93	4.36	41.32	45.68
Chhattisgarh	3.72	0.23	3.95	7.39	0.00	7.39	11.11	0.23	11.34
Zonal Total	10.10	15.04	25.14	11.68	39.64	51.32	21.78	54.68	76.46
Total	93.94	136.40	230.34	29.79	98.35	128.14	123.73	234.75	358.48
Wheat lying in mandies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stock in Transit	3.16	3.13	6.29	0.00	0.00	0.00	3.16	3.13	6.29
Total (All India)	97.10	139.53	236.63	29.79	98.35	128.14	126.89	237.88	364.77

Source: Department of food & Public Distribution

http://agricoop.nic.in/Admin_Agricoop/Uploaded_File/Final%20Annual%20Report%20English.pdf

Distribution of Food

The Food Corporation of India (FCI) was set up in the year 1965 to overcome the shortages of food grains especially wheat. The main functions of the Department is formulation and implementation of national policies relating to procurement, movement, storage and distribution of food grains. Apart from this Public distribution system was implemented with a special focus on the poor. It maintains central reserves of food grains and promotes scientific storage. FCI formulates national policies relating to export and import, buffer stocking, quality control and specifications of food grains; FCI is the main agency responsible for implementing the food policies of Central Government. FCI administrates food subsidies relating to rice, wheat and coarse grains; Policy matters relating to sugar and sugarcane sector, fixation of Fair and Remunerative Price (FRP) of sugarcane payable by sugar factories, are fixed by FCI. FCI was planning to open 681 procurement centers (including private support) during Kharif Marketing Season (KMS) 2015-16. It has taken a unique initiative to engage private parties in the procurement operations particularly in Eastern U.P., Jharkhand, West Bengal and Assam. Despite two successive monsoon deficit FCI has 364.77 lakh million tonnes of food grain stock in Central Pool as on 1st Jan. 2016.(Table1).

Government has adopted policies to optimize the level of procurement of wheat and paddy, rice. To provide quality food grains to consumers and to minimize storage losses caused due to long period of storage, FCI does not carry any issuable stock of more than 2-years of age at the end of any year. Now during 2016 the total storage capacity available for storage of Central Pool stock of food grains is about 812.09 lakh million tonnes.

Government of India established department of Food & public distribution to ensure food security for the country. In order to ensure food security for the poor people efficient procurement and distribution of food grains activities are conducting. It involves procurement of various food grains and maintenance of food stocks, Delivering the products to the distributing agencies, monitoring the production activities and price levels of food grains were the main functions of this department. The department is responsible for formulations of policies and fixing fair & remunerative price of sugarcane payable by sugar factories

Using of Information technology in the Agriculture Sector

Scheme on 'End-to-End Computerisation' of TPDS Operations on cost sharing basis with States/UTs was implemented under digital India programme. In the North Eastern States Costs are being shared on 90:10 basis and whereas in other States and Union Territories, cost sharing is divided into 50:50 basis. The scheme is a Mission Mode Project (MMP) which comes under the National e-Governance Programme. All

States and Union Territories have completed Digitalization of Fair Price Shop and godowns database. Digitalization of ration cards and beneficiary data base have also completed. The 'Cash Transfer of Food Subsidy Rules, 2015' was implemented on 21.08.2015, under the National Food Security Act, 2013. When there is a written consent of the State Governments Direct Benefit Transfer (DBT) Scheme shall be implemented in the identified areas. Depot Online" facility was created to bring all operations of FCI godowns online and to check leakage. As on 1st January 2016 FCI has 364.77 lakh million tones of foodgrain stock in Central Pool.

Analysis of Production, Storage and Distribution of Food grains

In India, food is produced under diverse climatic situations in different cropping systems. From the year 1950- 2007 average annual rate of food grain production was 2.5 percent whereas the growth of population was 2.1 percent. But we couldn't say that India achieved self sufficiency in food grains production. Recent statistical information says that there are variations in the production of foodgrains. Table:2 reveals the fact that there is variations in the production of foodgrains from the year 2012 to 2015. Gross Value Added (GVA) of Agriculture and Allied Sector and its share in total GVA of the country during the last 3 years including the current year are shown in the table, There are various reason for the fluctuations in the production level.(Table:2)

**Table:2 Growth in Gross Value Added
(at 2011-12 basic prices)**

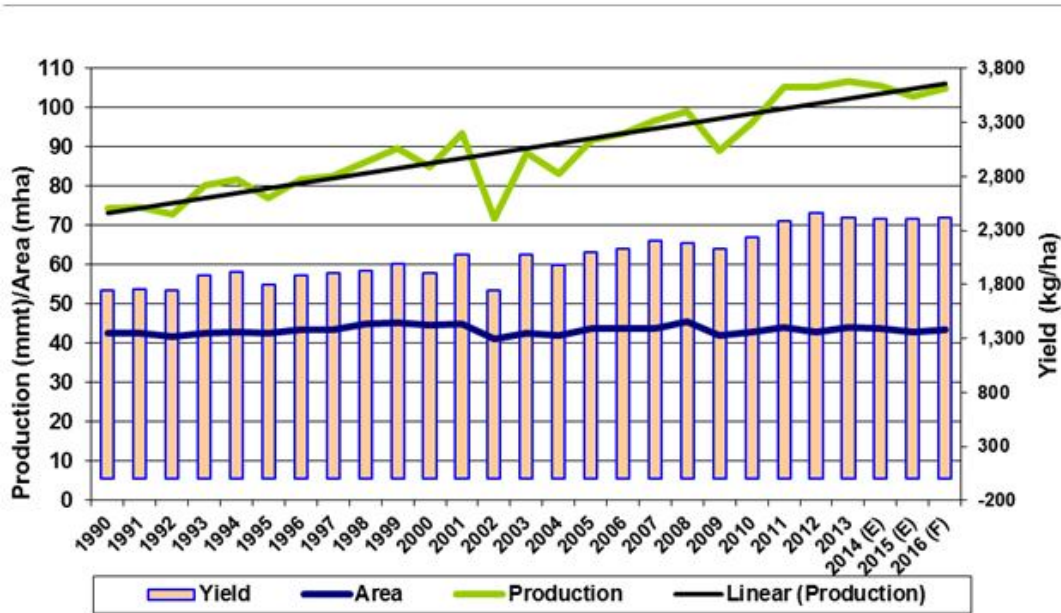
Period	Total GVA	Agriculture & Allied sector GVA
2012-13	5.4	1.5
2013-14	6.3	4.2
2014-15	7.1	-0.2

Source: Central Statistical Office

Due to the steady diversion of agricultural land for non-agricultural use, India's rice yielding is well below the world average, and there are wide variations in the productivity in rice producing states. It also depends on the water and other resource availability. In order to bring the Green Revolution to Eastern India the government launched a Special Program in 2010-11. The eastern region of the country comprising Bihar, Chhattisgarh, Jharkhand, eastern Uttar Pradesh, West Bengal, and Odisha. The

government promoted a “System of Rice Intensification” technology which requires less water and chemical fertilizer in some rice growing state. As it was highly labor intensive the adoption of this system was relatively slow. The eastern states have realized significant productivity gains in the last few years due to the introduction of various government programs, but are still highly dependent on the monsoon.

Chart 2: Rice Area production and Yield



Source: Ministry of Agriculture, GOI; and FAS/New Delhi (MY 2015/16 and 2016/17)

Total food grains production during 2014-15 was around 257.68 million tonnes but the record production of 265.04 million tonnes of foodgrains was achieved during 2013-14 which was lower by 12.36 million tonnes. Total production of pulses and oilseeds estimated at 17.20 million tonnes and 26.68 million tonnes respectively are also lower by 2.05 million tonnes and 6.07 million tonnes than their production levels during 2013-14.

Results of the Study

Indian agriculture is facing issues in the infrastructure, production, pricing, marketing ,transport and lack of delivery mechanisms. Though there are many schemes in India for the development of agriculture due to lack of delivery mechanisms in some places farmers are struggling at the ground level, for increasing productivity , reducing cost ,increasing revenue through agriculture. Irrigation in India consists of surface and the ground water. Problems in the surface irrigation is the system management. Due to the storage and usage of water problems the extent of irrigated

area compared to the capacity built is very low, averaging about 40%. In addition to this India faces problems like water logging at the head part of the water bodies and deficit at the tail-ends. The major issues arises in the ground water usage is equity. People who have better abilities would extract more water from groundwater aquifers which in turn creates various problems. If the area is closer to the coastal ,ground water may get mixed with salt water which would create negative externality. Another problem arises when the ground water level goes down it become difficult to get even drinking water. The country is facing dual problems related to availability of drinking water as well as access of groundwater to the poor.

Rice production in the year 2001 was 93.3 million tonnes (**Chart 2**), it decreased to 90 million tonnes in 2006-07, wheat production also shows a declining trend- it reduced from 72.8 in 2001 to 72.5 million tonnes in 2006-07. Production of coarse cereals constitute 32.0 and pulses shows 14.5 million tonnes in the year 2006-07. Around 209.2 (2nd advance estimates) million tonnes of food grain was estimated in the year 2006-07.

Total gross area for cultivating all crops increased from 122 million hectares in 1949-50 to 168.4 million hectares in 2008-09. The contribution of agriculture, forestry and fishery (at 2004-05 prices) to GDP for the year 2010 was 14.6 per cent. The percentage growth of agriculture, forestry and fishery was 0.2 percent. The average yield for total foodgrains was 1798 kg/ha for the year 2009-2010.

The total demand for food grains is projected to increase at 2 per cent per annum in the medium term though the per capita demand for food grains in India shows a declining trend, and the current productivity level is low. The growth in yields has not increased substantially for the past two decades.

The higher growth had been achieved during green revolution periods however in the last two years to meet the local demand country had imported huge foodgrains. India is planning to solve this issue permanently by increasing the yield of foodgrains and by maintaining distribution system properly. At the same time it has to analyse various factors which affects the production as well as distribution of foodgrains. The first factor which affects the production is weather condition.

Yield fluctuations occurs due to weather or pests & diseases The effects of weather on crop yields differs from one crop to the other crop, soil type, region and irrigation. Rainfall is the eminent variable factor that causes yield fluctuations. As per the report of the National Commission of Agriculture fluctuations in the rainfall could be responsible for 50 per cent of variability in yields

The second factor is price level. Increasing price level in the global market would affect the Indian agriculture system As per the world bank report increasing of food price would add 1.5 million more children to the existing 45 per cent of Indian children who are already malnourished and most of the small scale farmers remain

net buyers of food. If the farmers were the net sellers of food it could have been a boon to them.

Price risk depends on the market forces as well as existing market situations. Profitability of crops is being affected due to high variability of prices, because input prices are consistently increasing over the period. Price variation occurs because of demand shocks as well as instability in the prediction.

There are also private mechanisms that can potentially help the farmers to cope with private risks. We could solve the price risk to some extent if we go for contract farming. Evidence shows that price stability is a major advantage of contract farming for producers. If the pricing of food grains is left to market forces. As the bulk of food is produced by small and marginal farmers, they lose in the bargain so they are not getting the benefits if the prices of foodgrains increased, the actual benefit goes to the middleman or the rich peasantry.

Third factor is water scarcity. In order to solve the water problem we are adopting drip irrigation and other techniques. However in the water scarcity areas, yield boosting technology is adopted as an instrument for reducing the risks and increasing the production

Even during the periods of short supply the government could be able to maintain adequate stocks thereby any market eventualities caused due to shortfall in production were managed. At present stock of food grains reveals that adequate stocks were maintained to cope with any market calamities.

The fourth factor is Distribution which would affect the food security. In order to eliminate the middlemen government introduced public distribution system. Through public distribution system, government is providing basic food like rice, wheat, dhal, sugar and kerosene to the poor people. The functioning of public distribution system is also facing difficulties in storing facilities. Storage capacity of central warehousing Corporation for the year 2010-11 was 1.45 lakh million tonnes and it increased to 2.35 lakh million tonnes in the year 2012-13, then it decreased to 1.90 million tonnes in the year 2014-15.

Storage Capacity of Central Warehousing Corporation

(in lakh MTs)					
2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
1.45	2.09	2.35	2.21	1.90	1.66*

*Planned capacity increase during 2015-16.

Source: dfpd.nic.in

Due to lack of warehousing and storage facilities in some areas farmers are selling their products as soon as the harvest is over. They can't afford to hold and wait for better prices, even though government is providing warehouse facilities quality is not good in many places it leads to wastage of grains. Inadequate transport facilities, lack of market linkages prevent the poor farmers from taking their produce to mandis, still bullockcarts are used in rural areas.

Apart from this farmers are not able to get better prices, due to low grading and standardization facilities. High transport costs affects the rural people for transporting the food grains from the produced areas to the storage place as the location of godowns are there in urban areas. Corruption is unavoidable in PDS; it is very difficult to exactly point out the amount of food grains being sold in the open market which is supposed to be distributed to the poor people for whom it is intended. In order to solve this issue government started online system.

Entry of middlemen raises the prices of agriculture products India has seen impressive progress in its economic growth in recent years, at the same time the country faces the problem of poverty and hunger. India's poor population amounts to more than 300 million people. As per the statistical information 30 percent of India's rural population is living in poverty. The poverty level has been on the decline in recent years due to the implementation of government schemes we can able to reduce the poverty level only to some extent .Socio-economic and cultural inequities also affect food security. In rural India, caste determines , occupation, income, purchasing power and hence one's food security.

Suggestions :Steps taken by the government to Increase Agriculture production

To revive agriculture growth and improve farm incomes at a time when rural India is going through a protracted period of distress. A crop insurance scheme Pradhan Mantri Fasal Bima Yojana (PMFBY) has been launched. In the year 2015-16 an amount of Rs.2,589 crore was invested however the amount has been increased to rupees 5,500 crore for the year 2016-17to create a national e-market for farm produce and to increase the production of foodgrains.. Through the introduction of flagship Pradhan Mantri Krishi Sinchayi Yojana (PMKSY) scheme in 2016-17,nearly 2.85 million hectares will be brought under irrigation.

There are 89 projects under the Accelerated Irrigation Benefits Programme (AIBP) to irrigate nearly 8 million hectare the central government is planning to spend Rs,17000 crore on these projects. A long-term irrigation fund under NABARD (National Bank for Agriculture and Rural Development), with an initial corpus of Rs.20,000 crore was created during 2016-17 budget. The overall amount allocated for agriculture was increased from Rs.24,909 crore in 2015-16 to Rs.35,984 crore in

2016-17. Rural credit also increased from a target of Rs.8.5 trillion in 2015-16 to Rs.9 trillion in 2016-17.

Government allocated rupees 15000 crore towards interest subvention to ease the burden of loan repayment on drought-hit farmers. To increase crop yields in rain-fed areas Rs.412 crore was allocated towards organic farming. The organic produce grown in this parts finds domestic and export market, In order to boost up the production of pulses Under the National Food Security Mission rupees 500 crores were allocated. Government of India is planning to set up a national agriculture market to connect 585 regulated wholesale markets across the country and to assist the farmers to get remunerative prices.

Conclusion

Through the introduction of modern agricultural technique along-with the adoption of hybrid seeds, extension of irrigation facilities and application of intensive method of cultivation, yield per hectare of all crops has recorded a steep rising trend during 2013-14.but it was lower in the year 2015-16. In the short run providing welfare to the poor is important and in the long run adequate investments should be made to increase the productivity of the farming households. It requires planned investment in agricultural research and infrastructure to increase the factor productivity in agriculture.

Government of India planned for sustainable development of agriculture, therefore in its budget 2016-17,it took several measures to improve agriculture and increase farmers' welfare. Government is planning to bring 2.85 million hectares under irrigation. Grants in aid amount to 2,87000 crore were given to gram panchayats. To improve soil fertility on a sustainable basis soil health card scheme and the organic farming scheme'Paramparagat Krishi Vikas Yojana' was introduced. But at the gross root level, the welfare of the small farmers should be improved.,

References:

Basu K (2011) *Food Management in India*. Working Paper, Ministry of Finance. Government of India, New Delhi.

Drèze J (2004) Democracy and the Right to Food. *Economic & Political Weekly*, 24 April, 24, 1723–1731

Department of Food & public Distribution, Ministry of Consumer Affairs, Food & Public Distribution <http://dfpd.nic.in/>

Farming in India,,India is reforming other bits of its economy, but not Farming June 27th 2015 .| <http://www.economist.com/news/asia/21656241-india-reforming-other-bits-its-economy-not-farming-time-warp>

Indian Agriculture industry: An Overview, July 2016

<http://www.ibef.org/industry/agriculture-india.aspx>

<https://src.pteducation.com/src/Data/contentforirma/Food%20Grain%20Crisis.pdf>

<https://src.pteducation.com/src/Data/contentforirma/Food%20Grain%20Crisis.pdf>

<http://www.livemint.com/Politics/T3pDBIVQPF6Ri6MnyEEeBK/Union-Budget-201617-Govt-gives-Rs36000-cr-to-farm-sector.html>



Ethno-Archaeology of the Savara Tribe of Andhra Pradesh

**Dr. K. Parimurugan
Assistant Professor
Department of Anthropology
University of Madras
Chennai – 600 005**

Abstract

Abstract of the paper on “Ethnography of Savaras of Srikakulam Mandal in Andhra Pradesh” to be presented in the forth coming Indian History Congress to be held on 28 – 30 December 2017 at Jadavpur University, Kolkata, West Bengal.

This paper is mainly deals about Ethnographic profile of the Savara Tribe who inhabited in Sethamapettai, in Srikakulam Mandal in Andhra Pradesh. The field work carried out during the month of December 2016. The author and final year students of Anthropology were conducted empirical field work in this area.

The Savaras are Montari language speaking people live in many state of India. Their major population found in “Araku” valley in Vizagapattinam in Andhra Pradesh. We have visited local markets were tribals brought several objects which they made out from bamboos and other forests woods.

We have also noticed and collected six Neolithic tools from Sethamapetta village. This village might be oldest settlement in the Andhra Pradesh where the Neolithic culture was started 6000 years before. The Savaras who were a hunting gathering group became settled agriculturalist due to shrinking of forest and disappearance of game animals in this area. This paper is mainly deals about the Ethno Archaeology of Savaras who is an indigenous community of India.

Key Words: Savara Tribe, Ethnography Aspects.

Location

The Savaras are inhabited in the hilly terrain. The hill ranges found 1000 to 4500 feet above the sea level (MSL). The temperature is very high in summer months raised upto 43 C, and in winter is severe cold lower than 13 C. The area got heavy rain both by south-West monsoon (June-September) and north-east monsoon.

The Savara, a tribal community inhabit in Orissa, Andhra Pradesh, Madhya Pradesh, West Bengal, Tripura, Bihar, and Assam. In Andhra Pradesh, they inhabited in the hilly region of Vizianagaram and the Srikakulam of Vishakhapatnam districts. The predominant savara population is found in Srikakulam which is the bordering to Orissa state.

The study area

The Jammudagudu is one the tribal settlements were predominately the savaras are inhabited. The empirical field work was conducted in the Jammudaguda hamlet which comes under Godisha Panchayat of Seethampeta mantal in Srikakulam district.

The Settlement

The hamlet comes under Sethampetta mantal. It is located 8 k.m. away from settlement were police station, government residential tribal school, P.H.C, post office are found. Jammudaguda hamlet is a small in size found in foot hill. The settlement is surrounded by small hills. The settlement consists of 26 households with a population of 128. The hamlet was well connected by bus route. Every one hour once buses are playing via this hamlet. There are several share autos are also playing in this route. There is a Balvadi with less than ten children are joining and a teacher look after the children in day time. The Christian prayer hall, and church house found in the hamlet. Every Sunday the prayer was conducted by Father of the church (R.C. Father).

The other tribes Jatapu, Komdadora and Gadaba are also inhabit in the district. The settlement is found here more than 200 years old. The thatched roof houses with mud walls are found numerous. A few houses are RCC buildings. The red and black soil found in this area. They are wondering tribes, food gathers later became shifting-cultivators. Even small mountains they owned and raising various horticultural crops. The Hamlet provided with electric facility, and street lights, Panchayat water taps. The people washing their utensils in front of the house and waste water saved in the water harvesting pits. Because no proper drainage system found. For spreading of water borne diseases. The government helping various methods for protecting people from malaria and other fever.

The people

The Savaras are belonging to proto-Australoid racial stock. The male are 5 to 6 feet tall and well body structures. They looks lean and woman are looks very short and poor body structure. The people won't get any nutritious food, except vegetables. There are 26 families are living in the year 2016.

The traditional house

The typical houses found in rectangular in size and have single room. The mud plastered walls supported with bamboo sticks. The roof is thatched and covered by locally available forest grass called as Dhabba. Some house roof was covered by hay (paddy grass). There is a single entrance fixed by a wooden door. There is no window. There is veranda found each houses were poultry birds or sheeps were stay. A common hearth found in the front of the houses were food prepared by firewood. The single bulb electrical facility provided to all houses. There are eleven houses have got dish antennas. They keep streets in very neat. The cow dung paste was applied on mud walls. Even on the floor's on the grounds. The cement house is found very few which consists of a hall and kitchen and a room.

Language

Savara speaks savara language, which belongs to the kol-monda group of Austro-Asiatic family of languages. They are bi-lingual. The younger generation can speak both savara basha and Telugu language. A school teacher was did some pioneering work on savara language his name was Gidugu Rama murthy Pantalu (1862-1940). He has made out a savara script, and the same was published by madras government in 1912. Due to entry of Christian missionaries, the people slowly learn English language also. Every Sunday the village people both men and women, school children all attending Christian prayers without fail.

Physical features

The Savara resemble the mongoloid race with long heads and flat nose. They got curly hair and having brown skin colour. The men are medium height 4 to 5.5 feet height. The woman below 4.5 feet in height. They look very lean, but physically well built in doing agricultural works, and climbing trees and mountains.

Food Habits

The Savara are non-vegetarians, eat fowl, pork, goat, fish, wild boar, rabbit, birds and beef. They purchase all these from local "*sandhai*" (common market) on Monday and Sunday in Sethapattai and Kusumbi area the markets were held. The local merchants come and sale all food products. The tribes are also purchase various commodities like vegetables, meat, fruits, and kitchen items etc. they drank local beer.

There are variety of tubers are sale in the markets. Rice is their stable food. The poultry birds are keep in many houses. The wild animals almost vanished from this area. We cannot see a single animal in 15 days of time.

Family

They are follow patrilineal descent, and also the rules of residence are patrilocal. The nuclear families are very common. Monogamy is found common among the savaras. But, a few males have follow polygynous type of family because of the circumstances they acquire more than one wife. Savara is based on exogamous surnames (inteperlu). Each savara family has a surname and follows strict exogamy at surname level.

The following are few surnames of Savara:

1. Areka
2. Konda Gorre
3. Biddiki
4. Mandinga
5. Puvvula
6. Kadraka
7. Emeriki
8. Cheemalu

They are all patri clans.

The Kinship Terminology

Kinship terminology has been derived as i. descriptive and ii. Classificatory.

1. Consanguineous or affinal
2. Maternal or paternal
3. Collateral or non-collateral
4. Lineal – Non-Lineal
5. Classificatory – descriptive terms
6. Kinship behaviour – Verbal and non-verbal
7. Avoidance
8. Joking relationship
9. Unilateral descent groups: Patrilineal and Matrilineal
10. Locality: Patri, Matri, and Neo
11. Endogamy – Exogamy – clan – Village
12. Kinsfolk – Social network – social web.
13. Decent – Patri-Matri-Double.

Kinship

The Savaras kinship terminology is mostly classificatory. They follow patrilineal descent or unilateral.

Marriage

They follow strict endogamy system. The marriages at village level will be approved by village headman. A few cases of sorrel polygyny were noticed in the villages. Marriage will be a simple affair will be conducted on lesser expenditure.

Economy

Savaras are hill cultivators, agriculture is considered to be a principle economic activity. During rainy times they cultivate wet paddy, and summer they raise various millets in the same land. Shifting cultivation is now under the control. But in their patta lands. They set fire on the bushes, small trees, and to prepare the lands for raising horticultural crops like, guava, orange, pineapple, various type of roots, and cashew. They also raises pulses like red gram, green gram, and vegetables like chilies, lady's finger, and better gourd, etc.

Few trees samplings are they got from the forest department like teak, jack, mango, eucalyptus, arakku, bamboo trees were planted in hill plots. Bananas are also found. They rear goats and sheep. The mulch cows are found in the villages. The country chicks were plough bulls freely given to each houses (3 pairs).

Most of the agricultural products are consumed by Savaras themselves. The fruits, vegetables were taken into local markets for sale. Once in a week, the Savaras going to nearby markets and purchase all kind of commodities.

The meats, chicken, beef, buffalo meat, fish all are available in 'local shandies'. They can buy according to their requirements. The goats, sheep were sold every six months once at the market. The Savaras were good artists; they made various pictures in walls and cloths. They are made embroidery on cloths, with beautiful animal pictures. There is no single wild animal found in the study area. They were hunted already all small animals. They also collect turmeric, cashew and tamarind and ginger to the markets for sale and get cash.

The non-tribals are also come and sale various commodities like provisional shop, vegetables, and various kinds of eatables including meals, dosai, tea etc.

Cattles, cows, buffaloes, and pigs, chicken are coming to local markets. The businessman from towns to purchase and taken into tempo/mini Lorries for supply to the urban areas. The pots, various sizes and baskets grains storage baskets, winnowing fans are found plenty in the markets.

Religion

Savaras are follow animism. They are nature worshippers. British missionary people introduced Christianity in the various villages in tribal areas. They built churches in few villages. 60% of Savaras are already converted into Christianity. The church fathers are also helping tribal families for providing small loans, education, etc.

They bury the dead bodies. However, the Christian's Savaras here made concrete structures with Christian cross symbol (Kuriyidu). We have visited Christian burial ground and found more than 15 cemeteries are seen in the study area.

Conclusion

The Savaras constitute a very important and primitive tribe of India. At present they are found in Bihar, Orissa, Andhra Pradesh, Madhya Pradesh, Maharashtra, West Bengal, Assam and Tripura. The major population of Savaras found more than 7 lakhs in Orissa state alone in boarding state of Andhra Pradesh, few lakes are found. Almost, Savara hamlets were well connected by metal taped roads. A church was found in big villages. All Sundays, the Savaras both male and female, and children are attending and learn Christian faiths, manners etc. after the prayer, a feast will be arranged by the church. Father, I have visited more than eight churches (R.C.) in tribal hamlets and two churches in Paulkonda area. The tribals are offerings paddy, and agricultural products to the 'father' and also 'money'. The same will be spent for tribals in the future time. These people economically very poor. But they live in happy environment. They sustain both hot & cold climatic conditions.

Bibliography

Roy, H. M. A note on the Socio-economic stratification of the Savaras of West Bengal, Man & Life Journal Vol. 2 (1&2), Jan- June 1976, Calcutta.

Gnanothayan, 2017, Material Culture of the Savara of Jammudaguda, Srikakulam District, Andhra Pradesh, unpublished M.A. Dissertation, Department of Anthropology, University of Madras.

Photographs

Savaras Mala Group



Savaras Female Group



Musical Instruments



Bone and Ashes of Dead Person



Neolithic Tools





**Can Indian Banks Detoxify their Assets from
NPA Stress and Strain?**

Dr. Somanath V S
Professor and Director, ACC,
AIMS Institute of Higher Education
Bangalore

Abstract

In recent years, the ratio of non-performing assets (NPA) to the gross loans of Indian Banks has shown a steep increase from 7.69% to 10.42%. One of the major challenges for the Indian banking system is to address the NPA issue which has seriously affected its profitability apart from denting its lending capabilities both for long term and short term loans including working capital assistance. Various measures have been attempted by the banking fraternity to address this issue including identification of large NPAs for speedy resolution. So what is it that is contributing to increase in the NPAs of Banks? Is it the approach of banks towards loans, which is wait and watch approach or the business development approach of the banks or the credit sanctioning processes of the banks itself? Are there other factors as well that contributes to rise in the NPAs? The wait and watch approach of the banks and in particular the public sector banks have been often blamed as the reason for the rising NPAs as banks allow deteriorating asset class to go from bad to worse in the hope of rehabilitation and positive revival and often offer restructuring options to the defaulting corporate. The paper analyses in depth the factors contributing to increase in the NPAs of banks, the metrics to assess the NPAs and the steps to be considered as a way forward for the banking industry to detoxify their assets from stress and strain of NPAs.

Key Words: Reserve Bank of India, non-performing assets, priority sector, bad banks, recapitalisation of banks, insolvency and bankruptcy code.

1. Introduction

In recent years, the ratio of non-performing assets (NPA) to the gross loans of Indian Banks has shown a steep increase from 7.69% to 10.21% (Table 1). When compared to other developing economies of the world, the present condition of Indian banking sector in general presents a pitiable picture. It is interesting to note that even nations like Brazil, China, and South Africa have all NPAs well below the 4% mark which is considered a safe and nonthreatening zone.

Table 1
NPA Position of Indian Banks

	NPA (Rs. in Crores)	NPA Ratio
March 2016	571,841	7.69
June 2016	618,109	8.42
Sep 2016	651,792	8.81
Dec 2016	677,443	9.18
March 2017	711,312	9.06
June 2017	829,338	10.21

One of the major challenges for the Indian banking system is to address the NPA issue which has seriously affected its profitability apart from denting its lending capabilities both for long term loans and working capital assistance. Various measures have been attempted by the banking fraternity to address this issue including identification of large NPAs for speedy resolve and recovery. Meanwhile, the performance of banks with particular reference to NPAs has not been encouraging over the years. While the NPA ratios had settled by March 2017 as compared to December 2016, the picture emerging for Q1- FY18 is that the NPAs have deteriorated further for the banking system as whole.

As per the secondary data of CARE Ratings¹, in the first quarter of the financial year 2017-18, the non-performing assets (NPAs) of a sample of 38 banks have increased considerably by a sharp 34.2% on a y-o-y basis. Also the NPA ratio had increased from 8.42% in June 2016 to 10.21% in June 2017, which is the highest in the last six quarters. On a similar note, on a q-o-q basis, the increase in NPAs have been the highest in the first quarter of the financial year 2017-18, and it showed an increase of about 16.6% to reach an astounding figure of Rs 829,338 crores as of June 2017.

Table 2:
Top Fifteen NPAs of Banks as of June 2017 (Rs in Crores)

Sl.No	Banks	NPAs
1	State Bank of India	188068
2	Punjab National Bank	57721
3	Bank of India	51019
4	IDBI Bank	50173
5	Bank of Baroda	46173
6	ICICI Bank	43148
7	Canara Bank	37658
8	Union Bank of India	37286
9	Indian Overseas Bank	35453
10	Central Bank of India	31398
11	UCO Bank	25054
12	Oriental Bank of Commerce	24409
13	Axis Bank	22031
14	Corporation Bank	21713
15	Allahabad Bank	21032

According to the Reserve Bank of India's (RBI) June 2017, Financial Stability Report², the risks to the Indian banking industry's stability have worsened over the years. RBI has cautioned the banks that the banking system's gross bad loan ratio will intensify from the current level of 10.21% in March 2018 to 11.2% and that the capital of the banks would be eroded by the deteriorating asset quality, leading to worsening situation of profitability of the banks, thereby curbing their ability to provide loans to the borrowers. The report points out that the Capital Adequacy Ratio of some of the leading banks is likely to fall below 9% in a severe macro stress scenario, pulling down the industry's capital adequacy ratio from 13.3% in March 2017 to 11.2% by March 2018. At nearly Rs 10,00,000 crores, the country's stack of bad loans is much bigger than the GDP of at least 137 countries put together. Currently, the worst hit are the Public Sector Banks and the average bad loans of PSBs stood at 75% of their net worth. But so far the Reserve Bank of India's attempts to reduce the NPAs in the banking sector has yielded very little result.

Table 3:
Top Twenty High NPA ratios of Banks as of June 2017
(in terms of %)

Sl.No	Bank	NPA Ratio
1	IDBI Bank	24.11
2	Indian Overseas Bank	23.60
3	UCO Bank	19.87
4	Bank of Maharashtra	18.59
5	Central Bank of India	18.23
6	Dena Bank	17.37
7	United Bank of India	17.17
8	Corporation Bank	15.49
9	Oriental Bank of Commerce	14.83
10	Allahabad Bank	13.85
11	Punjab National Bank	13.66
12	Andhra Bank	13.33
13	Bank of India	13.05
14	Union Bank of India	12.63
15	Bank of Baroda	11.40
16	Punjab and Sind Bank	11.33
17	Jammu and Kashmir Bank	10.79
18	Canara Bank	10.56
19	State Bank of India	9.97
20	Syndicate Bank	9.96

2. Non-Performing Asset:

According to Reserve Bank of India master circular, an asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank. A non-performing asset (NPA) is a loan or an advance where (i) interest and/ or instalment of principal remain overdue for a period of more than 90 days in respect of a term loan, (ii) the account remains 'out of order', in respect of an Overdraft/Cash Credit (OD/CC), (iii) the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted, (iv) the instalment of principal or interest there on remains overdue for two crop seasons for short duration crops, (v) the instalment of principal or interest there on remains overdue for one crop season for long duration crops, (vi) In respect of agricultural loans of more than Rs 200 lakhs, identification of NPAs would be done on the same basis as non-agricultural advances, (vii) the amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of guidelines on securitization dated February 1, 2006 and (viii) in respect of derivative transactions, the overdue

receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment. Further, Banks should, classify an account as NPA only if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

An account should be treated as 'out of order' if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of balance sheet or credits are not enough to cover the interest debited during the same period, these accounts should be treated as 'out of order'. Further, any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.

Earlier an asset was considered as non-performing asset based on the concept of 'Past Due'. A non-performing asset was defined as credit in respect of which interest and / or installment of principal has remained 'past due' for a specific period of time (Specified period being 2 quarters in 1995). An amount is considered as past due, when it remains outstanding for 30 days beyond the due date. However, with effect from March 31, 2001 the 'past due' concept has been dispensed with and the period is reckoned from the due date of payment. With a view to move with the best international practices and to ensure greater transparency, with effect from March 31, 2004, the Reserve Bank of India had redefined a non-performing asset as described above.

Based upon the period to which a loan has remained as non-performing and the realisability of the dues, NPAs have been classified into three categories:

Substandard Assets – An asset which remains as NPAs for less than or equal to 12 months. In such cases, the current net worth of the borrower/ guarantor or the current market value of the security charged is not enough to ensure recovery of the dues to the banks in full. In other words, such an asset will have well defined credit weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that the banks will sustain some loss, if deficiencies are not corrected.

Doubtful Assets – An asset would be classified as doubtful if it has remained in the substandard category for a period of 12 months. A loan classified as doubtful has all the weaknesses inherent in assets that were classified as substandard, with the added characteristic that the weaknesses make collection or liquidation in full, – on the basis of currently known facts, conditions and values – highly questionable and improbable.

Loss Assets – A loss asset is one where loss has been identified by the bank or by the internal or external auditors or the RBI inspection but the amount has not been written off wholly. In other words, such an asset is considered uncollectible and of

such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery value. Therefore loan has not been not completely written off.

Classification of assets into above categories should be done taking into account the degree of well-defined credit weaknesses and the extent of dependence on collateral security for realization of dues. Banks should establish appropriate internal systems to eliminate the tendency to delay or postpone the identification of NPAs, especially in respect of high value accounts. The banks is at liberty to fix a minimum cut off point to decide on what would constitutes a high value account depending upon their respective business levels. Further, the cutoff point should be valid for the entire accounting year. Responsibility and validation levels for ensuring proper asset classification can be fixed by the individual banks. The system should ensure that doubts in asset classification due to any reason are settled through specified internal channels within one month from the date on which the account had been classified as NPA as per extant guidelines.

3. Factors contributing to increase in NPAs of Banks:

So what is it that is contributing to increase in the NPAs of Banks? Is it the approach of banks towards the sanction of loans, which is normally the wait and watch approach or the credit sanctioning processes of the banks itself? Are there other factors as well contributing to rise in NPAs? The wait and watch approach of banks have often been blamed as the principal reason for rising NPAs as banks allow deteriorating asset class to go from bad to worse in the fond hope of revival and often offer restructuring and rehabilitation options to corporate and large borrowers. A parliamentary panel, examining the increasing incidents of NPAs, has observed that the state-owned public sector banks should stop “ever-greening” or repeated restructuring of corporate debts to check the constant accumulation of their non-performing assets. The analysis clearly points out that banks approach towards NPAs has been one of the main reasons for aggravation of bad loans. Usually the banks adopt a conservative credit policy which has many filters such as previous credit profile, CIBIL score, whether the borrower has defaulted in the payment of loans in the past, the projected cash flow of the project, i.e. whether the future income of the project is stable and reliable, if it is a secured loan, then if the property/asset on which the loan is sought, has marketable titles and adequate value so that banks can liquidate it if necessary and collaterals and guarantors to the loan if the proposal is weak. Yet, despite this due diligence, banks do fumble in their credit sanction leading to defaults and accumulation of NPAs. However, the question is why does the public sector banks in India in particular have such abnormally high NPAs?

There are majorly two groups of defaulters who have contributed to the growth of NPAs³. The first group belongs to large borrowers and corporate houses and the second group is that of agricultural loans extended to farmers. Public Sector Banks, probably under political and economic pressures have given loans to large corporates

who have failed to repay their loans and defaulted and further, despite a number of farm loan waiver schemes since 2012, the agricultural sector has continuously contributed to growth in NPAs. An internal study conducted by RBI lists out the following factors contributing to the NPA formation in banking sector of India:

Internal Factors	External Factors	Others
Diversion of Funds for expansion, diversification, modernization or for taking up new projects	Exchange rate fluctuations	Pressures owing to competitions, reduction of tariffs etc.,
Time or Cost overrun during Project Implementation stage	Change in government policies	Poor monitoring of credits
Business failures owing to product failures, failure in marketing etc.,	Price volatility of inputs	Mismatching of funds ie utilizing short term funds for long term purposes
Slackness in credit management and monitoring	Recession in the economy	Granting of loans to certain sectors of the economy on the basis of government directives.

Between 2005 and 2015, the Indian economy was in the boom phase. In this period, the Public sector banks in particular lent extensively to the corporate sector. However, with the slowing down of the global economy, coupled with the delay in environmental clearances of core projects like power, iron and steel, the ban on mining projects and volatility of raw material prices, had impacted the ability of large corporate in India to repay both their short term and long term loans to their lending institutions leading to gross NPAs of public sector banks.

Many of the public sector banks had failed to assess in proper terms the financial status and credit rating of large corporate. The relaxed lending norms of these banks have led to substantial increase in their NPA portfolio. Further, the unhealthy marketing of unsecured loans by the Indian banks without proper assessment and the extend of desirability of loans, had largely contributed to high NPAs. Textiles, Aviation Industry, Shipping Industry, Mining and Infrastructure projects have contributed to majority of the NPAs and most of these loans were given by the public sector banks. A classic example in this case is the way in which the public sector banks funded Kingfisher Airlines (KFA). Fourteen banks, 13 of which are public sector banks, stand to lose about Rs 4300 crores on account of the loans they had advanced to the

grounded KFA. Of this amount, the State Bank of India, India's largest bank and the biggest lender to the KFA, expects to post a loss of Rs 900 crores. This was revealed in an internal assessment prepared by a senior SBI official in December 2016⁴. Analyzing the various assets pledged by the borrower as security against loans, the memorandum concludes that not only does the market value of these assets amount to mere Rs 1565 crores, but the recoverable value would work out to much lesser at Rs 1072 crores against an exposure of around Rs 4457 crores. The total loss to the SBI and the other banks is calculated as the difference between their individual exposure and their share in this recoverable value. SBI, which has the largest exposure to KFA amounting to Rs 1202 crores, declared the loan as a non-performing asset in 2011. The memorandum on KFA pegs the SBIs recoverable at a meager Rs 200 crores.

There is a myth in Indian Banking circles that the main reason for rise in NPA in Public sector banks is their lending to priority sector. Priority sector lending is aimed to provide institutional credit to those sectors for whom it is difficult to obtain credit. According to the priority sector norms, scheduled commercial banks have to necessarily sanction 40 % of their loans measured in terms of adjusted net bank credit to the identified priority sectors in line with the RBI regulations. The main categories include the following sectors:

1. Agriculture 18%: Within the 18 percent target for agriculture, a target of 8 percent of ANBC is prescribed for Small and Marginal Farmers.
2. Micro, Small and Medium Enterprises: 7.5 percent.
3. Export Credit: Incremental export credit up to 2 percent for domestic banks and foreign banks with 20 branches and above.
4. Education: Loans to individuals for educational purposes including vocational courses upto Rs 10 lakhs.
5. Housing: Loans to individuals up to Rs 28 lakhs in metropolitan centres (with population of ten lakh and above) and loans up to Rs 20 lakhs in other centres for purchase/construction of a dwelling unit per family.
6. Social Infrastructure: Bank loans up to a limit of Rs 5 crores per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities in Tier II to Tier VI centres.
7. Renewable Energy: Bank loans up to a limit of Rs 15 crores to borrowers (individual households- Rs 10 lakhs) including for public utilities viz. street lighting systems, and remote village electrification.
8. Others include: Self Help Groups (SHGs), Joint Liability Groups (JLGs) etc.

The regulations are modified periodically by setting limits for subsectors and the beneficiary groups. If these targets are not realized, banks have to necessarily finance the development programmes implemented by the union government for the concerned sectors. However, according to the findings of the standing committee on finance, NPAs in the corporate sector are far higher than those in the priority sector.

However, we have to keep in mind that the priority sector also has contributed substantially to the growing NPAs. As per the latest estimates by the State Bank of India, education loans alone constitute about 20% of its gross NPAs⁵.

The other major reason for growing NPAs is that the banks especially the public sector banks do not have adequate contingency planning especially for mitigating the risk factors while sanctioning the project loans. The public sector banks push for restructuring of defaulted loans by way of rehabilitation has contributed to over-leverage and reduced profitability of operations. The lack of proper implementation of bankruptcy code in India and the inactive and slow-moving legal system have made it all the more difficult for the banks and the financial institutions to recover bad loans from both the corporates and the non-corporates.

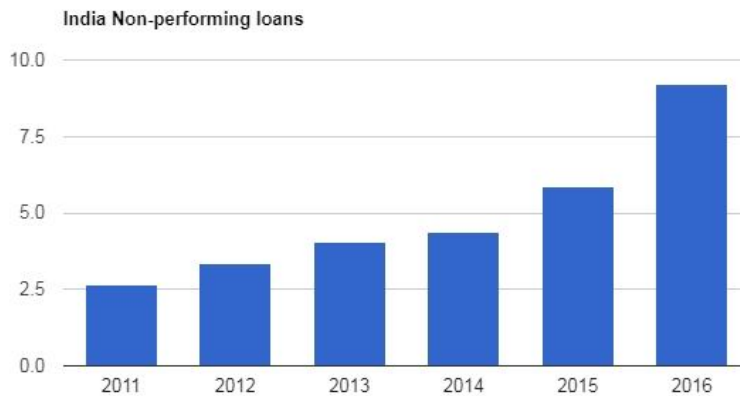
4. Metrics to Assess NPAs

Traditionally, two metrics have been used in Indian banks to assess the scale of NPAs.

4.1 Ratio of NPAs (gross or net) to gross domestic product (GDP): This ratio measures the potential losses in relation to the size of the economy and is helpful in comparing the performance of banks in different countries. However, this measure does not specify about the individual banks ability to handle the NPAs on their own with their own capital.

4.2 Ratio of NPAs to total loans: This ratios how the fraction of bank loans that has turned bad. One shortcoming of this measure is that it suggests the problem can be solved through denominator management—i.e., growing the loan books of banks to make the NPA ratio smaller assuming that the source of the NPA problem is external to the banking system and not in the weaknesses of the lending process. Moreover, it is difficult for the NPA ridden banks to grow. Prolonged NPA occurrences erode the bank's capital which in-turn constrain their ability to grow their loan books.

The ratio of non-performing assets to gross loans has risen by 350% in the last 5 years. When compared to other developing economies, the present condition of Indian banking sector shows a miserable state of affairs. According to the World Bank, the NPA of India stands at 9.2% as of 2016 which has substantially increased since then⁶.



Source: TheGlobalEconomy.com, The World Bank

The end of June quarter 2017 saw the total bad loans of India's 38 listed commercial banks crossing Rs 8 lakh crores, roughly 11% of the total loans given by the banking industry. The public sector banks alone account for about 70% of the total book position. These numbers leave out those loans which are under restructuring or already structured and are technically retained as standard in the book of banks. The State Bank of India's gross NPAs had surged by 150 percent or roughly Re 1.88 lakh crores in the June quarter of 2017 as against Rs 75068 crores in September 2015. The Punjab National Bank is second in the list with Rs 57721 crores gross NPAs, followed by Bank of India with Rs 51019 crores. ICICI Bank with Rs 43148 crores gross NPAs tops the private sector bank list. The Axis Bank stood at second position with Rs 22031 crores followed by HDFC Bank with Rs 7243 crores of gross NPA.

The gross NPA values do not show the entire scenario as the loan book of banks are different and what matters is the NPA to total loan ratio. IDBI Bank with 24.11 percent tops the list. That means every Rs 24 out of Rs 100 lent by IDBI bank has not been recovered. Indian Overseas Bank follows next with 23.6 percent gross NPAs and UCO Bank with 19.87 percent.

Clearly these are hard-hitting times for Indian banks and it requires desperate measures to be adopted. The government of India and the Reserve Bank of India need to take urgent step to tackle the menace of mounting bad loans, which is denting the profits, slowing the credit flow to the trade and the industry and hurting the economy of the country. The following steps have been suggested as a way forward for the banking industry to detoxify their assets from stress and strain of NPAs:

5. The Way Forward

5.1 Accelerating recoveries from NPAs – The traditional way to tackle this problem via restructuring of debt and extending rehabilitation loans has proved to be disastrous for the banks. The scheme to convert debt into equity through strategic

debt restructuring scheme initiated by the apex bank was not effective as there were lack of coordination among the different banks involved, regulatory uncertainties (especially for infrastructure projects), and the unwillingness of banks to accept a sufficient write-down of the outstanding debt.

5.1.1 **Amendment to the Banking Regulations Act**

The Banking Regulation Act needs to be amended to give RBI more powers to monitor the accounts of big defaulters. The amendment in the banking law will enable setting up of a committee to oversee those companies that have contributed to large defaults. RBI needs to enforce stricter rules for the joint lenders' forum (JLF) and the oversight committee (OC) to curb the menace of growing NPAs. While the present law allows the government to direct RBI to carry out inspection of a lender, there is no provision for setting up oversight committees. Also, we need to frame laws which would bar a bank to extend loans to a defaulting company that has failed to repay loans to other banks.

5.1.2 **Stringent NPA recovery rules**

The government has over the years enacted several amendments in the rules to recover the assets of the defaulters. The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act or SARFAESI Act of 2002 was amended in 2016 as it took banks years to recover the assets. Bankers have pointed out that the NPA menace has to be tackled before the time a company starts defaulting. This needs a risk assessment by the lenders and red-flagging the early signs of a possible default.

5.1.3 **RBI's loan restructuring schemes**

RBI over the past few decades had come up with a number of schemes such as the corporate debt restructuring (CDR), formation of joint lenders' forum (JLF), flexible structuring for long-term project loans to infrastructure (or the 5/25 Scheme), strategic debt restructuring (SDR) scheme and sustainable structuring of stressed assets (S4A) to check the menace of NPAs. In several cases, even after the loans were restructured, the borrowers had failed to make profits and defaulted in the repayment of the loans.

The joint lenders forum focuses on identifying and remedying stress in initial stages and avoiding bad loan write-offs later. It works as an out-of-court settlement mechanism for consortium lending and multiple banking arrangements (MBAs) where lenders come together and form a JLF committee to arrive at a corrective action plan and preserve the economic value of the underlying asset. However, in many cases, decision-making within the stipulated time has been a challenge for JLF committees. The 5/25 refinancing scheme has been introduced as a flexible structuring scheme enabling lenders to periodically refinance term loans with a long gestation period. The scheme allows banks to correct the asset liability mismatch for a long term project based on its economic life. This, in turn, helps in easing the cash flows and

reducing financial stress in the stabilization phase of the project. Initially only existing and already installed infrastructure and core industry projects were eligible for refinancing under the scheme. This restricted resolution for stalled projects in other sectors as well as new infrastructure projects. In an attempt to address this challenge, the RBI recently revised the scheme, opening it to new projects in all sectors and reducing the aggregate exposure for existing project loans to Rs.250 crores to be eligible for refinancing under the scheme.

Scheme for sustainable structuring of stressed assets (S4A) was formulated by RBI to give companies a chance for sustainable revival and ensure adequately deep financial restructuring. The scheme provides lenders an option to bifurcate existing debt of stressed borrowers into sustainable and unsustainable portions. It is one of the first initiatives which acknowledged the need of banks to take haircut on the stressed loan by converting unviable portion of debt into equity. Though the scheme has been welcomed by the lender community, banks till recently kept debt ridden accounts on standby, effectively delaying the scheme's implementation in the wake of expected changes for smoother application. The RBI recently revised certain aspects which are expected to push banks to implement the scheme.

5.1.4 **Banks may need to take a “hair cut”**

In the past few quarters, most of the banks especially PSU lenders, have reported a sharp fall in profits as they set aside hefty amounts for losses on account of NPAs, which eroded their profits. Given the gravity of the problem, the government need to advice banks to go for more “hair cut” or write offs for NPAs. The government and RBI may also come up with a one-time settlement (OTS) scheme for top defaulters before initiating stringent steps against them.

5.1.5 **Setting up of a Bad Bank**

The best solution at the present juncture would be to create a new Institution called the “Bad Bank” which will handle the recovery of the bad assets transferred by the public sector banks. This new entity could be funded by way of government bonds, which could be exchanged for the NPAs offloaded from banks. This solution has some obvious advantages in that it can offer a realistic level of debt reduction and bankers would be willing to transfer their assets to a public sector entity rather than to a private organization. Outside India, developed economies like that of the UK and the US have adopted 'Good Bank- Bad Bank' approach as a successful restructuring and accelerated resolution tool. China set up state-owned asset management companies (AMCs) during the banking crisis in the late 1990s to oversee non-performing loans and the process delivered good results. These AMCs helped rejuvenate China's economy by turning delinquent borrowings into state-owned enterprises.

The bad bank concept is not altogether new in India. When IDBI Ltd converted itself into a bank in 2004, the government set up a Stressed Asset Stabilization

Fund (SASF) to hive off its stressed and non-performing assets worth Rs.9000 crores. The idea was to separate stressed loans of the bank through the SASF, which would focus entirely on fund recovery while the bank would continue to function as an entity free of any large bad loans. According to a report by the Comptroller and Auditor General (CAG) of India, SASF could recover only about Rs. 4000 crores by the end of March 2013. This indicates segregation of good and bad debt isn't enough to solve the bad debt problem. Though it creates a good balance sheet, it does not necessarily solve the ground level problem of recovery. It is sometimes also seen as a 'moral hazard' shielding banks from their own inconsistencies and failure to take proper precautions.

5.2 Recapitalization of Public Sector Banks –In the month of December 2017, the finance ministry announced a Rs2.11 trillion bank recapitalisation plan for state-owned banks weighed down by bad loans, seeking to stimulate the flow of credit to spur private investment. The bank recapitalisation would ensure genuine borrowers get adequate funding. The government is seeking to kick start the private sector investment cycle to boost the Indian economy that grew 5.7% in the quarter ended June 2017, the slowest pace in three years. Out of the total commitment, Rs1.35 trillion would come from the sale of so-called recapitalisation bonds and the remaining Rs76,000 crores will be through budgetary allocation and fundraising from the markets. The bank recapitalisation package marks a sharp increase over the current budgetary allocation. Under the Indra-dhanush plan, the government has allocated Rs20,000 crores towards bank recapitalisation over the current and next fiscal years.

Indian banks are sitting on a stressed asset pile of close to Rs10 trillion, crimping their ability to give fresh loans; of this, the gross non-performing assets (NPAs) account for Rs7.7 trillion and the rest are restructured loans. According to some experts, considering the government's current fiscal position and the huge bank recapitalisation requirement, this method of capital infusion is possibly the best option because not all PSU banks are in a position to tap markets given the asset quality issue. Such bonds were sold in 1990s to recapitalise the banks, through a route which was cash-neutral. Here, the banks sold their shares, through rights issue, to the government, which in turn sold these bonds to the banks. The government has not specified the details of issuance of recapitalisation bonds. Another way is to allow banks to sell these bonds, where the government will give explicit guarantee on principal and interest service. Alternatively, they can issue recap bonds, on the lines of oil bonds, where it will sell these bonds to banks, who will then down sell such securities. Whatever route the government uses to sell these bonds it will be seen as increasing the debt burden of the government. While there will be takers for such instruments, the rate on the bonds will depend on what route is used to sell them and these bonds status of statutory liquidity ratio (SLR). In the last few quarters, the credit growth in the banking system has remained sluggish due to lack of demand for big-ticket corporate loans. The slow pace could be contributed partly to the weak capital position of the banks as it restricted their ability to lend.

5.3 Reforms of the banking Sector – Amendment to the Banking regulation act under which it can authorize the RBI to issue directions to banks to initiate insolvency resolution process to recover bad loans. The government has recently set up a 14-member committee to review and improve the implementation of the insolvency and bankruptcy code (IBC) a year after it came into being. The committee will look into issues that impact the efficiency of the corporate insolvency resolution and the liquidation framework and also prescribe recommendations to improve the functioning of the code. The review comes at a time when as many as 300 cases have already been admitted by the National Company Law Tribunal for resolution under the code. As part of its strategy to rein in the unacceptable level of NPAs, Reserve Bank of India recently identified 12 accounts for the insolvency and bankruptcy code proceedings with each of them having over Rs 5,000 crores of outstanding loans, accounting for 25 per cent of total NPAs of Banks.

The government recently amended the IBC to bar willful defaulters from bidding for their companies and allow other defaulters to bid provided they regularize their loan accounts. The move to keep the promoters out has created an uneasy feeling among the lenders, who feel that they have to settle for a lower recovery amount and it may even lead to liquidation. The government on the other hand feels that the promoters should be kept out as they may regain control of the company with steep haircuts having taken by the banks. The best solution would be to give the lenders the discretion to allow the defaulted promoters to participate in the resolution plan if they can justify that they defaulted due to external factors and not on account of mismanagement or management failures.

References

1. Sabnavis Madnava (2017), “NPAs in Banks”, Care Ratings Professional Opinion, Mumbai
2. Financial Stability Report (2017), Reserve Bank of India, Mumbai, www.rbi.org.in
3. Pathak Aditi and LodhaNiraj (2017), “Severity of bad loan problem: NPAs in India’s Banking Sector”, www.marketexpress.in
4. NiharGokele (2017), “India’s Banks risk losing Rs 4300 Crores”, <https://thewire.in>
5. Naresh and Shailen (2017), “Towards De-stressing Indian Banks”, www.businesstoday.in
6. World Bank Report (2016), www.theglobaleconomy.com/India/Nonperforming_loans



www.academicresearchsupport.com