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## FOREWORD

In present scenario the main aim is to explore the paradigms of national and international commercial development which shall provide solutions to augment India's efforts towards inclusive growth and sustainability. It is the time to raise voice and confront the duality in India's demographic diversity. The rise in literacy levels do not necessarily correspond with employability, leading to the creation of a largely untrained, unskilled and unemployable conglomerate. This puts the focus on the equation between real-life/real-time learning and theoretical know-how and seeks to reach a symbiotic point of exchange, which shall enable India to navigate through the thin ice that it currently stands on.

St. Xavier's College, Jaipur, initiated an effort in this direction where a platform was provided to academicians, corporate leaders, eminent researchers, scholars and young mind of nation across the country to explore and express the various dimensions of India's financial growth patterns and to offer prismatic readings of the possibilities of a non-conventional approach, which can bridge the chasm between the center and the margins of the contemporary world.

The current issue of Impetus is an outcome of our First International Conference on "REENVISIONING ECONOMIES: INCLUSIVE GROWTH & SUSTANABILITY" which aimed to create the platform for discussions that provide insights into the abounding opportunities which the business world can leverage to effect the change that not just ensure profits, but the wellbeing of people, and planet also. Thus, as the economic landscape of India evolves, discussions about globalization have been ubiquitous. However, most platforms address the dynamism of the road ahead at the cost of the idea of inclusivity. No growth is complete, when it widens the chasm between the privileged and the deprived. Thus, true contributions in the area have been made with extensive discussions on inclusive growth.

This issue is an exclusive one as it presents an assemblage of selective papers presented during the two-day International Conference held on December 20-21, 2016. We believe this collection will extend the intellectual drive, initiated in the conference, to our readers.

**Dr. Nitasha Khatri**

*Chief Editor*

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**COMMERCE  
AND  
MANAGEMENT**





## E-HRM AND ITS EFFECTIVENESS

**Dr. Beauty Das**

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### **Abstract**

*Technology advancement during the last few decades has boosted the implementation and application of electronic human resource management (e-HRM). e-HRM systems are arguably transforming the role of human resource (HR) thereby creating value to the organization. Keeping this in mind, the research article contributes to the discussion on e-HRM and its strategic approach to the effectiveness of human resource management (HRM). To deal with these aspects, a comprehensive review was done on the extant literature on the related topic. The findings suggest a mixed consensus on the relevant area.*

**Keywords:** e-HRM, Organization, Strategic HRM, Effectiveness

### **Brief Introduction and Study Focus**

There is a drastic change in recent years on the ways in which human resources (HR) are managed. It is believed that along with specialized HR professionals, the delivering of HR activities becomes easier for others as well for the line managers, information technologies (IT) through outsourcing (Ulrich 1996; Tremblay et al, 2008). In fact, the changing environment in the late 1990s settled on the necessity of strategic human resource management (HRM) in order to meet contemporary organizational challenges (Kochan, 1997; Ulrich, 1997a, 1998) and also in aspects related to information revolution related to HRM. By then the major effect was on the shift from traditional HRM to e-HRM as it enables HR employees to focus more on strategic, value-added activities.

As technological advancement has a profound effect on HR processes, and has propelled them to some entirely new directions, using information and communication technologies (ICT) in HR services become an important strategy to achieve competitive advantage for any organization. In a way, technology came to a rescue in reducing the tension between strategic and administrative roles (Ellig, 1997), thereby providing the HR function with the opportunity to create new avenues for contributing to organizational effectiveness. Therefore, this rapid rise in the development of the technology (e.g. internet) in recent years has flung HR systems towards the new Electronic Human Resource Management (e-HRM) approach (Strohmeier, 2007). Thus, the traditional notion of HRM changing towards a strategic management function may arguably be enabled by the use of e-HRM via ICTs.

Although research on e-HRM research has been growing at a slow pace in the past decade there seems a rise in the research of e-HRM recently. Yet researchers are confronted with gaps, under-researched areas, inconclusive answers, and ambitious research agendas. To partly close the knowledge gap, the aim of this research paper is to contribute to the discussion on the possible strategic role of e-HRM efficiency. In doing so, this research paper will deal with the theoretical background with regards to e-HRM studies

through an extensive look at the extant literature. Further, it will also discuss the issues of e-HRM and its strategic approach to effective human resource management (HRM). The research article will also discuss the outcome of e-HRM based on the available literature followed by research gap, direction for future research and conclusion.

### **e-HRM in Strategic Effectiveness and Value Creation**

As stated earlier, the area of e-HRM is being researched deeply but at a slow pace, yet it is certainly not become obsolete therefore its full potential is still anticipated (Ruel et al., 2007). Further, Ruel et al. (2007) stressed that research on e-HRM is still in its “youth-phase” and this was also echoed by Strohmeier(2007) but in a different prospect. According to him, research on e-HRM stems from several disciplines and is scattered throughout numerous journals as initial reviews are not all encompassing (Anderson, 2003; Welsh et al., 2003; Lievens& Harris, 2003), so the results may remain unclear. Perhaps due to its relative infancy in the academic scenario and the heightened interest amongst HR consultants, the e-HRM literature is mostly described as non-theoretical. Although the concept of the e-HRM in the field of research is still growing and academic interest on it has increased yet its results are sometimes considered controversial and unconsolidated (Stanton &Coovert, 2004; Townsend & Bennett, 2003; Bondarouk et al., 2009).

The term "e-HRM" can be traced back to 1990 as extensive as the era of electronic commerce at its emergent stage when it was used to designate the action of completion of HRM “transactions” by means of Internet or Intranet (Lengnick-Hall & Moritz, 2003). There are a number of definitions of e-HRM since its early works on the intersection between web-based technologies and HRM (see, DeSanctis, 1986). The one that fits here has been defined as "a way of implementing HR strategies, policies and practices in organizations through conscious and directed support of and/or with the full use of web-technology-based channels" (Ruel et al, 2006, p. 281). It can also be described as "an umbrella term covering all possible integration mechanisms and contents between HRM and Information Technologies aiming at creating value within and across organizations for targeted employees and management" (Bondarouk&Ruël, 2009, p. 507). Simply put, e-HRM is the contemporary conception for the application of IT in HRM.

Much of the literature of e-HRM either focuses on the role of the HR function (Buckley et al., 2004) or the facilitation of a more strategic approach for the HR function itself (Snell et al., 2002; Gardner et al., 2003). Still as might be expected, e-HRM provides a number of key benefits to organizations like reducing costs (Ruel et al. 2007), decreasing administrative burdens (Ellig, 1997), facilitating HR planning (Strohmeier 2007), allowing HR professionals to become strategic or business partners in organizations (Lepak & Snell, 1998), and enhancing HR efficiency (e.g., Kavanagh et al., 2011; Bartram, 2006; Gueutal & Stone, 2005). Although in context of enhancing HR efficiency as an advantage of e-HRM is much claimed and expressed, but scientific proof of these advantages is scarce. It is always assumed that e-HRM provides the HR function with the opportunity of creating new avenues for contributing to organizational effectiveness through such means as management of knowledge and the creation of intellectual and social capital (Lengnick-Hall & Moritz, 2003).

To some, there might be no clear evidence to link e-HRM in contributing strategically to effective HRM but research provides mixed evidence concerning any perceptual relationships between the two. In fact,

to answer this question Ruel et al. (2007) have conducted a field study to determine whether an employee's assessment of various characteristics of e-HRM is related to perceptions of strategic HRM. The results show that individual assessment of e-HRM application does have strategic effectiveness and that too through using e-HRM, organizations can reduce costs, can enhance the service level of HR and can also supply space to HR departments to become a strategic partners. To this, the study by Voermans & van Veldhoven's (2007) added further evidence suggesting that there is indeed a link between e-HRM and perceptions of the quality of HRM as a strategic business partner. In contrast to the above two researches, a follow-up of qualitative study by Bondarouk et al. (2009) found little evidence concerning the fact that implementation of an e-HRM system had any effect on line managers' and employees' perceptions of HR manager's strategic orientation or effectiveness. As we read further review, we see that the nature of the relationship between e-HRM and strategic HRM depends on the assumed theoretical perspective. The common adoption of e-HRM (see, Cedar Crestone, 2007; CIPD, 2005) is presumably based upon the expectation of these positive consequences for e-HRM (Stroehmeier, 2009).

There has been much discussion about the possible goals and outcomes of e-HRM (Ruel et al., 2007; Ruta, 2005; Hawking et al., 2004) and it is found that one of the purpose of e-HRM is to support the achievement of HRM goals more generally. The possible goals in the literature of e-HRM are said to be three, which are cost reduction, improving HR services, and improving strategic orientation (Ruel et al., 2004; Stanton & Coovert, 2004; Lepak & Snell, 1998; Brockbank, 1997).

Considering the aspect of strategic approach and e-HRM, both invoke potentially transformational outcomes for the role of HRM within organizations. e-HRM often draws on managerial rhetoric or 'pro-innovation bias' about the expected transformational impact (Strohmeier, 2007). The impacts of e-HRM is considered to be threesome: operational, relational and transformational (Lepak & Snell, 1998). Transformational HRM is associated with the transformation of the HRM function into a strategic partner (Farndale et al., 2010; Ruël et al., 2004). Ruel et al. (2007) have also echoed in a similar context and have suggested improving strategic orientation as one of the four goals as mentioned above. As it has the capacity to transform HR function by improving strategic orientation of HRM (Ruel et al., 2004; Wright & McMahan, 1992). While discussing the transformational concept of HR, there seems to exist three types of works which can create the opportunities for HR staff to add value to the organization: strategic partnering with the line businesses; creating centers of expertise; and service center administration (Walker, 2001). Transformational form is not free from debate as for some e-HRM may assist the HR function in becoming a business partner (Ruta, 2005; Ruel et al., 2004) as discussed above while for others it may not realize its potential to facilitate a more strategic role for the HR function (Tansley et al., 2001). Thus, it shows that e-HRM varies not only in its functions for but also in the degree of sophistication in which it involves (Martinsons, 1994). Although till date, only a few companies have achieved the transformation form of e-HRM, the possibilities are still encouraging (see, Marler, 2009). In short, e-HRM can become more strategic as a consequence of an existing strategic HR function.

e-HRM also assumes new roles in the process of value-creation. Some answers to questions about the importance of e-HRM in value creation (Currie & Parikh, 2006; Bondarouk & Ruël, 2009; Marler, 2009), based on the extant literature, can be assumed like e-HRM can indeed create value if its applications are ultimately used by end-users (Ruël & van der Kaap, 2012) and they are used in line with the goals and intentions of their developers (DeSanctis & Poole, 1994).

### **Discussion and Contribution of the Research Article**

Research in e-HRM has made considerable effort in insisting that by making HR digital, HRM systems will become strategically oriented and less cumbersome for the HR professionals. Many researchers favour this concept and believe that by implementing and applying e-HRM applications in the organization it increases HRM administrative efficiency (Marler et al., 2006; Lengnick-Hall & Moritz 2003; Lepak & Snell, 1998; Ruel et al. 2004). In fact, the case can be resolved only if the end users accept e-HRM accordingly and apply it at the earliest (Ruta 2005; Ball 2001). As discussed above under e-HRM and its strategic effectiveness, research still depicts that irrespective of its numerous benefits there may be a number of unintended consequences from using them (e.g., Harris et al., 2003; Kehoe et al., 2005; Stone et al., 2003). Although these questions of unintended consequences are valid, it depends on the organization how they implement the e-HRM strategy in their goals, policies, and practices. In fact, the role of HR professionals becomes very important here as they can design systems that should meet the goals of organizations and all stakeholders (Stone & Dulebohn, 2013).

The contribution from the literature review on e-HRM can be summarized as: first, the research on e-HRM is still less to come with a conclusive opinion whether the outcome of its implication related to strategic effectiveness is deep-rooted or simply just temporary. Secondly, literature review suggests that irrespective of differences in consensus from many researchers there indeed exists a link between e-HRM and strategic HRM effectiveness. Third, the role of HR professional needs to improve by means of training, workshop, etc on e-HRM so that they can easily implement e-HRM in the organization keeping in mind the goals of the organization set and bring a change to amend the policies and practices for good.

### **Research Gap and Direction for Future Research**

The study is not free from its limitation and there exist two gaps. A first noticeable gap in the literature is the somewhat limited rigorous application of theory to e-HRM. Mostly the available research studies were exploratory in nature and thereby lack the specific theoretical foundation to guide the research. In other words there is a strong need for a theoretical foundation for e-HRM research so that literature makes sense to the researcher or a scholar, thereby strengthening the research that's been conducted, in order to facilitate an effective accumulation of knowledge to them who are relying on it to consider for any research scholarship. Secondly, there is also a lack of profoundly available literature on the e-HRM linking it to strategic HRM and lack of attention on this aspect makes it difficult to come to a conclusive outcome.

In addition, with respect to the profusion of dimensions of strategic HRM, only one aspect of it was studied and that too related to e-HRM. The question of whether or not it leads to a positive outcome is still a point of discussion. Thus future researcher should consider where possible to address these issues by examining every facet of e-HRM and strategic HRM in order to create a link with another aspect in the technological environment of the organization so that it can enhance further on the potential effectiveness and outcome of the organizational goals.

## Conclusion

While going through the enormous literature it was discovered that effectiveness of HRM clearly has different meanings for different stakeholder that corresponds with suggestions of other studies (Lepak et al., 2006; Colakoglu et al., 2006). Clearly, it depicts that e-HRM is a new and intriguing field for both HRM practice and research and whatever is known of it is primarily based on nonscientific surveys and organizational testimonials and anecdotes. In fact, e-HRM holds much promise for improving the way in which HR is managed in businesses today. Today, organizations and HR professionals have more opportunity to use e-HRM keeping in focus the aspect of a more strategic role in the operations of their businesses, which is something that has been much discussed in the last two decades. However, it will require immense dedication and enthusiasm of a different kind of HR professional and a different kind of HR function to make that a reality. Despite the limitations and the research gaps, this research study has made an important contribution to the fields of e-HRM by means of collating e-HRM to strategic HRM effectiveness. Overall, this study has provided some specific answers as to which aspects of e-HRM applications have the most important role in determining strategic HRM effectiveness.

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# ROLE OF STATE BANK OF INDIA IN PROMOTING FINANCIAL INCLUSION IN INDIA

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## Abstract

*The objective of this research paper is to highlight the initiatives taken up by SBI in India towards inclusive finances. State bank of India is the largest bank of India, with more than 16,600 branches of which 60 % of are located in rural areas. Various secondary sources were used for the collection of data along with interviews of bank officials were also conducted. It has been found that financial inclusion is being spread by SBI in a true sense, for instance, it does not just provide banking services to people of upper & middle classes but provides, banking services to masses by opening majority of branches in rural areas. This is clear from the figures of various accounts opened under 'Pradhan Mantri Jan DhanYojana', wherein SBI has opened around 21.51 crore of accounts with 36,600 crore deposits as on March 2016. As we are aware that northeastern states lack literacy and therefore the concept of financial literacy is far away from them. SBI has taken special initiatives to open accounts in such financially backward areas. The bank has also taken initiatives in promoting financial education in rural areas. The paper also suggests that better partnership among private and public stakeholders, NGOs, SHGs, and educational institutions can improve the scenario of financial inclusion in India.*

## 1. Introduction

After independence, there were three main priorities of the nation-economic growth, education for all and the most important was financial inclusion of the vast population of the country. Yet even today a major chunk of our population is in the trap of unorganized moneylenders. The need of the hour is to help them come out of this trap to organized sectors. Spreading financial inclusion across the nation is the pivotal role of both private and public sector banks. In one of his speeches, RBI Governor Urjit Patel in the year 2016 said “the scheme of universal accounts first proposed by Nachiket Mor Committee and later accelerated by our honorable Prime Minister Shri Narendra Modi is a “game changer”. He said, “it provides an unprecedented scaffolding and a springboard for meaningful financial inclusion and, concomitantly, substantial financial deepening of our economy.”

### 1.1 Concepts and Dimensions of Financial Inclusion

Financial Inclusion refers to providing financial services to lower income groups of society at a reasonable cost, in comparison to financial exclusion where services are not affordable. Our Prime



Minister opines, “people in the country have mobile phones but do not have bank accounts, and this scenario needs to be changed”.

Figure : 1 Concept of Financial Inclusion



To attain financial stability, presence of financial inclusion, financial literacy along with consumer protection is a must. Both financial inclusion and literacy go hand in hand. It Opening bank accounts and assessing various financial products and services is not enough. One must have a true understanding about them. Financial inclusion without financial literacy has no meaning.

## 1.2 Financial Literacy

Financial Literacy is the process by which financial consumers and investors enhance their knowledge about financial products and concepts, this, in turn, enhances their skill and confidence to make better financial choices, for current and future living without any kind of financial crisis. It's all about making the customers familiar with the fundamental features of financial products available in the market and safeguard their interests against various frauds that happen in the market and along with this also to provide them about risk-return trade-off and to develop their ability to make informed choices in order to make a prudent financial decision in their banking business to avoid any distress in their personal life. OECD defines it as “a combination of financial awareness, knowledge, skills, attitude, and behaviours necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.” Financial Literacy gives consumers the necessary knowledge and skill required to assess the suitability of various financial products and investments available in the financial market. This benefit to the consumers translates itself in benefits to the economy as a whole. Financial literacy has become very important in recent years, as financial markets have come up with many complicated products and services and there is gap in information between markets and common person, leading to difficulties in making correct financial choices.

As we all know till now more than 35 crore have accounts have opened since the scheme Jan DhanYojana was rolled out but most of the accounts opened have zero balance. So merely opening a bank account for the rural population does not solve our purpose of making cashless economy. Instead we want such an economy which is financially literate and it can make, the best use of its financial resources. Thus, to promote the cause of Financial Literacy many organisations work such as NCFE (National Centre for Financial Education), Banasthali University to conduct rural financial

literacy programme named under Centre for Research in Financial Education and Training, and many other organizations work towards providing financial literacy.

There are many products in the market and a common man is not much aware about the various financial products available for him for investment and when the time comes to file the income tax return they simply invest money as suggested by relatives and advisers in the market to avail benefits under section 80C. Investing somewhere only in order to save tax is neither good nor advisable. Here lies the importance of providing financial literacy, so that the general public can be made aware of several schemes wherein they can invest their money that can provide better returns if done by planning in advance and investing by taking in consideration the returns generated out of the investment and the rate at which the returns are taxable as there are schemes which have EEE (Exempt, Exempt, Exempt) status.

### 1.3 Consumer Awareness

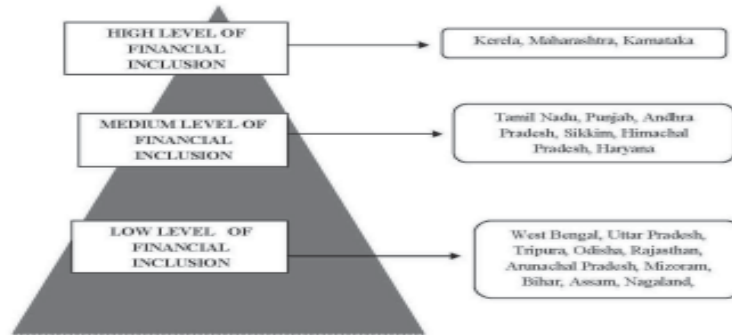
People who are in un-banked remote villages that are situated in extremely remote areas, are still dependent on local moneylenders and are unaware of affordable banking services. In the present model, the role of business correspondents or business facilitators is very important. They are not only the one who have the first point of contact with the customer but they are also helpful in educating the customers, even about the benefits of having a bank account.

Financial Inclusion can be construed in two ways: one by countering exclusion from the payment system that is, not having access to a bank account and Second by countering exclusion from the formal financial services.

The Indian approach is based on the fundamental principle of 5A's of ensuring Adequacy and Availability of financial services and ensuring Affordability and Accessibility of only 4 are mentioned appropriate financial products through the combination of conventional and alternate delivery channels and technology-enabled services and processes.

Financial Inclusion and Financial Literacy are twin pillars. While Financial Inclusion acts through supply providing financial market/services with what people demand, Financial Literacy stimulates demand – making people aware of what they can demand. The demand side initiatives focus more on financial literacy and include – financial literacy and credit counseling centers, credit absorption capacity, knowledge of products, etc. While supply side initiatives focus on financial inclusion and include – financial markets, banks and services and creating products and distribution channels for enabling inclusion.

Figure: 2 On the basis of financial inclusion index, Indian states are classified as follows:



Source: RBI Reports

#### 1.4 Demonetization and Financial Inclusion

On 8 November 2016, when our honorable Prime Minister made an announcement about ban on 500 and 1000 old notes not only helped in curbing black and unaccounted money in our economy but help in increasing Jandhan Accounts. As per RBI reports more than 21000 crore money was deposited in these accounts after this announcement. As we all know SBI had opened a vast share of accounts under this scheme, a bar graph of deposits also shows an upward trend in SBI.

## 2. Literature Review

Prajakta, Pradnya & Meshram (2011) stated that “It is very tough to achieve inclusive growth in a country like India, where there is a large population with different economic background. The key device to achieve inclusive growth is financial inclusion. The main aim of financial inclusion is to include the excluded in the financial system of the country and to make sure that their financial needs are being fulfilled through appropriate financial service providers.”

Mohan (2006) highlighted that “Financial Inclusion marks access to more than just any one financial service, the breadth of financial service in a region or a country is critically measured by the percentage of people in the region who already have access to bank accounts. Earlier, as a bank account enables poor households to perform important financial functions such as saving money in the banks, accessing credit facilities through provisions of loan etc. an account with the bank expands their relationship with the banks leading to access and usage of the financial services. An account with the bank defines access for many financial services to the individuals.”

Pinar (2011) highlighted by using financial access database by the CGAP & World Bank group, that there is yet much to be done in the area of financial inclusion. Fifty-six percent of adults all around the world do not have access to formal financial services.

Purohit (2015) also highlights the importance of financial literacy and various initiatives. BanasthaliVidyapith under its project CFPTRW (Centre for Financial Planning, Training, and Research for Women) in

collaboration with PRIME (Promotion of Research in Indian Management and Ethos) also has taken many initiatives for making people financially literate. The project has been supported by Bank of America, Ictrail logistics and Banasthali Alumna. In one of the outcomes, Bhartiya Model of Financial Literacy has been conceptualized as “a small subset of Purusharth, which though cannot be understood in isolation yet deals with financial knowledge, behaviour, attitude, approach, choice pattern, emotions, mindset and lifestyle keeping in view that Moksha (oneness with God) and not the material wealth is the top priority, for overall happiness of self and everyone”.

Huston (2010) stated that “financial literacy must also include the application of financial knowledge; the argument being that absence of demonstrated ability to apply financial knowledge, an individual cannot be regarded as being financially literate”.

Sriram & Sundaram (2016) highlighted the importance of technology in boosting financial inclusion. They stated that “banks need to re-engineer the design of existing technology which creates an opportunity for traditional users to use technology.”

Purohit & Bindra (2016) highlighted the initiatives taken up by Axis Bank in improving financial literacy and inclusion in the nation. They also suggested that by initiating joint collaboration between public and private stakeholders we can improve this picture.

**3. Objective of the Study:** The study aims to highlight various financial inclusion initiatives taken up by SBI in India.

**4. Research Methodology:**

**4.1 Nature of Study:** Exploratory Study

**4.2 Type of Data and Sources:** Largely based on secondary data, collected from various journals, newspapers, websites of SBI and RBI. The specific and significant sources of data have been the annual Report of SBI in 2014 and 2015. In addition, some primary data has been collected by interviewing bank officials.

**4.3 Data Variables:** The researcher targeted to collect data about a number of programmes conducted by the bank for spreading financial inclusion and also a number of beneficiaries covered under it along with the amount invested by the bank in different parameters.

**4.4 Analysis and Showcasing:** Using various tables and graphs.

**5. Findings of the Initiatives taken up by SBI**

State Bank of India is the largest public sector Bank in India. The Bank offers various financial products and services to large and Mid-Sized Corporates, MSME, Agriculture, and Retail Businesses. The Bank in 2016 received “IBA Banking Technology Awards” for taking best initiatives for spreading financial inclusion in country. Along with this the bank had received the “skoch award” for their project “financial inclusion/capacity building and financial literacy”.

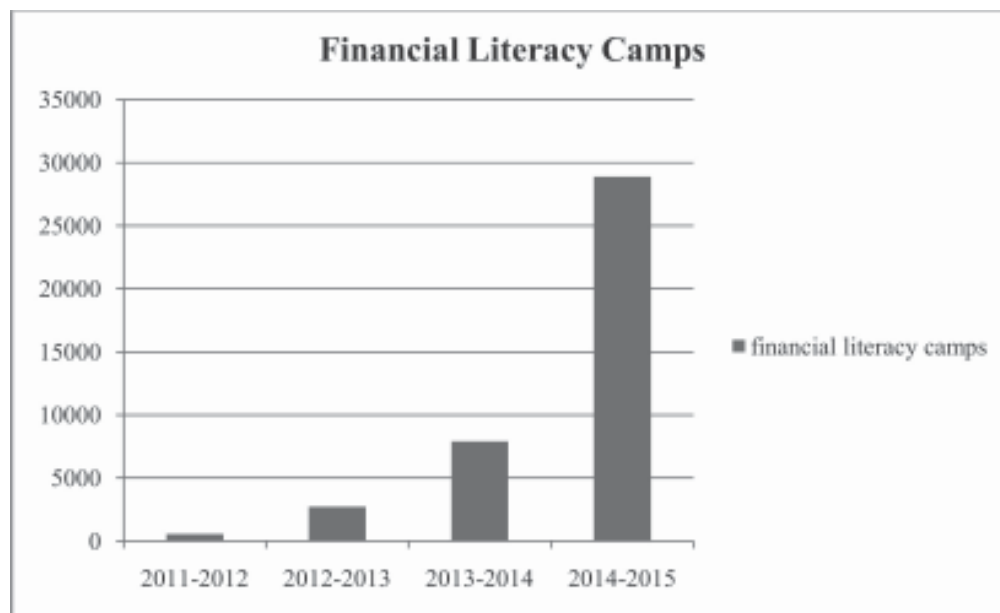
In one of her address, in IIT Kharagpur, MD and chairperson of SBI Ms. Arundhati Bhattacharya said that “the absolute prerequisite for financial inclusion, was a unique identification and accessibility of services.” She sounded positive about the “future of mobile banking in India, saying that while it has evolved exponentially over the last few years; solutions need to be worked out to make it easier for people living in far-off remote locations with poor accessibility to do banking transactions through a mobile phone.” Moreover, she stated, “If there is any Dharma in the world, it is in empowering people who are not empowered.” I while emphasizing on the need to bring more and more people under the ambit of banking services.

- a) **Project Drishtee** - SBI, the largest public sector bank of India, has been the runner up in understanding and providing rural people with banking services at their doorstep in the north east with an alliance with Drishtee. The alliance has so far been able to move forward in numbers as well as in volume, thus creating a wider impact. Drishtee has the extension points in villages, which are much more accessible and people come to them for opening bank accounts, and even for financial transactions with the help of a very small device and manual input banking in a kiosk of Drishtee. This collaboration with Drishtee has been successful in providing banking facilities in remote rural areas.
- b) **SBI's Kiosk Banking Gears up to Empower Rural India** - SBI kiosk banking is the facility provided wherein the customer need not go to an SBI branch to make different transactions. The branch itself comes to the customer's village / place where the customer can make the transactions. SBI's kiosk banks have the facility of cash and check deposits; while their withdrawal actions are similar to those of an ATM. Existing customers who are not enrolled for kiosk banking may also use the system for cash withdrawals and deposits.
- c) **Project Tiny** - SBI installs 'Tiny Branch' at its hilly region branch office because states in hilly areas face the problem of financial inclusion. Thus, to solve the problem State Bank of India came with the concept of “Tiny Branch,” that could be installed in the hilly states such as a tiny branch in Seiling Mizoram. To provide the rural people living in these areas with banking facility the founder and director of Zero Mass Foundation, approached State Bank of India to install Tiny Branch in the rural areas. The hilly areas are naxal- hit and the problem of theft is very common. There fore, to provide the people with banking services in those areas, State Bank of India cameup with low-cost, safe and easy to operate branch i.e Tiny Branch.
- d) **SBI sets up more than 600 Financial Inclusion Centers:** To bank the unbanked population of country and meet the banking needs of the rural population of the country, India's largest public sector bank along with using the Business Correspondent model to reach the masses had decided to open around 600 financial inclusion centers across the country. It has enabled better administration and control on the Business Correspondent. According to the census, around 72315 villages were unbanked. Thus to provide financial inclusion to these rural people Financial Inclusion Centers were set up by State Bank of India and hence a result 12421 villages were banked.
- e) **Payments Bank JV with Reliance to help SBI in Reaching Rural Areas** - Reliance Industries which has granted payment bank license by Reserve Bank of India has entered with the State bank of India (SBI) the country's largest lender for the payment bank, aiming to reach remote places through mobile platform.They believe that the formation of payment bank will help in the delivery

of digital banking products and services and will also help in promoting the digital transactions by offering simple products conveniently at a lower cost.

- f) **SBI and SEWA Bharat is enabling Financial Inclusion in Remote Locations** - SEWA Bharat working as a federation, operates a unique program in the hills of Uttarakhand. As we all know that 75 % of the Uttarakhand's population comes under the category of rural. Therefore, in order to bridge the gap between the financially excluded rural areas and banking services, SEWA in collaboration with State Bank of India started a unique initiative for financial inclusion in 2009. SEWA Bharat works as a Business Correspondent (BC) of the State Bank of India. SEWA Bharat - SBI Financial Inclusion Programme employs selected women from the community as their customer service points (CSPs)
- g) **Shri Sahaj, SBI Financial Inclusion Initiative for Rural Population** - Shri-Sahaj is an e- village limited, a subsidiary of an Shri Infrastructure Finance Limited, which has joined hands with the largest bank of the country i.e State Bank of India (SBI ), to provide financial inclusion to the unbanked population through the foundation developed for this purpose i.e Sahaj Rural Development Foundation which will provide the banking services to the masses through its common service centres (CSCs).
- h) **SBI Organizes Financial Literacy Program** - State bank of India organized various financial literacy camps and credit counseling programmes under Pradhan Mantri Jan DhanYojana at various places in rural areas to address the people regarding the need and benefit of getting financially included in the banking infrastructure.

Figure: 4



- i) **SBI and Postal Department** – Indian Postal Department which has a widespread presence in villages had collaborated with the State Bank of India to provide banking services at the door steps of villagers which are still excluded from the financial system of banking. Indian Postal Department has around 150000 office branches located in rural areas and State bank of India, will use postmen as the Business – correspondent of the bank to provide banking to inaccessible areas. State Bank of India is of the opinion that, if the collaboration works properly then it will be a huge success.
- j) **SHG-Bank Credit Linkage** – SBI has participated in this programme since 1992. Under this initiative with the help of joint collaboration with SHG and NGO, the bank had launched many programmes to create financial awareness among people.
- k) **Financial Inclusion by the Way of Business** – Correspondent and UPI - the Business Facilitator/ Business Correspondent (BF / BC) models which is riding on appropriate technology can be used to reach the masses and should be used as a core strategy for extending financial inclusion to the rural masses. State Bank of India has been working since its inception in 1800, for providing financial inclusion in the country. Since its is the oldest bank, it not only is has a vast network of brick- and – mortar branches but has also in huge numbers deployed Business – Correspondents to provide banking to the masses. The bank has sponsored around 14 Regional Rural Banks (RRBs) covering around 155 districts in 15 states with a network of 3869 branches to provide the regulatory framework to them. State Bank of India has shareholdings in 14 RRBs worth Rs. 470 crore. The value of transactions handled through Business correspondents has increased from Rs. 38,973 crore in FY 2015 to Rs. 58,217 crore in FY 2016. The Bank also has tie ups with UPI (Unified Payment Interface) that acts as the key driver for boosting financial inclusion in our country. It also helps our economy to become a cashless economy.

**Table : 1 Accounts opened by State Bank of India under Pradhan Mantri Jan Dhan Yojana**

**BUSINESS CORRESPONDENTS FOR STATE BANK OF INDIA**

<b>SBI TINY</b>	<b>BUSINESS CORRESPONDENTS</b>
State bank of India	Zero mass foundations, Oxygen Service, Indian Postat department, EKO Foundations, Indian Grameen Service, Drishti Foundations, Shri Sanchari.

**Table : 2 Number of accounts opened by SBI under PMJDY**

<b>FINANCIAL INCLUSION</b>	<b>As on 31.03.2015</b>	<b>As on 30.09.2015</b>
Number of BC outlets PMJDY Accounts:	57,575	58,571
Number (in crore)	3.33	4.45
Deposits (Rs. in crore)	1,296.57	2,932
Total F.I. Accounts : Number (in crore)	7.29	8.5
Deposits (Rs. in crore)	4,415	5,931
Transactions (BC channel) : Number (in crore)	14.17	12.09
Financial Literacy Centres (FLCs) : Amount (in crore)	38,973	19,414
No. of FLCs	212	219
No. of outdoor activities conducted	28,879	32,697
No. of persons participated in outdoor activities	17,39,313	21,62,818
No. of persons converted to customers	2,62,271	3,54,049
Rural Self Employment Training Institutes (RSETIs) :		
No. of RSETIs	117	116
No. of training programmes conducted	10,013	11,160
No. of youth trained	2,65,688	2,95,830
No. of candidates settled	1,34,317	139,805
% of settlement	50.55%	47%

SBI on had opened more than 9.28 crore accounts till 2016 under this drive. It will not be wrong to mention that on major chunk of accounts among all banks is contributed by SBI.

## **6. Conclusion & Recommendations**

The State Bank of India, thus has truly contributed towards promoting financial inclusion in India. The Bank has the largest network of branches all over the country along with collaborations with local bodies such as Sewa, Drishtee, Zero Mass Foundation and Postal Department to reach the masses. This has made to the bank unique in terms of providing banking to masses rather than classes.

The task of providing financial inclusion is not achieved by merely opening an account of the unbanked population but we need to keep these accounts operational too. This is a great challenge but with various



schemes like Direct Benefit Transfer, it is no longer an impossible task. Rural areas need to be focused more and more. SBI must take some more initiatives in making rural people literate about using ATM machines, especially women. There is a need for more business correspondents in rural areas to make people understand the importance of having a bank account and also setting up various financial literacy camps for them.

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# SUSTAINABILITY OF START-UP VENTURES IN THE COMPETITIVE LANDSCAPE: ISSUES AND CHALLENGES

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## **Abstract**

*Entrepreneurs are the foundation of any economy. It is by the endeavours of these people that an economy moves towards the path of development. It has been observed worldwide that whenever an economy has moved towards advancement, it has been largely due to its entrepreneurs.*

*Entrepreneurship, however, is a rare quality to be found. This is because of the fact that an entrepreneur has to assume greater responsibility and bear the risk of setting up a venture. Since people in general are risk-averse, the number of entrepreneurs that we come across is only a very small percentage of the total population of any country. It points to the urgent need to nurture the quality of entrepreneurship among the people. Equally important is the necessity to avoid entrepreneurial failures. This is because of two reasons. First, the capital locked up in failed ventures remains dormant and becomes a national waste. Second, failure of ventures lowers the confidence of entrepreneurs and kills entrepreneurial motivation. Thus, a study that attempts to identify the factors responsible for the failure of entrepreneurial ventures is pertinent and of great social relevance. In this paper, an attempt has been made towards this aspect and the study comes up with very useful findings.*

## **Introduction**

There has been a good deal of deliberation, both among the academics and entrepreneurs, on identifying the root cause of failure of entrepreneurial ventures. Failure of entrepreneurial ventures is a drain on the economy of the nation. This is especially so in a developing nation since that are resources already scarce get diverted towards entrepreneurial ventures and get wasted when these projects fail. Failure of entrepreneurial ventures also brings down the morale of the entrepreneurial talent available in the country. An economy is the effect for which entrepreneurship is the cause. Hence, it is high time that the causes for entrepreneurial failures were identified and tackled.

The study by Mahapatra (1990) on the reasons for sickness of industries financed by Orissa State Financing Corporation concludes as under:

One of the interesting remarks of the study is that the units run by entrepreneurs having no business background are inflicted to sickness. Although most of the entrepreneurs are educated, considerable number of ventures are becoming sick due to lack of professionalism and managerial talent.

Though the study identified lack of professionalism and managerial talent as the cause for entrepreneurial failures, a more detailed study to get a refined insight into the specific causes is very much required. Due to lack of professionalism, an entrepreneur may err in any one or more of the vital areas and identifying these specific areas assumes greater practical relevance.

Entrepreneurial ventures can take three forms, viz., manufacturing units, service units and business units. Out of these three, manufacturing units are the prime movers of the economy, followed by service units and supported by business enterprises which undertake purely trading activities. Hence, in this paper, a study is conducted on the failure of entrepreneurial units engaged in manufacturing and service activities with an objective to trace the factors that contribute to their failure. The study is restricted to projects located within the State of Rajasthan.

### **Need for the Study**

Many studies have been done on the qualities required of entrepreneurs to become successful in their pursuit. Factors that are responsible for making an entrepreneurial venture a success have also been studied at length by many researchers. But studies on the factors that cause entrepreneurial failures are only far and few. The Journal of Management and Organization of the Australian and New Zealand Academy of Management observes as follows: “Research on entrepreneurship focuses predominantly on success which ignores the high failure rate of new ventures and precludes holistic view of entrepreneurial success.” The Sixth Plan of the Government of India had commented on industrial sickness as follows: “The phenomenon of industrial sickness not only tends to aggravate the problem of unemployment, but also renders in fructuous capital investment and generally creates an adverse climate for further industrial growth.”

In a developing country like India, where financial support by banks and financial institutions to the development of industries is crucial for the overall economic development of the country, failure of entrepreneurial ventures affects the financial stability of banks and financial institutions, which in turn leads to increase in the non-performing assets in the loan portfolio of banks and financial institutions. Such a trend will for sure act as a hurdle in the growth and sustenance of the banks and financial institutions and for them to extend continuous financial support to the needy entrepreneurs. Though the scope of the study is restricted to the manufacturing and service establishments located within Tamil Nadu and financed by the TIIC, the results of the study can be considered relevant for all manufacturing and service establishments throughout India, since all the units in the country operate under more or less similar environment and face the same industrial climate. The findings of the study can also give a pointer to the community of entrepreneurs in the world as a whole, on the possible causes of entrepreneurial failures and their relative importance.

### **Objectives of the Study**

To analyze the factors responsible for the failure of entrepreneurial ventures and to identify the main causes responsible for the failure of the projects.

## Data

### Primary Data

The primary data consists of the responses obtained through scheduled personal interview conducted with the respondents of both failed and successful entrepreneurial units situated throughout Tamil Nadu. The schedule contained a list of factors and causative variables under each factor and the respondents were asked to identify/mark the variables that in their opinion are the causes of the failure of their ventures. The same questions were posed to both the failed and successful entrepreneurs and their responses were obtained. In response to the questions contained in the schedule, while the failed entrepreneurs were asked to point out the reasons for the failure of their respective ventures, the successful entrepreneurs were asked to point out the reasons which, in their opinion and out of their experience in the industry, would make a venture fail. Responses from both failed and successful entrepreneurs were obtained to verify the validity of the inferences obtained from the study.

### Secondary Data

Annual reports, customer database, borrower-wise categorization reports and asset-wise categorization reports were the documents that constituted the secondary data.

### Research Methodology

The research design is 'descriptive', since questions like, 'What are the causes of the failure of entrepreneurial units' have been answered.

The two strata in which the population falls are as below:

- a. Failed entrepreneurial units; and
- b. Successful entrepreneurial units

The breakup details of the population and samples are given in Table 1. The sample sizes are considered more than adequate since both the sample sizes are well above the minimum size required, assuming a confidence level of 95%.

**Table 1 : Breakup Details of Population and Samples**

No. of Failed Units	No. of Successful Units	Total	
Population	9,605	11,411	21,016
Sample Size	502	572	1,074
% of Sample size to Population	5.23	5.01	5.11

## Tools of Analysis

### Factor Analysis

The various causes responsible for the failure of entrepreneurial ventures were identified from the review of literature and from the pilot survey conducted among representative units from the population. The various causes were grouped under different causative factors. From the variables (causes) under each factor, one or more contributing variables were identified based on factor loading. Those variables with a factor loading of 0.40 and above were considered to be the variables contributing significantly, since a factor loading of 0.40 indicates moderate correlation.

### Z-Test

Among the contributing variables that correlate with the respective factor with a factor loading of 0.40 and above, the variable with the highest mean value was identified. The other contributing variables contained in that respective factor were compared with that variable whose mean value is the highest, by means of Z-test. Z-test was conducted with a level of significance of 0.05. Those variables that vary significantly (i.e., those with a level of significance of less than 0.05) were ignored and the variables that do not differ significantly were identified and grouped together as the variables contributing to failure significantly.

Since the analysis was done separately for the failed and successful entrepreneurial ventures, the contributing variables identified from the sample of failed units were compared with those identified from the sample of successful units to arrive at the contributing variables that significantly influence the failure of entrepreneurial units.

### Garrett's Ranking Technique

The contributing variables thus identified were given to the respondents belonging to the failed units, who were asked to rank them in the order of importance. Garrett's ranking technique was used to convert the ranks assigned into numeric scores. The ranks assigned were first converted into percentile position using the formula suggested by Garrett E Henry, which reads as under:

$$P = 100 (R - 0.50) \div N$$

where

P = Percentile position;

R = Rank; and

N = Number of items ranked.

For the above percentile positions, Garrett's table gives the scores that represent the equivalent rank on a scale of 100 points.

The scores thus obtained represent the equivalent rank on a scale of 100 points. These scores were taken as the values of the variable (x) and the number of respondents giving ranks to the variables as frequencies

(f). The total score for each variable was found by multiplying the values (x) with the respective frequencies (x.f). The variables were finally ranked on the basis of the total score obtained. Ranking of the variables by this technique gives the relative importance of the variables that cause failure.

### **Factors and Variables Identified**

Jayabal and Nagarajan (2006), while attempting to identify the contributing causes of failure of entrepreneurial ventures, categorized them into the following three groups:

- Internal Factors
- External Factors; and
- Managerial Factors

The sub-factors identified under each of the above three factors and the variables under each sub-factor are as below:

#### **Internal Factors**

- Internal financial factor
- Internal production-related factor
- Internal personnel-related factor
- Internal market-related factor

#### **External Factors**

- External financial factor
- External production-related factor
- External personnel-related factor
- External market-related factor
- Other external factors

Thus, in all, 57 variables were considered for the analysis (Table 2).

### **Results of Data Analysis**

The size of the sample taken from failed entrepreneurial units engaged in manufacturing activity is 502. The factor loading of variables contained in the internal financial factor, as per the primary data collected from the respondents of failed manufacturing units is given in Table 3.



Table 2 : List of Various Factors and Variables Considered in the Study

<b>Variables in Internal Financial Factor</b>	<b>Variables in Internal Production-Related Factor</b>
Higher Component of term loan	Delayed implementation of project
Higher interest cost	Improper choice of machinery
Higher project cost	Inadequate quality control
Improper finance mix	Poor maintenance of plants
Insufficient working capital	Lack of production control techniques
Diversion of funds	Higher operating costs
Absence of costing and pricing system	Lack of research and development
Absence of financial planning and budgeting	Obsolescence of technology
Delay in availing term loan	Failure of technology
Delay in availing working capital loan	Lower level of productivity
Non-availability of working capital assistance	
<b>Variables in Internal Personal-Related Factor</b>	<b>Variables in Internal Market-Related Factor</b>
Poor labour relations	Inaccurate demand forecasting
Over-staffing	Improper product mix
Absence of manpower planning	Dependence on few buyers
Inappropriate wage and salary administration	Lack of market research
Lack of behavioural approach	Inadequate advertisement
Employee turnover	Inadequate after-sales service
Higher wages and salaries	
<b>Variables in External Financial Factor</b>	<b>Variables in External Production-Related Factor</b>
Higher bad debts	Shortage of raw materials
Unfavourable investment climate	Import restriction on raw materials
Restraint on lending by banks and financial institution	Inadequacy of electric power

<b>Variables in External Personnel-Related Factor</b>	<b>Variables in External Market-Related Factor</b>
General labor unrest	Cheaper import of finished goods
Inter-union rivalry	Changes in market conditions
Non-availability of skilled manpower	New entrants
	Strong competitors
	Impositions of taxes/ duties by the government
	Price control by the government
<b>Variables in Other External Factor</b>	<b>Variables in Managerial Factor</b>
Ban on production by the government	Dispute among the partner/directors.
Pollution control/environmental problems	Non-exposure to the trade
Unfavourable movement of foreign currency	Improper corporate planning
	Lack of integrity
	Reliance on consultants

**Table 3 : Factor Loading of Variables in Internal Financial Factor**

<b>Variable Name</b>	<b>Factor Loading</b>
Higher component of term loan	0.72
Higher project cost	0.59
Improper finance mix	0.53
Higher interest cost	0.48
Delay in availing working capital loan	(-) 0.48
Insufficient working capital	(-) 0.40
Non-availability of working capital assistance	0.062
Delay in availing term loan	0.06
Absence of financial planning and budgeting	0.05
Absence of costing and pricing	(-) 0.004
Diversion of funds	(-) 0.002

Note : Arranged in the order of absolute value.

Out of the 11 variables contained in internal financial factor, four variables have a factor loading of 0.40 and above (absolute value) and these are considered as the contributing variables. The mean values of these four contributing variables are given in Table 4.

**Table 4 : Mean Values of Contributing Variables**

Variable Name	Mean Value
Higher component of term loan	1.16
Higher project cost	1.17
Improper finance mix	1.13
Higher interest cost	1.48
Delay in availing working capital loan	1.22
Insufficient working capital	1.32

The contributing variable ‘higher interest cost’ has the highest mean value. Z-test was conducted comparing the mean values of the other five contributing variables with that of the variable ‘higher interest cost’. Comparing the ‘significance values’ arrived at for the five variables with the level of significance (0.05), the variables contributing significantly for failure are arrived at, are given in Table 5.

**Table 5 : Significance Values of Contributing Variables**

Variable Name	[Z]	Mean	Significance
Higher component of term loan	11.41	1.16	0.00
Higher project cost	11.04	1.17	0.00
Improper finance mix	12.94	1.13	0.00
Delay in availing working capital loan	9.09	1.22	0.00
Insufficient working capital	5.22	1.32	0.00

Since the significance value of all the five variables are less than 0.05, all of them differ significantly from the variable ‘higher interest cost’. Hence, it is concluded that ‘higher interest cost’ is the only variable that contributes significantly to the failure of the units in manufacturing sector.

On similar lines, the analysis was extended for the other factors, and the variables in each factor that contribute significantly for failure were extracted. The list of such significantly contributing variables is given in Table 6.

**Table 6 : Identified Variables that Contribute Significantly for Failure**

S.No.	Variable Name
	Higher interest cost
	Improper choice of machinery
	Inadequate quality control
	Employee turnover
	Lack of market research
	Higher bad debt
	Shortage of raw materials
	General labour unrest
	Inter-union rivalry
	Strong competitors
	Pollution control/environmental problems
	Reliance on consultants

A similar analysis was carried out for a sample of size 572, taken from the successful entrepreneurial units in the manufacturing sector. The analysis gave identical results which strengthened the reliability of the results obtained.

The scores obtained using Garrett's ranking technique for the above-mentioned 12 variables (Table 6) are given in Table 7.

**Table 7 : Identified Variables that Contribute Significantly for Failure**

S.No.	Variable Name	Garrett's Score
	Higher interest cost	34,416
	Improper choice of machinery	27,981
	Inadequate quality control	25,097
	Employee turnover	24,135
	Lack of market research	38,399
	Higher bad debt	29,374
	Shortage of raw materials	21,274
	General labour unrest	12,747
	Inter-union rivalry	14,391
	Strong competitors	37,039
	Pollution control/environmental problems	21,942
	Reliance on consultants	24,019

Based on Garrett's score, the top five variables that contribute significantly for failure are as given in Table 8.

**Table 8 : Top five Variables contributing Significantly for Failure**

S.No.	Variable Name	Garrett's Score	Rank
	Lack of market research	38,399	I
	Strong competitors	37,039	II
	Higher interest cost	34,416	III
	Higher bad debt	29,374	IV
	Improper choice of machinery	27,981	V

### Findings and Conclusion

Out of the top five variables that have been found to contribute significantly for the failure of entrepreneurial ventures, the top two variables fall under market-related factors. In their attempt to identify the prime cause of industrial sickness, Singh and Kumar (1992) observed in their study that detailed market studies are conspicuous by their absence, which adds validity to the findings of this study which has also come out with market-related factor as the prime cause for entrepreneurial failures. The third in order is the variable 'higher interest cost', which is a financial factor. To be frank, an entrepreneur has very little to do with the prevailing interest rate. At the most, he can choose the most apt one from among the available interest rates offered by the banks and financial institutions. An entrepreneur is only at the receiving end as far as interest rate is concerned, if he opts to go for long-term borrowings for starting the venture. On the other hand, conducting an accurate market research, identifying the existing players and framing suitable business strategies are very well within the hands of the entrepreneur. If an entrepreneur ignores the market forces, he is bound to face hurdles on the path.

The results of the study reinforce the business philosophy that a business exists only for serving the customers and hence studying the market conditions and planning a business venture in tune with the market requirements and expectations is a prerequisite for making any entrepreneurial venture a success.

Though the scope of the study is restricted to entrepreneurial ventures situated only within the State of Rajasthan, the results can be generalized as applicable for manufacturing units in micro, small and medium scale sectors situated within India since the investment climate and market conditions remain fairly uniform throughout the country. The results are also valid for any developing economy which has economic and market conditions akin to India.

Thus, the message to entrepreneurs is quite simple and straightforward: "Beware of market forces."

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# OIL SECTOR : CURRENT PERSPECTIVE OF INDIA

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## Introduction

In 2015-16, India emerged as the main driver of oil demand growth in the world when international demand was growing at its strongest rate at 1.8 million barrels per day (mb/d). However, in contrast with 2010, when demand growth was largely affected by the global financial downturn, demand growth in 2015-16 was independent of these factors, although the 25% fall in oil prices provided a significant boost to consumer demand.

In the last decade, the main oil demand growth was driven by USA and China which accounted for almost two third of the total growth rate. In this era of economic slowdown and deliberate rebalancing policy, a new contender has emerged—India.

Previously, Indian oil demand failed to compete with China due to the dominant share of its service sector, as compared to manufacturing in GDP, and partly because a situation of ‘political paralysis’ over the last few years was unattractive for industrial investment. However, 2015-16 saw a ‘New India’ emerge, with oil demand growth jumping to 0.3 mb/d per year, a record high. India is soon likely to overtake Japan as the second-largest oil consuming economy in Asia.

The global oil price downturn shows the indication of substantial fiscal improvement and a 10% decrease in oil prices in 16-17 which will increase import of oil up to 0.5%. (World Bank Report)

In this paper, we argue that in addition to the boost from low oil prices, structural and policy-driven changes are underway which could result in India’s oil demand growth in a similar way to China’s during the late 1990s, when Chinese oil demand was at levels roughly equivalent to current Indian oil demand. India’s per capita oil consumption has increased as a result of the increased affordability of oil in various uses (on the back of the drop in the oil price) for a large section of its population who could not previously afford it. This is also becoming visible in the motorization of the Indian economy. Furthermore, the Indian government’s target of increasing the manufacturing sector’s share of GDP to 25 percent by the beginning of the next decade (from roughly 15 percent at present) could lead to higher oil consumption in manufacturing. Finally, the programme of infrastructure construction, (roads and national highways) that is being partly funded through revenues from the higher taxation of oil and oil products, is also likely to support oil demand growth.

## Historical Background

Historically, Indian oil consumption shows a steady growth rate over the past decade which roughly comes 0.15 mb/d annually. This steady growth shows that income effect beats the price effect in this decade, implying a low price elasticity of demand in India. The IMF in 2011, for instance, predicted that between 2015 and 2018 the Indian economy would grow at around 6 percent on average which matches

the income elasticity of oil. In addition to this expected long-term trend, however, there was an upsurge in oil demand in India during 2014 and 2015 due to fall in prices.

This demand pattern can be better understood by a further examination of data from 2014 and 2015 as oil demand remained largely depressed during 2013 due to an economic downturn in India. It picked up in June 2014 with the strongest demand growth since January 2013, but remained relatively muted through 2014 and registered its first fall in August 2014 and continued till October 2014. Demand rebounded from November 2014 onwards, showing a then-record increase of 9.4 percent in February 2015, the second highest growth on record at the time. Demand growth remained robust through 2015, with occasional dips due to a weakening rural sector. In the September 2015 year by year demand growth reached 0.5mb/d and a record of 0.62mb/d in October.

While November 2015 demand growth eased back to a more realistic 6.4 percent (0.24mb/d), December 2015 demand growth picked back up to 0.31mb/d. Average oil demand growth from April 2014 to December 2015 was around 0.22mb/d, while average growth from January to December 2015 was 0.29mb/d, both figures being considerably higher than the historical average demand growth of roughly 0.1–0.15mb/d between 2000 and 2015. Demand stayed near the record high at 3.95mb/d in January, higher y/y by 0.45mb/d, continuing with the momentum seen in 2015.

### **The Concept of Growth**

The concept of growth depends on three conditions. The process of economic growth as centering on a relatively brief time interval of two or three decades when an economy, and the society of which it is a part, transform themselves in ways that economic growth is subsequently more or less automatic. The sequence of growth is taken to consist of three periods: a long period (amounting to several decades) when the preconditions for growth are established, the growth itself, defined within two or three decades, and a long period when growth becomes normal and relatively automatic. These three stages do not preclude the possibility of growth giving way to secular stagnation and decline.

The three conditions are:

- (a) A rise in the rate of productive investment from 5% to over 10 % of national income or net national product
- (b) The development of one or more substantial manufacturing sectors, with a high rate of growth; and,
- (c) The existence or emergence of a political, social, institutional framework which supports economic growth

As per Rostow's theory (1956) in a developing economy like India, four basic factors must be present:

- (i) There must be an enlarged effective demand for the product or products of sectors which have the potential to generate a rapid rate of growth in output
- (ii) There must be an introduction into these sectors of new production functions as well as an expansion of capacity
- (iii) The society must be capable of generating the capital initially required to catalyse the growth in these key sectors.



- (iv) The leading sector(s) must be such that their expansion and technical transformation induce a chain of Leontief input-output requirements for increased capacity and the potential for new production functions in other sectors.

Conclusively we can say that growth is a normative idea to which most developing country governments aspire and one which they consequently attempt to catalyse through specific policies.

### **Per Capita Oil Consumption**

India's per capita oil consumption is relatively low in comparison to the world's largest consuming economies. The wealthiest 10 percent of its population accounts for a quarter of household energy expenditure. Furthermore, household expenditure on energy is two and a half times higher in urban areas than in rural areas, with the most affluent sectors of the urban population spending around eight times as much as the poorest, whereas in rural areas the most affluent only spend four and a half times as much as the poorest (IEA, 2015). The drop in oil prices (the price of the Indian crude oil basket has fallen from 109 US\$/barrel in June 2014 to 25 US\$/barrel in January 2016) has been sufficient to increase affordability for a whole new segment of the growing middle-class population. The effect of prices is reflected in both higher consumption of fuels as well as a switch away from bioenergy and kerosene towards commercial fuels such as LPG.

### **Vehicle Ownership**

The effect on per capita oil consumption is best observed in the transportation sector, which accounts for roughly 40 percent of India's oil consumption. Car ownership growth rate has improved in the Indian economy i.e. 3 per 1000 in 1990 to 23 per 1000 in 2015, and penetrated growth (car plus two-wheeler) raised to 150 per 1000 in 2015 from 18 per 1000 in 1990.

Car sales are indicative of the effect of rising incomes and the move towards higher-end private transportation. However, two-wheeler sales are much more reflective of the number of new consumers entering the market for personal transportation, on the back of the increased affordability of oil. The purchasing of two-wheelers is, therefore, a closer reflection of a step up on the energy ladder towards motorization. It can be expected that much of the two-wheeler fleet will be replaced by cars, as consumers continue to climb the energy ladder on the back of rising economic growth and per capita income. India is now the world's sixth largest car market, with 26 million units sold in 2014. From 2010 to 2015, car sales have been increasing by around 2 million units annually. Percentage growth rates are misleading here, even if the market slows down, the crucial factor for oil markets is that the vast majority of new car sales in India go to fleet expansion. Between 2007 and 2015 the size of India's vehicle fleet nearly doubled, rising from around 96 million vehicles to 200 million vehicles.

Collectively, this evidence implies that India's vehicle ownership pattern is indicative of the motorization stage, with consequent implications for oil consumption.

### **Infrastructure and Road Building**

Per capita consumption is taken as the primary determinant of vehicle ownership growth and saturation levels, but the development of infrastructure, particularly roads in developing countries, is assumed to

follow the trajectory seen in developed countries. India's government has embarked upon a massive programme of infrastructure creation, aiming to construct 30 km of highway roads per day. Highway construction has been extremely erratic during the past decade, with substantial additions seen in some years @ 13% in 2004 and 2012 and no progress in others. Given that personal transportation (namely, the car fleet) is likely to grow in line with per capita income levels, this expansion in national highways holds significant implications, primarily for road transportation, particularly for diesel consumption.

The broad conclusion from this is that the 'boom' in road construction if successfully achieved, will further lift the expansion of the goods vehicle fleet and concomitantly increase diesel consumption. In a recently released 'Global Construction 2030' report, the Indian construction market is highlighted as the key driver of growth – being set to overtake Japan as the third-largest construction market within the next five years.

### **Environmental Factors**

The largely ignored factor with regard to growth-based motorization is that of environmental constraints, imposed through policy measures on pollution, aimed at curbing particulate matter emissions from vehicles. While this constraint is unlikely to alter the trend in motorization, it will alter the demand for oil products used in enabling motorization. In India, this is likely to affect diesel demand, as diesel-powered vehicles account for over 90 percent of SUVs, 34 percent of small cars, and 70 percent of large/medium cars. In December 2015, India's Supreme Court placed restrictions on the use of high-end diesel passenger vehicles in India's National Capital Region these restrictions ban such high-end vehicles from new registrations until 31 March 2016. The Court has also banned diesel goods vehicles registered prior to 2005 from entering Delhi. Furthermore, all taxis in the capital must mandatorily switch to Compressed Natural Gas (CNG); this is estimated to impact around 30,000 vehicles. The impact of the ban on overall diesel demand in January 2016 was relatively small (around 10-20 thousand b/d), more than offset by higher demand from manufacturing.

Delhi's state administration has also imposed a 'green-cess' on light and heavy commercial vehicles which will push up the cost of maintaining diesel vehicles. Indian policymakers are increasingly concerned about rising urban air pollution levels. In January 2016, Delhi's government carried out a 15-day pilot programme when private cars were allowed to operate on public roads only on alternate days, depending on whether their license plates end in an even or an odd number.

### **Manufacturing - Impact of "Make in India Initiative"**

In September 2014, India's government announced a major policy initiative entitled 'Make in India'; this was aimed at expanding the share of manufacturing from 15 percent of GDP to 25 percent by the year 2022. It has been estimated that 220 million additional jobs will be required by 2025 (GoI, 2011). India's manufacturing sector currently comprises roughly 11 percent of total employment, in contrast with the position in other emerging markets where the share of manufacturing employment ranges from 15 to 30 percent (GoI, 2013), and the 'Make in India' policy aims to generate 100 million additional manufacturing jobs by 2022. Target annual average growth rate of 12 percent for the manufacturing sector as a whole is expected during the Twelfth Five-Year Plan (2012–17) and until 2025.

India's push to expand its share of manufacturing in GDP implies a concomitant increase in oil consumption, subject to improvements in the energy efficiency of GDP. Manufacturing GDP in India in 2014 was estimated at US\$153 billion, or roughly 15 percent of total GDP, which is estimated at around US\$1 trillion (Planning Commission Databook, 2014).

By analyzing historical data of 2007-2015, projections show a clear upward trend from 2016 onwards, with oil consumption in manufacturing in 2022 estimated at around a third higher than the figure for 2015. However, it must be stressed that this is a broad and somewhat conservative estimate, based on a set of assumptions. The actual trend could well be non-linear and is contingent upon the effectiveness of government policy in catalyzing the required ramp-up in manufacturing GDP. Furthermore, improvements in energy efficiency could temper oil consumption growth in manufacturing.

Diesel will not be the sole beneficiary of the push toward manufacturing, as Naptha and bitumen consumption is also likely to increase. Indeed, naphtha demand has grown considerably since March 2015, reaching a double-digit growth figure in July 2015. Between July and November 2015, naphtha demand growth averaged 29 percent, with November growth a massive 40 percent.

The Indian petrochemical industry has grown rapidly in the last 10 years, capacity expansions have led to much self-sufficiency for major petrochemical building blocks such as ethylene, propylene, and aromatics amongst others.

### **Trade Flow Impact**

Our analysis suggests that oil consumption in India is at a potential inflection point, mimicking the third stage of economic growth. It can be argued that the relationships between creation of infrastructure, the push towards manufacturing and oil consumption, generally hold true for emerging markets. A simple correlation of India's merchandise exports with its oil consumption yields a strong positive coefficient of 0.92. However, the growth in oil consumption also holds implications for trade flows, both with specific regard to India's trade balance and its recent status as an oil products exporter, as well as for international oil trade flows. Already, oil product exports have fallen for eight of the first eleven months of 2015, with average product exports over the same period lower by over 0.1 mb/d compared to the same period in 2014.

The area where the change in trade flows has been the most apparent has been in naphtha. Indian naphtha exports have fallen by around 21 thousand b/d between January and November 2015, with the decline extending to 44 thousand b/d between September and November, as the country consumes more of its own output due to the rapid growth in the demand discussed above. India has long been a key short-haul naphtha supplier for the Asian market, so the decline in exports has been felt very rapidly.

Diesel exports have also fallen, by an average of 39 thousand b/d in 2015. While part of this is tied to heavy refinery maintenance, growing demand also played a part in a trend that is likely to continue. Growth in domestic oil demand could, therefore, reverse India's recently achieved status as a net oil products exporter, with significant implications for international trade flows.

## Conclusion

India's oil demand has soared over the last year, reaching an average figure for oil demand growth y/y of 0.30 mb/d in 2015, compared with 0.1–0.15 mb/d over the previous decade. This jump in demand reflects a number of underlying dynamics at play, which indicates that India's oil demand may be on the verge of growth. The magnitude of this growth can be gauged by the fact that Indian oil demand is demonstrating trends that were visible in China around a decade ago, during the country's industrialization 'boom'. Furthermore, an analysis of motorization, widely regarded as an acceptable metric in gauging oil consumption patterns and economic growth, shows that car ownership trends in India (per thousand population) are at around the levels which China reached a decade ago. India's per capita income on a purchasing power parity basis is also estimated to have breached the threshold beyond which motorization rapidly ensues.

While the drop in oil prices since June 2014 has aided the expansion in oil demand (the increased affordability of oil to a very large section of the population is reflected, for instance, in massive additions of two-wheelers to the total vehicle fleet over 2015-16) this paper has also shown that recent policy initiatives are likely to further lift oil demand, a process which is already apparent in the data. Specifically, this paper has estimated the impact on oil demand, and specifically on oil products such as diesel and naphtha, of the push to increase manufacturing's share within GDP from 15 per cent at present to 25 percent by 2022. Such an increase could add at least a third to India's current demand levels, based on a broad and conservative linear estimate. A concomitant programme of creating road infrastructure targeting the addition of 30 km a day will add to this, although this paper has argued that growing environmental and air pollution restricted could constrain growth in oil demand in the transportation sector. In terms of the bigger picture: while China's oil demand growth has slowed to around 0.30mb/d since 2013 from levels of 0.50mb/d in the previous decade, India appears to not have long to go in terms of achieving the same levels of oil demand growth. This rise in demand also has implications for India's recently acquired status as a net exporter of oil products, which, as discussed, could well be reversed. Finally, the question of whether India will manage to soar to a higher plane of development and consumption is contingent to a great extent upon its ability to carry out and sustain structural reforms to support economic growth.

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## GREEN BANKING: AN INNOVATIVE APPROACH TOWARDS SUSTAINABLE DEVELOPMENT

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### **Abstract**

*Global warming has become an international issue since the last few years. These days no sector is unaffected from it. Banking is the major sector which caters to the needs of different sections of society. It is the major source of finance for the industrial sector. Therefore, the responsibility of the banks in controlling environmental damage is essential. Banks can offer significant direction for the required economic transformation that will offer new avenues for financial and investment policies as well as towards portfolio management. This shall also make a strong and successful low carbon economy. This type of banking can be considered as green banking. Implementing green banking practices will not only be beneficial for the environment but shall also promote better operational efficiency lower grades and manual errors and achieve cost reductions in banking activities. This paper highlights the role of green banking in sustainable development. It is very important to generate awareness and adopt green banking practices in today's business world of modern technologies so as to create a human friendly environment. Various public and private sector banks are adopting green banking strategies. But, Indian banks lag far behind than other developed countries in the adoption of these strategies. The present paper shall explore the proper and effective implementation of green banking by different banks. RBI and the Indian government are playing a key role in devising green policy guiding principles and financial incentives. Green Banking is the need of the hour for sustainable growth and development.*

**Keywords:** *Green banking, Environment Sustainability, Financial Services, Environmental degradation*

Global warming has become a national and international issue over the last few years. These days no sector remains unaffected by it. Banking is a major sector which caters to the needs of different sections of society. It is a major source of finance for the industrial sector. Therefore, the responsibility of the banks in controlling environmental damage increases. Banks can offer significant direction to the required economic transformation that will offer new avenues for financial and investment policies as well as towards portfolio management. This shall also make a strong and successful low carbon economy This type of banking can be considered as green banking. Green banking is like normal banking but it takes into consideration all social and environmental factors. It is considered as ethical banking. It was started with the aim of protecting the environment. Green Banking refers to the activities of the banking sector to make the environment green and to lessen greenhouse effects through internal operational activities and

green finance. Green banking has two aspects. First, the green revolution of internal operations and secondly, where the bank puts its money, which is concerned with environmentally responsible financing. Institute for Development and Research in Banking Technology defines "Green Banking as an umbrella term referring to practices and guidelines that make banks sustainable in economic, environmental, and social dimensions. It aims to make banking processes and the use of IT and physical infrastructure as efficient and effective as possible, with zero or minimal impact on the environment." According to RBI (IDRBT, 2013), "Green banking is to make internal bank processes, physical infrastructure and Information Technology effective towards the environment by reducing its negative impact on the environment to the minimum level."

### **Literature Review**

Rakesh et al.(2016) focus on the World Bank's environmental and social norms, the ingenuities taken by public and private sector banks in India in the espousal of Green Banking practices and to enlist the strategies for adoption of Green Banking. Kavitha and Rani (2016) highlighted "Green Banking" and its role towards sustainable development. They also described the various initiatives taken by the Indian banking industry to protect the natural environment and bring about sustainable development in society. As asserted by Vafeeque and Unnipulan(2015), green banking is not very popular in India. India has not adopted green bank principles at a high level. We are still lacking in comparison to global trends. Kirti Sharma (2013) lays emphasis on the opportunities for banks in areas like carbon credit business, green financial products, core banking solutions, integrated IT environment, etc. that can lead to development in the green area. Role of the Reserve Bank of India in the formulation of policies on green banking has been focused upon for green growth.

### **Objectives**

1. To find the role of green banking in the sustainable development of the nation.
2. To highlight the various strategies of green banking.
3. To identify the challenges and the problems faced in this direction.

### **Research Methodology**

This is a descriptive research paper based on a comprehensive literature review and secondary data. The secondary data has been collected from reports, other documents, and websites.

**Need for the Study :** Sustainability of the environment has become an essential concern and green banking is an importance step in this direction. So, there is a need to focus on the green banking initiative taken by the banking sectors and also to review the role of green banking in environmental sustainability.

### **Role of Green Banking**

The banking sector is usually considered as environmentally friendly in terms of emissions and pollution. Basically, there is the impact of the customer's activities on the environment. So, the environmental impact of the bank's outside activity is vast though difficult to estimate. Environment management in the banks



is concerned with risk management. It enhances the Bank's value and decreases loss ratio because better quality loan portfolio results in higher earnings. This banking helps industries in growing green and in restoring the natural environment. Green Banking is mutually beneficial to the banks, industries and the economy. It will not only guarantee the greening of the industries but also improve the asset quality of the banks in the future. Green Banking is significant for both the banks and the economy. It helps in decreasing the credit, legal and reputation risk. Banks can get an edge over their competitors through innovation in their products and services. It provides convenience to banks and customers. Through internal green operations, banks can reduce transaction cost. External green initiatives promote environmental sustainability and socially responsible investment. Global warming, paper wastage, and pollution can be minimized through green banking. It is a win-win situation for all to bring benefits in an increasingly competitive marketplace. Implementing green banking practices will not only be beneficial for the environment but also promote better operational efficiencies, lower grades, and manual errors and cost reductions in banking activities.

### **Green Banking Strategies**

There are various forms of strategies followed by banks for green banking. According to Rakesh et al. following are the strategies in this direction.

#### **Green Mortgages**

There are two types of green mortgages: the Energy Improvement Mortgage – it's like a second mortgage that is to be used to upgrade a home or building to energy efficient levels by installing energy-saving items such as solar panels and improved insulation - and the Energy Efficient Mortgages for the construction of new energy efficient homes and buildings. There are many states getting in on the green mortgage by offering subsidized green mortgages so that more homeowners and business owners can "green-up" their buildings.

#### **Green Credit Cards**

The banks in India are promoting the various schemes of using plastic money rather than currency notes in order to save environmental resources.

#### **Usage of Solar and Wind Energy**

Various banks are using solar and wind energy, in order to go green. State Bank of India is the first bank in India to venture into the generation of green power with the installation of windmills for their captive usage. It has been installed with more than 10 windmills at an aggregate power capacity of around 15MW in various states across India.

#### **Mobile Banking**

It saves time and energy of the customers by the decrease in usage of energy and paper of the bank. Most of the banks in India have introduced this form of paperless method to get the work done in an eco-friendly manner.



### **Green Checking Accounts**

Customers can check their accounts through ATM and also on special touch screens. Use of this type of technology helps the environment in the utilization of more online banking services along with online bill payment, international debit cards and also banking statements.

### **Green Loans and Credit Cards**

In India, some of the nationalized banks and scheduled banks have taken the initiative to go green by implementing lower interest on the loans to the customers who intend to buy solar equipment in association with the Ministry of Non-Renewable Resource. Some of the banks have donated funds to the non-profit, eco-friendly organizations from the amount that customers spend on their credit card to the cause of environmental protection, which is termed as Green Credit Cards.

**Green Buildings:** Some banks are developing and using green buildings for their workplace and accommodation of employees. These measures will not only aid banks lessen their carbon footprint but also save the operational costs considerably.

**Mass Transportation System:** This system makes the organization fuel efficient by providing common transport for a group of officials posted at one office.

### **Problems and Challenges**

Despite significant progress of various green banking strategies, there are some issues:

1. The Green banking system required skilled and trained workforce to offer proper services to customers. It leads to high operating costs.
2. Green banks limit their business transaction to those business associations who qualify the screening process of green banks. With a limited number of customers, they face diversification & other problems.
3. Various banks in green business are in the startup phase, usually, it takes 3 to 4 years for a bank to start making money, therefore, it does not help banks during the recession.
4. There are various types of risks like reputation, credit and legal repercussions associated with this banking system.
5. Green banking needs technology as well as a renewable and recycling technique which is costly.
6. Protection of data is a major issue in internal green banking activities.
7. Geographical barriers create hindrance in implementing green practices in banks.
8. All the banks are not equally following green banking practices.
9. RBI has not issued mandatory guidelines in this direction.
10. There is a lack of interest and awareness among customers and investors regarding these practices.

### Suggestions

1. Banks should not consider the adoption of green technologies as a financial burden. It must be thought of as a new opportunity for more gain.
2. Training programs should be organized on environmental sustainability for the employees of banks.
3. Regular energy audits and assessment of the environmental cost and impact of ICT should be conducted.
4. Concept of LEED-certified green buildings should be adopted by the banking sector.
5. Workshops and training programs should be conducted for the customers to make them aware of the green banking channels, paperless banking, and online banking facility, etc.
6. The banks should follow worldwide best practices for sustainability of the environment, reduce their carbon footprint and relate the business models with the environment, society and governance aspects.
7. The RBI must issue mandatory guidelines for banks for the adoption of green banking practices and encourage socially responsible investment.
8. There should be the provision of separate devoted Green Cell or Unit to assess the green banking practices using a measurable index.
9. Banks should ensure the formulation of Environmental Risk Management (ERM) policy, guiding principles and lay down internal targets to lessen carbon footprints.
10. Environmental authorities should be more serious and stricter about the adoption of sustainable practices.

### Conclusion

The banking sector is one of the leading sectors in our country. It plays a very essential role in the growth of Indian economy. Like other sectors, the banking sector also has a responsibility towards the environment. The banking and financial sector must be made to work for sustainable development. Green Practices are mutually beneficial to the banks, industries and the economy. The Indian banking industry has started taking green banking initiatives. But we are lagging behind the global standards. None of the Indian banks have adopted the Equator Principle despite the directions of the RBI. Additionally, none of the Indian banks are a signatory to the UNEP-FI. It is the need of the hour to take it seriously for the sustainable development of the country. For effective green banking, RBI and the Indian government should play a proactive role and formulate green policy guidelines and financial incentives. The survival of the banking industry is inversely proportional to the level of global warming. (Ravi Meena 2013). So, for sustainable banking, Indian banks must adopt green banking as a business model without any further delay.

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# SOCIAL INNOVATION FOR INCLUSIVE DEVELOPMENT : A STUDY ON GOONJ FOUNDATION

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## Abstract

*The concepts social innovation and social entrepreneurship have gained considerable attention both in different fields of academic research and in the context of the development of economic and social policies. Social innovation conceived of as “the design and implementation of creative ways of meeting social needs” seems to be an important means to implement key aspects of its medium-term growth strategy. The present study aims to identify the role of social innovation in achieving inclusive growth through discussion of the case of GOONJ Foundation and its business model. This case focused on the role of inclusive innovation towards economic development. Basically, it's business model looks like a chain where the main work is to collect and distribute old clothes which is not the case. Materials are used as a tool to bring ignored issues to light, to talk about basic needs, to bring communities together, to make them aware of their own power, to increase people's participation, to change mindsets and change the present rural infrastructure.*

**Keywords:** *Social Innovation, Inclusive Development, Goonj Foundation*

## Introduction

The concepts social innovation and social entrepreneurship have gained considerable attention both in different fields of academic research and in the context of the development of economic and social policies. Across the globe, social innovation, social entrepreneurship or social enterprise have turned into mainstream concepts in politics that comprehend a heterogeneous set of policies and measures to support the provision of public goods or more generally strengthen the innovative capabilities of countries by other means than the public sector. Social innovation conceived of as “the design and implementation of creative ways of meeting social needs” seems to be an important means to implement key aspects of its medium-term growth strategy. Social innovation is not simply about ‘doing good’, it represents real business opportunities.

It can be acknowledged that the need for social innovation comes as a result of recognizing a gap between the current reality and the desired reality within one societal group or the society as a whole. As such, social innovation comes as a response to the crisis of ‘government failure’, ‘market failure’ and ‘voluntary failure’ that are inherent in all societies. For an innovation to be considered social innovation it should

demonstrate that it is grounded in a social mission and that it generates social value realized through social change. Most social innovations distinguish themselves by virtue of their orientation towards social mission and goals. Social innovations can, therefore, be regarded as new solutions to the needs of people, which have not been fulfilled by the existing market players or governmental bodies, which increase their living standards and welfare. They involve entering a societal group and establishing a collaborative relationship with its members to create a social vision and to formulate specific measures for acting upon it and solving social problems. In this regard, social innovators act as the change agents of society, seizing opportunities others miss, improving systems, introducing new approaches, and creating solutions to regenerate society.

The present study aims at the following objectives:

- (a) To identify the role of social innovation in achieving inclusive growth through discussion of the case of GOONJ Foundation.
- (b) To discuss the basic business model of GOONJ.
- (c) To offer recommendations and suggestions for implementation.

### **Defining Social Innovation**

A social innovation can either approach a social problem that asks for an incremental change for a certain group of people (for example, discrimination in the business environment) or address it may a deep structural problem, that requires a radical change and affects a large number of people, having a large scale impact (for example, on unemployment or poverty). Therefore, in the process of social innovation process, there are multiple players involved with different but complementary roles: civil society (customers, individuals, NGOs, associations, charities, etc.), government, public administration, enterprises, research institutes, and universities. Generally speaking, social innovation comes as a new form of innovation meant to solve social and economic problems and generate social change. However, as a new thing, it also faces many obstacles, like deviation from the mission, fierce competition, limited pool of resources, lack of support from the government, and so on.

Social innovation's primary goal is to create social change and regenerate society. Social innovations are critically driven by a social mission and goal, and the value they create is necessarily shared value (economic and social) between all participants involved. The actual social context has influenced the way innovation is perceived, not only as a tool and source of economic growth and competitiveness but also as a potential tool for achieving social goals and social cohesion in society (Lubelcová, 2012). Social rather than economic concerns are the main drivers in the development and implementation of new ideas for solving problems and improving life standards.

The European Commission (2013) defines social innovation as “the development and implementation of new ideas (products, services, and models) to meet social needs and create new social relationships or collaborations”. In this regard, it is expected that social innovation will give “new responses to pressing social demands, which affect the process of social interactions” (European Commission, 2013). Social innovation is meant to improve social conditions in general, and human quality of life and well-being in particular. To fulfill this goal, social innovations rely on the creativity, awareness, and commitment of all citizens, civil society organizations, local communities, businesses, and public servants together. These

individuals and structures act as innovators, with a clear goal of creating social value, by offering simpler, cheaper, good enough solutions aimed at underserved groups or the ones not served at all, and also by bringing in resources in ways that initially were unattractive.

**Table: Social Innovation Framework**

<b>Author(s)</b>	<b>Social innovation definitions</b>
Cajaiba-Santana (2014).	Social innovations are innovations that act as a driver of social change.
Grimm et al. (2013).	Social innovation makes societies more sustainable and cohesive through inclusive practices, co-production, and proactive grassroots initiatives.
Maclean et al. (2013).	Social innovation/innovator plays an important role in regenerating communities, through community engagement and self-organization.
Lopez Cerezo and Gonzalez (2013).	Any innovation should always be a kind of social innovation. This constitutes a label that includes very diverse types of practices that generate social change.
Lubelcová(2012)	Social innovation is a source of social change and modernization of society. Innovation is not only a tool and source of economic productivity and competitiveness but also a potential tool for achieving social goals and social cohesion in society.
Dawson and Daniel (2010)	Social innovations are the main drivers in the development and application of new ideas for solving problems, improving social conditions and improving the well-being of people in society.
Tanimoto(2010)	Social innovation is a result not only of the entrepreneur's and producer's creativity alone but of the various related stakeholders as well as customers and users. The social entrepreneur identifies social problems, gets ideas and resources and creates social innovation in collaboration with related stakeholders.
Fedotova(2010)	Social innovation is seen as the result of creative activity, the use of which leads to a solution to the problems. Social innovation is a deliberately organized innovation that is introducing the changes that were meant to be introduced.
Echeverria (2008)	Social innovations are innovations oriented to processes, goods, organization, and marketing (Oslo Manual, 2005) that are accepted by society and used for a social purpose.
He and Qiao(2008)	Social innovation means inventing new approaches and advancing sustainable solutions to create social value. This can be achieved by exploring novel business models and developing innovative technical solutions.

### **Social Innovation as an Outcome**

Most approaches defining social innovation adopt a normative standpoint, with respect to its outcome. In this perspective, Phillips et al. (2008), suggest the following definition of social innovation which clearly differentiates social innovation from other forms of innovation. They define social innovation to mean: “A novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals”.

To be considered an innovation, a process or outcome must meet two criteria. The first is novelty. Although innovations need not necessarily be original, they must be new to the user, context, or application. The second criterion is improvement. To be considered an innovation, a process or outcome must be either more effective or more efficient than pre-existing alternatives. To this list of improvements, we also add sustainable or just. By sustainable we mean solutions that are environmentally as well as organizationally sustainable—those that can continue to work over a long period of time.

According to Phillips et al. (2008), social means that the new solution must specifically and unambiguously address a social problem, i.e. a situation which has a negative impact on people’s lives and well-being (e.g. unemployment, delinquency, alcoholism, etc). The value created by this new solution is not primarily captured by individuals or companies for their own personal good or profit but rather accrues to society in general. In other words, the core mission of any social innovation must be the creation of social value rather than private value, i.e. gains for entrepreneurs, investors and ordinary (not disadvantaged) consumers. Indeed, “many innovations tackle social problems or meet social needs, but only for social innovations is the distribution of financial and social value tilted toward society as a whole” (Phillips, Deiglmeier et al., 2008: 39).

### **Social Innovation for Inclusive Growth**

Societies that enjoy economic affluence are not truly prosperous if that affluence benefits only a privileged few, rather than being spread throughout society. That is because social and economic prosperity are intricately linked and highly dependent on each other. Social prosperity requires conditions like good health, well-being, and access to lifelong learning, social inclusion, safety, security, and citizenship.

Social innovation provides a unique opportunity to step back from a narrow way of thinking about social enterprises, business engagement, and philanthropy and to recognize instead the inter-connectedness of various factors and stakeholders.

Social innovation has become even more important for sustainable economic growth in recent times. This is partly because some of the barriers to lasting and sustainable economic growth, can be overcome only with the help of social innovation, and partly because of rising demands for alternative models of economic growth that enhance rather than damage human relationships and well-being.

### **Social Innovation Can Play Four Roles:**

The first role can be conceived as the inside-out function of social innovation - as innovation is a social and organisational process that supports experimentation, the development of new interpretations of reality (aka new mental models and belief systems) and their integration into the organisational setup are crucial to escape organisational myopia. Social innovation is, therefore, an important means for experimentation inside business organisations.

2. The second role may be conceived as an outside-in function of social innovation. Strategic choices about resource allocation are based on beliefs (“gut feelings” -Gigerenzer, 2007) about how markets and competitors and relevant institutions work, and what consumers need. Often these beliefs turn out to be wrong, as the management is not aware of significant changes in consumer preferences or other relevant institutional factors. The monitoring and close interaction and exchange of companies with change agents can break this type of institutional myopia.
3. Another role for social innovation is that companies turn themselves into change agents in order to change institutional framework conditions that are unfavourable for their activities. Recent attempts to bypass traditional banking finance and engage in crowdfunding schemes are an example of the third role social innovation can play in overcoming institutional failures in the context of industrial innovation.
4. The final role is that specific types of social entrepreneurship involve the creation of new businesses and hence the development of new markets.

The inside-out and outside-in functions of social innovation can support the development of specific capabilities related to the particular social and economic context in which companies operate and thereby contribute to the performance of companies and industries.

### **GOONJ**

The initiative of GOONJ started with clothes distribution to people on the roads of Delhi. This multi-award-winning social enterprise focused on the ignored basic needs like clothing, sanitary pads for village and slums while changing the dynamics of giving and receiving with dignity. Using the city’s discards, GOONJ fuelled widespread development work across villages in India. Over the last fourteen years, it has built a network of channels from urban to rural India, channelizing clothes and other household material so as to reach people in remote areas. Turning the city’s discard into currency for rural development work, GOONJ has innovatively catalyzed what is threatening to be an environmental disaster and taken the pressure off monetary inputs for wide-ranging rural development.

The decision to start GOONJ was based on the analysis of many problems that arise due to lack of proper clothing. Every year, a large number of deaths are reported due to lack of hygienic and comfortable clothing. On the other end of the spectrum, getting rid of old clothes is in itself a prevalent problem in



today's consumerist society. However, the urban communities wait for a disaster relief activity to donate their clothes because they do not know how else to put them to good use. So, in 1998, Anshu started GOONJ, along with his wife Meenakshi Gupta, with the aim to make clothes available to the needy while keeping their dignity intact. Today, GOONJ runs a nation-wide effort, round the year, to collect used clothes from urban areas and to make it available to those in need.

### **Cloth Value Chain of GOONJ**

GOONJ collects clothes from across the country as part of its flagship programme, VASTRA-SAMMAN (Dignifying Clothing). Any individual or organization who would like to donate clothes can drop the clothes at a local collection centre.

GOONJ has its collection/processing centres in Delhi, Kolkata, Mumbai, Chennai, Jalandhar and Saharsa (Bihar). In addition to these centres, GOONJ leverages its network of volunteers and partner organisations to create local collection centres in other cities. These partner organisations cover the costs of transferring clothes to the nearest processing centre.

In the processing centres, the clothes are segregated, processed and packed for further distribution. The processing centres allow GOONJ to address needs that are specific to the rural areas and cannot be met directly through the clothes given from urban communities. Classic examples of the same are the 'Not just a piece of Cloth' initiative focusing on creating sanitary napkins and the Recycling campaign aimed at converting waste paper and cloth into a range of useful products.

The two key campaigns through which GOONJ distributes the collected and processed clothes are RAHAT and the 'Cloth for Work' programmes. RAHAT aims to provide relief during natural and human-made disasters. The Cloth for Work programme is an ongoing initiative aimed to encourage villagers to take up village level development activities by using clothes as a motivation and reward.

### **Impact and Innovation**

- **Annually deal with over 1000 tons of material;** from clothes, school material to old doors, windows, and computers.
- **Goonj annually initiates over 1000 development activities under its flagship initiative 'Cloth for work' (CFW):** from repairing roads, recharging water ponds, building bamboo bridges to digging wells. Rural communities receive clothes and other material as a reward for their labor. The long term impact on curbing migration, improved sanitation and health and enhancing economic activities, etc. are some of the macro outcomes of this multi-sectoral work.
- **GOONJ's 'Rahat' initiative is known for its systematic approach in large scale relief and rehabilitation work with many innovative approaches.** Apart from working on a series of gap areas it also works on a number of income generation initiatives like Sujni, school bags making, Vaapsi, Village Hats (markets), and tailoring centers to bring back the local economy on track.
- **Over the last 16 years,** GOONJ has turned massive disaster wastage into a resource for development work right from Gujarat earthquake to Tsunami, Bihar floods of 2008, Andhra floods, Uttarakhand

floods, and J&K floods, etc. This is where it works on a lot of rejected material sent by people and other agencies.

- **Over 3.0 million sanitary pads** produced out of waste cloth and reached villages/slums as a viable solution and powerful tool to open up taboo subject of menses under its initiative-“Not Just a piece of Cloth”
- **Over 5,00,000 Kgs** of throwaway waste cloth converted into traditional mattress/quilt (Sujni) as large scale income generation activity in villages.
- **Supporting thousands of children under its initiative ‘School to School’** with basic school material that acts as an incentive to get these children to school, enhance their learning experience, waiving the meager resources of the parents for other pressing needs.

### **The Model**

GOONJ believes it is responsible for every item they collect and though the model initially appeared crystal clear separating the two entities a massive overlap exists as the work of the partners needs to be checked. The task is done by their officials who tour various parts of the country to identify new organizations and to check the activities of the existing partners constantly. For every package that has been sent, a feedback report is mandatory that includes photographs, media clipping, name, age, sex and signature of every recipient and any other notable mention of the activity. All this information is documented and great pains are taken to ensure every piece of material is accounted for.

Partners are chosen across the country for implementation of work. Partners are responsible for the distribution of material, sales of sanitary napkins, selection of work to be done for C4W and almost all activities at the rural end. While GOONJ focuses on the urban end, collection of material, selection, and monitoring of partners and most importantly spread the message.

GOONJ works with varied types of organisations as part of the Cloth for Work programme. If a new organisation from any part of the country wants to collaborate with GOONJ, it is provided a clearly defined engagement model where the organisation can combine its current activities with the Cloth for Work programme. For instance, GOONJ is working with over eighteen partner groups in Bihar including established voluntary organisations, young organisations, Gandhian groups, youth groups, and Panchayats.

### **The Financials**

Initial funds were from the savings and own contributions of Anshu Gupta and his family. Though as the word spread, people did come ahead and give money, there was never a dedicated fundraising for the NGO. Projects were done with various corporates that helped and the plethora of awards that the NGO won were most of the times associated with a grant. Scrap material is sold and what can be salvaged is made into various products and then there are individual contributions from people. While the communication of GOONJ does contain an element of accepting funds, the process never highlights it. It is always kept in the background. “We accept funds, but we don’t ask for them”. This is the philosophy with which GOONJ has grown in the past twelve years and they look forward to doing the same. Some

tweaking though has been done; Team 2000 is one such method being adopted. Team 2000 is supposed to be a group of 2000 people ready to commit funds of a certain amount for a certain period, all determined by the donor. Not only will this help GOONJ in their financials, but it will also help them plan out their activities for the coming year with greater certainty. Products that cannot be given in exchange for work are also being made into products, such as in Not Just a Piece of Cloth Great efforts have been made to develop new and innovative merchandise. One such great idea was to use the reel from audio cassettes as a decorative material for purses and folders. Merchandise varying from pouches to carpets is made from recycled material at GOONJ's workshop; however, due to government restrictions, only a limited number of these can be sold.

**Table 1:List of Programs Run by GOONJ**

<b>Initiative</b>	<b>Description</b>
VASTRA-SAMMAN	Nationwide movement highlighting the importance of clothing as a basic need
Cloth for Work	The implementation of VASTRADAAN takes place through Cloth for Work where clothes and other material are provided to the rural community not as charity but as a development resource.
Not just a piece of cloth	Providing clean cloth sanitary napkins to rural women. GOONJ is actively campaigning in rural & urban India to generate awareness on this taboo issue.
Recycling- A Step Ahead	Converting waste paper and cloth into a range of useful products. Two different ranges are developed keeping in mind the utility in urban and rural/slum India. If school bags, tents, and mats are developed for rural areas, a range of fancy bags, yoga mats & wallets are developed to suit urban needs
RAHAT	Initiative for reaching relief in natural & human-made disasters (apart from annual disasters), active since Chamoli earthquake (since 1999). Regular campaign to reach material in the villages where countless people die or suffer due to the scarcity of the basic pair of clothing.
RAHAT Winters	Regular campaign to reach material in the villages where countless people die or suffer due to the scarcity of the basic pair of warm clothing.
School to School	Establishing a relationship between urban and rural schools by channelising school supplies from one to another. Building a sense of empathy among urban children towards the needs of their rural counterparts.
Pratibimb	One to one interaction event between urban and rural children to cement the relationship between them and move them away from the bias led donor beneficiary mindset.
Turning Tsunami Wastage into a resource	A first of its kind initiative; after tsunami wastage into GOONJ worked on over 2 million pieces of waste or undistributed clothes. Around 50 women worked for two years and converted every single unit of this massive wastage into valuable clothing or a product.

GOONJ has brought about remarkable positive changes not only in the life of individuals but to the entire economy that can be discussed as below:

**(a) GOONJ and the Community**

GOONJ's initiatives address the fundamental need for clothing of every human being. Through their initiatives, they have been able to save lives of men, women, and children. And through their Cloth for Work initiative, they help address long-standing infrastructure needs and improve the overall quality of life of the villagers. In addition to these improvements, GOONJ has also been able to create a sustainable social and behavioural impact on the communities they engage with.

**(b) Effecting Behavioural Change**

Many initiatives that are picked up as part of the 'Cloth for Work Programme' do not require a facilitator or external technical help. Once GOONJ uses clothing as a motivation for people to take up these tasks, the villagers are able to accomplish them on their own. Seeing the success of such initiatives, eight new Cloth for Work projects have been identified by the villagers including repair of broken dams and roads and building boundary walls for Anganwadis that are situated close to main roads using local wood and Bamboo. More than the tangible benefits, the 'Cloth of Work Programme' has empowered these villagers to address their own problems.

**(c) Instilling Dignity**

Clothes have a strong effect on how people are perceived and more importantly, how they feel about themselves. This was very clear in the example of the Korku tribe in Khandwa – The Korkus have been socially discriminated for centuries and considered 'outcastes'. This perception was aggravated when, due to rising costs, korkus could not buy clothes and often owned only a single pair of old clothes. They were shunned from government offices and the local governing bodies did not want to engage with them. Wearing decent clothing has improved their social standing and perception among other sections of society. For instance, while Korku women were earlier not allowed in Government offices, today they are able to make themselves heard and often represent their cause in front of government officials.

**(d) Providing Employment**

The 'Cloth for Work Programme' provides employment opportunities for many villagers in rural areas. The villagers partake in disaster relief efforts and community programmes. For instance, GOONJ worked with the local Panchayat in Kuthambakkam village in Tamil Nadu to clean the local water body. All the villagers who participated in the initiative were paid in the form of crop, food, and clothing.

The social impact of GOONJ is not only in the villages where it distributes clothes but also in areas where they have processing centres. The GOONJ processing centre in Delhi employs 70 workers, out of which 25 women work with sewing machines and handlooms. Almost all of these women are unskilled and have never worked on machines before.

### **Conclusion and Scope for Future Research**

This case study has focused on the role of inclusive innovation towards economic development by discussing the case of GOONJ foundation. Basically, its business model looks like a chain where the main work is to collect and distribute old clothes which is not the case. Materials are used as a tool to bring ignored issues to light, to talk about basic needs, to bring communities together, to make them aware of their own power, to increase people's participation, to change mindsets and change the present rural infrastructure. Charity is not promoted through this model but it converts the age-old charitable act of giving out old clothing into a developmental resource. It uses the strength of stakeholders to carry out its functions. The biggest asset of people in India's villages is their dignity. Apart from the lack of dignity with which people approach donations in kind, there is a mismatch in what donors give and what victims of natural disasters need. The concept has highlighted clothing as a basic but unaddressed need which deserves a place on the development agenda. GOONJ, in fact, is the genesis of a parallel economy which is not cash based but trash based. It has also evolved two new powerful currencies (material and labour) thus channelizing resources in the right direction and contributing to development, innovatively.

These are all positive developments, although achieving more requires more than inclusive innovation. But despite positive innovation trajectory, there is considerable scope for enhancing the pace and direction of inclusive innovation.

In different parts of the world, business leaders are beginning to experiment with new business models for a number of different reasons, though most of them link to the fact that tomorrow's markets will be very different from today's. New ethical, social and environmental concerns and expectations will powerfully shape the ways in which key stakeholders – among them consumers, customers, employees, and investors – engage with a business.

As a result, a growing number of business leaders are beginning to form creative partnerships with social innovators and entrepreneurs. In the process, they hope to identify and learn from emerging approaches to value creation. The ultimate promise of these trends is that the incremental approaches that have been characteristic of corporate citizenship and social responsibility initiatives will be powerfully enhanced by new solutions that have a much better chance of being replicable and scalable.

Many of the most important social challenges the world is facing today require radical innovation that cuts across organizational, sectoral, and disciplinary boundaries. These challenges require innovative ways of applying new technology along with new forms of organization, new network processes to build human and social capital, and new grassroots-based solutions. The good news is that social innovation is a remarkably creative field. It is growing in popularity and has a global impact. Unfortunately, it is still a nascent field, only beginning to take shape and move beyond anecdotes. It is time to break through business mindsets, strategies and business models that are fit for the 21st century. Even the most ambitious and optimistic business leaders know that they cannot do this on their own. In this context, the emerging discipline of Corporate Social Innovation offers new perspectives, new models and new tools for addressing some of the greatest challenges of our time.

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# AN ANALYTIC STUDY OF THE NEGATIVE IMPONES OF TOURISM ON PERTINENT COMPONENTS OF TOURISM WITH SPECIAL REFERENCE TO THE STATE OF UTTARAKHAND

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## **Abstract**

*The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the service sectors in India. It is the fastest growing industry in India. Tourism in India has significant potential considering the rich cultural and historical heritage, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. It contributes nearly 12 percent of the Uttarakhand State Domestic Products. This study has an objective to examine and analyse the negative impone of tourism on pertinent components of tourism environment. Considering the objective of the study non-parametric test chi-square has applied to the study, the relationship between quantitative variables and for analyzing the negative impone of tourism test of goodness of fit is applied. This study is a truly survey-based study of the respondents through a designed questionnaire which will help in modification and development of tourist service products in the state.*

**Key Words :** *Tourism, Negative Impone, Uttarakhand, Tourist Service Products (TSPs).*

## **Introduction**

Tourism is projected to grow to \$7–8 billion by 2020. In 2015, 232,247 foreign patients travelled to India to seek medical treatment. About 8.82 million foreign tourists arrived in India in 2016 recording a growth rate of 4.4%, as compared to 2015 with a growth rate of 13.2% over 2014. Domestic tourists visit all states and Union Territories.

The industry is growing faster than the world economy on all counts i.e. grosses output, value addition, capital investment, & employment. Tourism is a unique smokeless industry & is a mode of transfer of resources from one place to another. It enables the country to transfer the revenue earned from one part of the country to other parts of the country. Tourism can be promoted in many ways e.g. cultural tourism, adventure tourism, pilgrimage tourism, wildlife tourism, health tourism, holiday & study tourism, spiritual & mice tourism, etc.

Tourism has been globally recognized as one of the important economic activities. Selected countries enjoy the privilege of being a hub of spiritual activities that attract tourists from all over the world apart from domestic tourists. The Vatican City, The United Arab Emirates are few such countries whose



economies are greatly dependant on the spiritual heritage. Uttarakhand is also known for its spiritual establishments. Thus, it is logical to analyze the impact of spiritual tourism in the context of the state's economy. Uttarakhand is located at the foothills of the Himalayan mountain ranges. The state shares borders with China (Tibet) in the north and Nepal in the east and inter-state boundaries with Himachal Pradesh in the west and northwest and Uttar Pradesh in the south.

It has almost all agro-geo climatic zones, which provide commercial opportunities for floriculture and horticulture. The state is home to more than 175 species of rare medicinal, aromatic & herbal plants.

Uttarakhand has abundant natural resources due to hills and forests. Its agro-climatic conditions support horticulture-based industries. The vast water resources available in the state are also favourable for hydropower.

The presence of several hill stations, wildlife parks, pilgrimage places, and trekking routes make Uttarakhand an attractive tourist destination.

The gross state domestic product (GSDP) has increased at a compound annual growth rate (CAGR) of 17.32 percent during 2005-06 to 2015-16. At current prices, the GSDP of Uttarakhand was about US\$ 25.01 billion in 2015-16.

The state offers a wide range of benefits in terms of interest incentives, financial assistance, subsidies, and concessions. Besides rich natural heritage, the region's cultural heritage is represented by its important historical sites, tribal settlements, a myriad of dialects, dress styles, food habits, settlement pattern, art & craft, and fairs & festivals. Therefore, in the past, tourism trade had a tendency to be located in the area of religious or historical importance but today an amalgamation of adventure, health & pilgrimage is taking place in the region.

## **Objectives**

The objective of the present study is to investigate the negative impone of tourism on pertinent components of tourism environment in Uttarakhand.

## **Hypothesis**

A research hypothesis is a predictive statement, capable of being tested by scientific methods, that relates an independent variable to some dependent variable. The hypothesis is formed in such a manner that if one hypothesis is accepted the other one is rejected and vice-versa. The O2 test of independence is applied to find the relationship between demographic variables with the use of pattern. Keeping in view the objectives of the study, the following hypothesis has been developed.

**Null Hypothesis - HO :** Opinion of tourists regarding negative impone of tourism is equally distributed.

**Alternative Hypothesis - HA :** Opinion of tourists regarding negative impone of tourism is not equally distributed.

## Methodology

Consistent with the objectives of the study non-parametric test chi-square will be applied to the study, the relationship between quantitative variables and for analyzing the negative impone of tourism test of goodness of fit is applied. A survey of 250 respondents from different age groups, occupation, education, annual income was taken into the questionnaire.

The negative impone of tourism is analyzed on the basis of the opinion of the respondents of different background namely; the age of respondents, educational qualification, occupation, and the income level of respondents. Their views regarding the negative aspects of tourism have been taken. The negative aspects include drug abuse and alcoholism, pollution, prices of essential commodities, adoption of westernized culture and overcrowding and congestion in the state.

## Analysis

Table No. 1 depicts that tourism development has increased drug abuse and alcoholism in the state. The variation in the mean score is highest in the age group of 40 years and above, followed by the respondents of less than 20 years and 20-40 years age group respectively.

**Table No. 1: Classification on the basis of age & impact of tourism to increase drug abuse and alcoholism.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 20 Years	4	6	1	11	2.27	0.616	3.45	> 0.05
20-40 Years	18	33	3	54	2.28	0.558	25.00	< 0.01
40 Years and above	21	31	8	60	2.22	0.66	13.30	< 0.01
<b>Total</b>	<b>43</b>	<b>70</b>	<b>12</b>	<b>125</b>	<b>2.25</b>	<b>0.615</b>	<b>40.44</b>	<b>&lt; 0.01</b>

Source: Data compiled through Questionnaire.

The value of  $\chi^2$  2 is significant at 1 percent level of significance. It shows that the opinion of respondents of different age groups regarding the impact of tourism to increase drug abuse and alcoholism is not equally distributed. It further reveals that most of the respondents support the above opinion more strongly than the respondents of lower age group. Thus it can be concluded that tourism development has increased drug abuse and alcoholism in the state.

In Table No. 2 the  $\chi^2$  2 value of individual group 20-40 years is 32.17, which is significant at 1 percent level of significance. Further, the  $\chi^2$  2 value of the higher age group is 12.40 which is significant at 5 percent level of significance. It shows that it rejects the null hypothesis. It supports the above opinion that only the respondents of lower age group support the null hypothesis.

**Table No. 2: Classification on the basis of age & impact of tourism to increase pollution.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 20 Years	4	6	2	12	2.17	0.687	2	> 0.05
20-40 Years	10	37	6	53	2.07	0.544	32.17	< 0.01
40 Years and above	18	32	10	60	2.13	0.67	12.4	< 0.05
Total	32	75	18	125	2.11	0.622	42.34	< 0.01

Source: Data compiled through Questionnaire.

Thus the above analysis leads to the conclusion that the majority of the respondents are of the opinion that tourism increased pollution in the state.

It is evident from Table No. 3 that the mean score of the respondents of each age group is above than the average standard, score 2 in the three-point scale. It shows that their opinion is distributed more towards partially agree to strongly agree. The variation in the opinion is more in case of higher age group, followed by middle age group and lower age group respectively.

**Table No. 3: Classification on the basis of age & impact of tourism on prices of essential commodities**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 20 Years	4	7	1	12	2.25	0.595	4.5	>0.05
20-40 Years	22	24	7	53	2.28	0.683	9.77	<0.05
40 Years and above	18	29	12	60	2.12	0.709	7.3	>0.05
Total	45	60	20	125	2.2	0.693	19.6	<0.01

Source: Data compiled through Questionnaire.

The value of the test is significant at 1 percent level of significance, so the null hypothesis is rejected. The value of individual lower age group and higher age group is insignificant at 5 percent level of significance, whereas the value of the middle age group is significant at 5 percent level of significance. Thus the analysis concludes that tourism leads to increase in the prices of essential commodities.

Table No. 4 exhibits that the mean score of the respondents of each age group is less than the average standard score 2 in three-point scales.

**Table No. 4: Classification on the basis of age & impact of tourism for the adoption of westernized culture.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 20 Years	1	7	4	12	1.75	0.595	4.50	>0.05
20-40 Years	8	25	20	53	1.77	0.69	8.63	>0.05
40 Years and above	16	18	26	60	1.83	0.819	2.80	>0.05
Total	25	50	50	125	1.80	0.748	9.98	<0.05

Source: Data compiled through Questionnaire.

It shows that variation in their opinion is distributed towards partially agree to not agree with side. It further reveals that respondents of each age group do not agree with the opinion that tourism is responsible for the westernization of the culture in the state. As far as standard deviation is concerned it is the highest in case of higher age group and lowest in case of lower age group. The 102 value is insignificant at 5 percent level of significance and supports the opinion that tourism is not responsible for the adoption of westernized culture. Thus, it can be concluded that tourism is not responsible for the adoption of westernized culture in the state. It is clear from Table No.5 that majority of the respondents are of the opinion that tourism is responsible for the overcrowding and congestion in the state. It is supported by the mean score of each age group which shows that majority of the respondents have their opinion towards partially agree to strongly agree with side. It is evident from the standard deviation that it is 0.703 in case of respondents of higher age group followed by 0.574 in case of lower age group and 0.571 in case of respondents of the middle age group. The calculated value of  $\chi^2$  2 is 32.27, which is significant at 1 percent level of significance. It supports the opinion that the respondents of different age groups are not equally distributed. The  $\chi^2$  2 value is insignificant at 5 percent level in case of lower age group, whereas it is significant at 1 percent level in case of middle age group and at 5 percent level in case of higher age group. Thus it can be concluded that tourism development has increased overcrowding and congestion in the state and Government of Uttarakhand should take corrective measures to control both of them.

**Table No. 5: Classification on the basis of age & impact of tourism on overcrowding and congestion.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 20 Years	2	8	2	12	2.00	0.574	6.00	> 0.05
20-40 Years	29	22	2	53	2.50	0.571	22.23	< 0.01
40 Years and above	29	23	8	60	2.35	0.703	11.70	< 0.05
Total	60	53	12	125	2.38	0.655	32.27	< 0.01

Source: Data compiled through Questionnaire.

It is evident from Table No. 6 that majority of the tourists are of the opinion that tourism has increased drug abuse and alcoholism in the state. The mean value of respondents supports the same opinion. It is more than the average standard score i.e. 2 in three point scale.

**Table No. 6: Classification on the basis of educational qualification & impact of tourism on drug abuse and alcoholism.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Up to 10+2	16	18	2	36	2.39	0.59	12.66	< 0.05
Graduates	15	36	7	58	2.14	0.60	23.19	< 0.01
Post Graduates	12	16	3	31	2.29	0.632	8.59	> 0.05
Total	43	70	12	125	2.25	0.615	40.44	< 0.01

Source: Data compiled through Questionnaire.

The standard deviation is the highest in case of respondents having the higher educational qualification and it is the lowest in case of respondents having educational qualification up to 10+2. The value of  $\chi^2$  2 test (goodness of fit) is significant at 1 percent level of significance. It rejects the null hypothesis and further reveals that tourism has increased drug abuse and alcoholism in the state. It also reveals that the opinion of the respondents is not equally distributed. It is clear from the mean value that tourism has increased pollution in the state (Table No. 7). It is supported by the mean score of each group of the respondents. It is more than the average standard score i.e. 2 in three-point scale. The standard deviation is more in the case of respondents up to 10+2 level, followed by postgraduates and graduates respectively. The value of  $\chi^2$  2 test (goodness of fit) is significant at 1 percent level of significance. It rejects the null hypothesis. It shows that as far as the respondents of different educational levels and their opinion regarding the impact of tourism to increase pollution is concerned, it is not equally distributed.

**Table No. 7: Classification on the basis of educational qualification & impact of tourism on pollution**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Up to 10+2	16	13	6	35	2.28	0.739	4.52	> 0.05
Graduates	23	33	3	59	2.34	0.571	23.74	< 0.01
Post Graduates	11	17	3	31	2.26	0.619	9.53	< 0.05
Total	50	63	12	125	2.30	0.635	33.72	< 0.01

Source: Data compiled through Questionnaire.

The  $\chi^2$  2 value of the individual group of graduates rejects the null hypothesis at 1 percent level, while in the case of postgraduates it is significant at 5 percent level of significance. On the other hand in case

of respondents up to 10+2 level, the  $\chi^2$  value is insignificant at 5 percent level of significance. Thus on the basis of the above analysis it can be concluded that the majority of respondents are of the opinion that tourism has increased pollution in the state. It is observed from Table No. 8 that the majority of the respondents are of the opinion that tourism has increased the prices of essential commodities. It is supported by the mean score of respondents, which is more than the average standard score i.e., 2 in three-point scale. It is observed that variation in the mean score is the highest in respondents of post graduation level, while it is the lowest in respondents of 10+2 level. The  $\chi^2$  test (goodness of fit) is significant at 1 percent level of significance. It rejects the null hypothesis and supports the above opinion. It also reveals that distribution of the opinion is not equal at every education level. It is observed from the  $\chi^2$  value of individual groups that it is significant at 5 percent level in case of respondents having educational qualification up to 10+2 level and graduates.

The mean value of these groups is noted more towards the higher side of the mean standard score. This shows that the respondents of graduation level are supporting more the above opinion as compared to the respondents of 10+2 level. The I 12 test is insignificant at 5 percent level in case of the respondents of post graduation level. It accepts the null hypothesis. Thus the above analysis leads to the conclusion that tourism development has increased the prices of essential commodities in the state.

**Table No. 8: Classification on the basis of educational qualification & impact of tourism on the prices of essential commodities.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Up to 10+2	15	17	3	35	2.34	0.629	9.83	<0.05
Graduates	19	30	10	59	2.15	0.684	10.14	< 0.05
Post Graduates	11	13	7	31	2.13	0.75	1.81	> 0.05
Total	45	60	20	125	2.20	0.693	19.60	< 0.01

Source: Data compiled through Questionnaire.

It is evident from Table No. 9 that the mean score of respondents is less than the average standard score. It shows that their opinion is distributed towards partially agree to not agree. It reveals that majority of the respondents are of the opinion that tourism development is not responsible for the adoption of westernized culture. The variation in the opinion is more in case of the respondents of post graduation level. It is the lowest in the case of respondents of graduation level.

**Table No. 9: Classification on the basis of educational qualification & impact of tourism on adoption of westernized culture.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Up to 10+2	6	14	15	35	1.74	0.731	4.16	> 0.05
Graduates	10	24	25	59	1.75	0.727	7.14	< 0.05
Post Graduates	9	12	10	31	1.97	0.782	0.45	> 0.05
Total	25	50	50	125	1.80	0.748	10.00	< 0.05

Source: Data compiled through Questionnaire.

Further with the help of  $\chi^2$  test (goodness of fit), it can be observed that the opinion of majority of the respondents of different education levels regarding the impact of tourism on the adoption of westernized culture is equally distributed. The calculated value of  $\chi^2$  test (goodness of fit) is less than the table value at 5 percent level of significance. Thus, on the basis of the above analysis it can be concluded that tourism development is not responsible for the adoption of westernized culture in Uttarakhand.

Table No. 10 exhibits that the average score of the opinion of the respondents is more than the mean standard score i.e. 2 in three-point scale. It reveals that the tourism development is responsible for overcrowding and congestion in the state

**Table No. 10: Classification on the basis of educational qualification & impact of tourism on overcrowding & congestion.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Up to 10+2	11	19	5	35	2.17	0.654	8.45	> 0.05
Graduates	29	24	6	59	2.38	0.669	14.89	< 0.01
Post Graduates	20	10	1	31	2.61	0.55	17.49	< 0.01
Total	60	53	1	125	2.38	0.654	32.28	< 0.01

Source: Data compiled through Questionnaire.

The variation in the opinion is recorded the highest in case of the respondents having educational qualification up to graduation level, while it is the lowest in case of the respondents of postgraduate level. The  $\chi^2$  test (goodness of fit) is significant at 1 percent level of significance. It reveals that the opinion of the respondents at different education level is not equally distributed. However, they support the opinion that tourism has increased overcrowding and congestion in the state. The 2 results of the respondents of graduation and post graduation level are significant at 1 percent level of significance, while it is insignificant at 5 percent level in the 10+2 level's respondents. So it can be concluded on the basis of

the above analysis that tourism development is responsible for overcrowding and congestion in the state.

As per Table No. 11, the mean value of the opinion of the respondents is more than the average standard score, i.e. 2 in three-point scales. It shows that the distribution of their opinion is towards the higher side of the mean score. It reveals that tourism development has increased drug abuse and alcoholism in the state. The standard deviation is recorded the highest in case of agricultural groups, whereas it is lowest in the case of respondents of service class.

**Table No. 11: Classification on the basis of occupation & impact of tourism to increase drug abuse and alcoholism.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Service	19	22	1	42	2.43	0.541	18.43	< 0.01
Business	19	33	9	55	2.07	0.628	18.02	< 0.01
Agriculture	6	5	1	12	2.42	0.639	3.50	> 0.05
Un-employed	5	10	1	16	2.25	0.559	7.60	< 0.05
Total	43	70	12	125	2.25	0.615	40.42	< 0.01

Source: Data compiled through Questionnaire.

It is observed from the above table that  $\chi^2$  test is significant at 1 percent level of significance in case of respondents of service and business group, whereas it is insignificant at 5 percent level in case of respondents of unemployed group and agriculturist group. So the above analysis leads to the conclusion that tourism development has increased the habit of drug abuse and alcoholism in the state. Therefore, it should be controlled by the Department of Tourism and Government also. The mean value of the respondents is more than the mean standard score (Table No. 12), It shows that the tourism development is responsible to increase pollution in the state. The variation in the opinion is more in the unemployed group. It is followed by the agricultural group, business group, and service class respectively. The  $\chi^2$  test (goodness of fit) is significant at 1 percent level of significance. It rejects the null hypothesis and leads to the conclusion that the opinion of the tourists with respect to the impact of tourism to increase pollution in the state is not equally distributed.

The  $\chi^2$  value of individual agriculture and the unemployed group is insignificant at 5 percent level of significance and supports the null hypothesis, whereas the  $\chi^2$  value of service group is significant at 1 percent level of significance. Further, the  $\chi^2$  value of the business group is significant at 5 percent level of significance. It rejects the null hypothesis and leads to the conclusion that tourism development is responsible to increase pollution in Uttarakhand.



**Table No. 12: Classification on the basis of occupation & impact of tourism on pollution.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Service	13	26	3	42	2.24	0.569	18.99	< 0.01
Business	23	27	5	55	2.33	0.634	14.97	< 0.05
Agriculture	6	5	1	12	2.42	0.639	3.50	> 0.05
Un-employed	8	5	3	16	2.31	0.768	2.37	> 0.05
Total	50	63	12	125	2.30	0.635	33.71	< 0.01

Source: Data compiled through Questionnaire.

Table No. 13 depicts that the mean value of the opinion is above than the mean standard score. The variation in the mean value is highest in the agricultural group, while it is the lowest in the case of the business group. The  $\chi^2$  2 test (goodness of fit) is significant at 1 percent level of significance. It rejects the null hypothesis and supports the above opinion. Thus the above analysis leads to the conclusion that tourism development is responsible for the increase in the prices of essential commodities.

**Table No. 13: Classification on the basis of occupation & impact of tourism on prices of essential commodities**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Service	16	19	7	42	2.21	0.708	5.566	< 0.05
Business	16	31	8	55	2.14	0.644	14.86	< 0.01
Agriculture	6	4	2	12	2.33	0.749	2.00	> 0.05
Un-employed	7	6	3	16	2.25	0.75	1.62	> 0.05
Total	45	60	20	125	2.2	0.693	19.59	< 0.01

Source: Data compiled through Questionnaire.

It is observed from Table No. 14 that the mean value of the opinion of the respondents is less than the mean standard score. It shows that the opinion is distributed towards the lower side of the mean standard score. It leads to the conclusion that the majority of the respondents are of the opinion that tourism is not responsible for the adoption of westernized culture. The standard deviation in the mean score is more in the business group followed by the service group, agriculture group, and unemployed group respectively.

**Table No. 14: Classification on the basis of occupation & impact of tourism for adoption of westernized culture.**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Service	10	18	14	42	1.91	0.749	2.28	> 0.05
Business	10	19	26	55	1.71	0.755	6.99	> 0.05
Agriculture	2	5	5	12	1.75	0.721	1.50	> 0.05
Un-employed	3	8	5	16	1.87	0.696	2.38	> 0.05
Total	25	50	50	125	1.80	0.748	9.98	> 0.05

Source: Data compiled through Questionnaire.

The  $\chi^2$  test (goodness of fit) is insignificant at 5 percent level of significance. This accepts the null hypothesis and supports the above opinion. Thus, the above analysis leads to the conclusion that tourism development is not responsible for the adoption of westernized culture. Table No. 15 depicts that the tourism development is responsible for the overcrowding and congestion in the state. It is supported by the mean value of the opinion, which is more as compared to the average standard score 2 in three-point scale. The standard deviation in the mean score is more in service group followed by the unemployed group, business group, and agricultural group respectively. While applying  $\chi^2$  test (goodness of fit) it is significant at 1 percent level of significance. It shows that the opinion of the respondents of the different occupation groups is not equally distributed. It is also noted that the  $\chi^2$  value of individual groups is significant at 5 percent level in case of service group and agricultural group. The  $\chi^2$  value in case of the business group is significant at 1 percent level of significance.

**Table No. 15: Classification on the basis of occupation & impact of tourism on overcrowding and congestion**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Service	24	13	5	42	2.45	0.697	12.99	<0.05
Business	29	22	4	55	2.45	0.627	18.16	<0.01
Agriculture	3	10	0	13	2.23	0.421	13.25	<0.05
Un-employed	4	8	3	15	2.07	0.679	2.80	>0.05
Total	60	53	12	125	2.38	0.654	32.27	<0.01

Source: Data compiled through Questionnaire.

Thus it can be concluded on the basis of the above analysis that the tourism development is responsible for the overcrowding and congestion in the state. So, the Government of Uttarakhand and the Department

of Tourism should take immediate steps to control the same. It is evident from Table No. 16 that the mean value of the respondents (2.25) is more than the average standard score i.e. 2 on a three-point scale. It reveals that the opinion of the majority of respondents is distributed towards strongly agree side. The variation in the opinion is the highest in the higher income group, while it is the lowest in the middle income group. The test (goodness of fit) rejects the null hypothesis at 1 percent level of significance and supports the above opinion that tourism has increased drug abuse and alcoholism in the state. So it can be concluded on the basis of the above analysis that tourism development is responsible for the increase in the habit of drug abuse and alcoholism. Therefore, the necessary steps should be taken by the Government of Uttarakhand to control it.

**Table No.16: Classification on the basis of annual income and the impact of tourism on drug abuse and alcoholism**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 1,00,000	13	19	3	35	2.29	0.612	11.19	<0.05
1,00,000-5,00,000	24	45	7	76	2.22	0.598	28.58	<0.01
5 Lakh & above	6	6	2	14	2.29	0.699	2.289	>0.05
Total	43	70	12	125	2.25	0.615	40.45	<0.01

Source: Data compiled through Questionnaire.

It is evident from Table No. 17 that the majority of the respondents are scattered towards the higher side of the mean score. It reveals that they are of the opinion that tourism is responsible for the increase in pollution. The variation in the opinion is the highest in respondents of higher income group and it is the lowest in the respondents of the middle income group. The  $\chi^2$  2 test (goodness of fit) rejects the null hypothesis at 1 percent level of significance and supports the above opinion that tourism is responsible for an increase in the pollution level in the state.

**Table No. 17: Classification on the basis of annual income and the impact of tourism to increase pollution**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 1,00,000	15	17	3	35	2.34	0.629	9.83	<0.05
1,00,000 - 5,00,000	29	40	7	76	2.29	0.625	22.29	<0.01
5 Lakh & above	6	6	2	14	2.28	0.699	2.27	>0.05
Total	50	63	12	125	2.3	0.635	33.71	<0.01

Source: Data compiled through Questionnaire.

The above analysis leads to the conclusion that the majority respondents are of the opinion that the tourism development is responsible for an increase in pollution. It is evident from Table No. 18 space that majority of the respondents are of the opinion that tourism development is responsible for increasing essential prices of the commodities. It is supported by the mean value of the opinions of the respondents, which is higher than the average standard score i.e. 2 in three-point scale. The standard deviation of the opinion is highest in the middle-income group and its the lowest in higher income group. The value of  $\chi^2$  test (goodness of fit) is significant at 1 percent level of significance. It accepts the alternative hypothesis and further support the above opinion that tourism has increased the prices of essential commodities. So it can be concluded on the basis of the above analysis that tourism development is responsible for the increase in the prices of essential commodities in the state.

**Table No. 18: Classification on the basis of annual income and impact of tourism on the prices of essential commodities**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2 / 2$	P Value
Less than 1,00,000	15	17	3	35	2.34	0.629	9.83	<0.05
1,00,000-5,00,000	26	37	13	76	2.17	0.696	11.38	<0.05
5 Lakh & above	4	6	4	14	2.00	0.496	0.57	>0.05
Total	45	60	20	125	2.19	0.693	19.59	<0.01

Source: Data compiled through Questionnaire.

It is evident from Table No. 19 that majority of respondents are distributed towards the lower side of the average standard score. It shows that the respondents of different income levels are of the opinion that tourism is not responsible for the adoption of westernized culture in the state. It is evident from the standard deviation that the variation in the opinion is the highest in higher income group and it is the lowest in case of respondents of the lower income group.

The value of  $\chi^2 / 2$  test (goodness of fit) is significant at 5 percent level of significance. The  $\chi^2 / 2$  value of all individual groups is insignificant at 5 percent level of significance. The variation in the opinion is also less than the average standard scores i.e. 2 in three-point scale. It accepts the null hypothesis and supports the opinion that tourism is not responsible for the adoption of westernized culture in the state.

**Table No. 19: Classification on the basis of annual income and impact of tourism for the adoption of westernized culture**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 1,00,000	5	15	15	35	1.71	0.699	5.72	>0.05
1,00,000-5,00,000	15	32	29	76	1.82	0.739	6.492	>0.05
5 Lakh & above	5	3	6	14	1.93	0.883	1.00	>0.05
Total	25	50	50	125	1.80	0.748	9.98	<0.05

Source: Data compiled through Questionnaire.

It is evident from the Table No. 20 that the mean score of the respondents is more than the mean standard score, i.e. 2 on a three-point scale. It shows that tourism has increased overcrowding and congestion in the state. The standard deviation in the opinion is the highest in case of the middle-income group, while it is the lowest in case of the higher income group.

**Table No. 20: Classification on the basis of annual income and the impact of tourism to increase overcrowding and congestion**

Age	Strongly Agree	Partially Agree	Not Agree	Total	Mean	$\chi^2$	$\chi^2$ 2	P Value
Less than 1,00,000	9	23	3	35	2.17	0.56	18.03	<0.05
1,00,000-5,00,000	42	25	9	76	2.43	0.695	21.51	<0.05
5 Lakh & above	9	5	0	14	2.64	0.479	8.705	>0.05
Total	60	53	12	125	2.38	0.655	32.27	<0.01

Source: Data compiled through Questionnaire.

The  $\chi^2$  test (goodness of fit) is significant at 1 percent level of significance. It depicts that an alternative hypothesis is accepted, and support the opinion that tourism has increased overcrowding and congestion in the state. The  $\chi^2$  value of an individual lower and middle-income group is significant at 5 percent level of significance. The  $\chi^2$  value of the higher income group is insignificant at 5 percent level of significance. It can be said on the basis of the above analysis that the respondents of a lower and middle-income group do support the above opinion more strongly as compared to the respondents of higher income level. Thus, it can be concluded that the tourism development is responsible for overcrowding and congestion in the state of Uttarakhand.

## Conclusion

Most of the respondents of different backgrounds are of the opinion that the tourism development leads to an increase in drug abuse & alcoholism, overcrowding & congestion and pollution level in the state. It is also responsible for inflating prices of essential commodities in the state. But the majority of the respondents agree more strongly with the opinion that tourism development is not responsible for the adoption of westernized culture in the state. It is suggested that the Department of Tourism & Civil Aviation, Ministry of Tourism, State Pollution Control Board, Central & state government should frame some policy to control and minimize.

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# REINFORCEMENT OF INDIAN BANKING SYSTEM THROUGH CORPORATE GOVERNANCE

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## Abstract

*The Indian Financial system is growing at a very faster pace leading to a subsequent rise in the competition and complexity in the Indian financial market. The Indian banking system is considered as one amongst the healthier performers across the world. With the development of sea change economic reforms in Indian Financial Market, the role of stakeholders has increased to a very great extent in the decision making of any corporate. The issue of corporate governance has come up mainly in the wake up economic reforms characterized by liberalization and deregulation and banks also cannot afford to ignore the same. Corporate governance emphasizes on the transparent relationship between an institution's management, its board, shareholders and other stakeholders. There is a persistent need for improving the quality of corporate governance not only in the corporates engaged in manufacturing, trading and other (non-financial) activities but also in the banking organizations. Since the pattern of working of banks is different from other corporates it makes corporate governance of banks not only different but also critical. Failure of a bank can potentially root serious consequences for the entire financial system and for the economy as a whole. Thus, various guidelines are provided for working of banks. In banking industry regulations, guidelines and corporate governance are complementary to each other. The present study reviews the meaning of corporate governance in the context of banking companies and tries to find out the reasons why it is necessary for the banking sector. Descriptive research design is used to undertake the study.*

*The present study will divide the paper into four different sections. The first section will cover the history of corporate governance with reference to India as well as the world. The second part will highlight the applicability of corporate governance as an internal mechanism in the banking sector. In the third section, the applicability of corporate governance in the banking sector and the mechanism to be adopted for its dynamic usage will be emphasized and in the last part, various recent developments of corporate governance in the banking sector will be presented.*

## Introduction

Economic reforms characterized by Financial deregulation and liberalization of both trade and capital markets have removed many barricades inside and across countries thereby allowing firms to pursue business opportunities that are available globally. In fact, with the development of financial

markets investor's involvement also has deepened. This awakening amongst the investors has demanded high standards of corporate governance to ensure that capital is used efficiently and effectively. They also expect that returns generated out of capital invested should be in a manner that is desirable in terms of society's interests and is protected from any kind of fraudulent practice. Investors expect that boards make decisions that are free from conflicts of interest. This expectation of investors can be better met only with improved corporate governance rules and regulations which will thereby lead to a robust economic development. The Indian banking system is considered as one amongst the healthier performers across the world. Banks and financial institutions have to handle complex and cultured risks that exceed national boundaries and regulations since they act as direct agents on behalf of their customers. Financial markets tend to function below par if weak corporate governance prevails. Poor governance also increases market volatility through a lack of transparency and by giving insiders the edge on information critical to market integrity and fair trading.

**Objectives of Research :** The research maintains the following objectives to study in this research:

- To highlight the development of corporate governance and examine the present status of corporate governance practices in the Indian Banking Sector.
- To enlist the regulatory framework in regards to corporate governance in the Indian Banking Sector

### **Research Methodology**

The objective of the research paper is to evaluate the corporate governance practice in the banking sector in India. For evaluation purpose, this research papers divided into two parts. In the first part, the concepts of corporate governance like the evolution of corporate governance in the world and Indian scenario, role and importance of corporate governance in the banking sector has been discussed. The second part analyses the practice of corporate governance as adopted by the Indian Banking system with the help of elements like board practices, stakeholders and transparent disclosure of information.

**Corporate Governance:** The concept of corporate governance centers on full transparency, integrity, and accountability of the management and the board of directors. It is a term that broadly constitutes the rules, processes, or laws by which businesses should operate, regulate, and control their economic activities. Corporate Governance is a consortium of Internal and External factors that guides any business. Internal factors include officers, stockholders, a board of directors or management and external factors includes consumers, clients, and government rules and regulations. Corporate governance has emerged from being a mere compliance issue to an important element which delivers value to business entities that espouse the best governance practices. This concept deals with the entire framework of legal, cultural and institutional arrangements. Figure 1 clearly highlights from whom disclosure is demanded (Right-hand side) and for whom the disclosure is desired (left-hand side).





**Figure 1.: Components of Corporate Governance Disclosure**

### **Global History of Corporate Governance:**

A large number of scandals done by companies across the world showcased the failure of governance. Company managers (principally the executive directors) lost the sense of business or corporate ethics. Earnings became the prime measure of a company's success. Directors were not prepared to show low profits. This led to the use of unethical practices (like creative accounting, falsification of books etc.) Boards were generally ineffective and played into the hands of executive directors and approving improper financial statements. Managers awarded themselves huge bonus and stock options, often at the expense of other shareholders. Companies highlighted higher current profits and concentrated on short term benefits rather than focusing on the long term objectives. Auditors failed to stop the executive directors from using improper accounting policies. The disparity in remunerations between higher and lower level employees grew to uncomfortable levels. Most small investors lost interest in long term investments and concentrated on short term gains through share price movements.

The concept of corporate governance gained limelight account of some major corporate tragedies across the world:

1. Worldcom, the telecom giant from the USA used old techniques, followed improper accounting policies and inflated profits.
2. Enron the energy syndicate miss-stated its earnings and assets.
3. Waste management company's directors were sued for accounting fraud.
4. Peregrine systems, a California based company overstated its revenue
5. Barings Bank of UK completely failed in its internal controls

It was in an attempt to prevent the recurrence of such business failures. Few corporate governance norms and standards were formulated around the globe:

- The Cadbury Committee set up by the London Stock Exchange and the Accountancy Profession established came out with its landmark report in Dec. 1992, recommending a Code of Best Practice with which the boards of all listed companies should comply.
- Greenbury Report 1995 (UK) was formed to look into the directors' remuneration packages and disclosure about it in the annual reports.
- The Combined Code 1998 (UK) combined the recommendations of Cadbury report, Greenbury report and Hampel report into one code. It has two sets of recommendations: one for the company and other for the institutional investors.
- Turnbull Report 1999 (UK) committee was set up by the Institute of Chartered Accountants in England and Wales to provide guidance to its members who prepare or audit financial statements for companies, on the implementation of the internal control requirements of the Combined Code.
- The Organization of Economic Cooperation and Development (OECD) published its principles of Corporate Governance in 1999. The main principles intended were: 1. The rights of shareholders must be protected. 2. All shareholders should be equitably treated. 3. All stakeholders should be allowed to play their role as provided in the law. 4. Importance of timely and accurate disclosures to promote transparency. 5. Accountability and responsibility of the board of directors.
- Basle Committee Guidelines (1999) issued its guidelines in 1999 related to enhancing corporate governance in the banking companies. These have been influential in the development of corporate governance practices in banks across the world. It ordained on 1. Compensation issues of directors. 2. There should be appropriate oversight by and on senior management. 3. The importance of the work by both internal and external auditors, and internal checks.
- Smith Report 2003 (UK) report covered the role and importance of audit committees. It stated that while all directors have a duty to act in the interest of the company, the audit committee has a particular role, acting independently from executive directors, to ensure that the interests of shareholders are properly protected in relation to the financial reporting and internal controls.
- Sarbanes-Oxley Act 2002, (USA) introduced reforms in various areas of corporate management as well as listing requirements for NYSE. This Act emphasized 1. Considerable responsibility on CEO and CFO in relation to accuracy and completeness of the company's annual report. 2. Strengthened the independence of the external auditor. 3. The audit committees were required to have at least one financial expert, who should be clearly named as such. 4. It set up a new regulatory body, called Public Company Accounting Oversight Board, for auditors of US-listed firms.

### **Emergence of Corporate Governance in India**

The need for Corporate Governance has become highlighted by the scams brought high almost as an annual feature ever since the liberalization of the economy in 1991, To cite a few Harshad Metha, Ketan Parikh scam, UTI scam, the Vanishing Company scam, the Bhansali scam and so on (Omkar Goswami, 2002). The most important development in the field of Corporate Governance and Investor protection in India has been the establishment of the Securities and Exchange Board of India in 1992 and its gradual empowerment since the time it was established primarily to regulate and monitor stock trading, it has played a crucial role in establishing the basic minimum ground rules of corporate conduct in the country. Concerns about corporate governance in India were, however,

largely triggered off by a spate of crises in the early 1990s as already noted. This concerns about Corporate Governance stemming from the several corporate scandals, coupled with a perceived need to open up to the forces of competition and globalization, gave rise to several investigations into ways to fix the Corporate Governance situation in India. One of the first such endeavors was the Confederation of Indian Industry (CII) code for Desirable Corporate Governance, developed by a committee chaired by Rahul Bajaj, this committee was formed in 1996 and submitted its code in April 1998. Later, the Securities and Exchange Board of India (SEBI) constituted two committees to look into the issue of Corporate Governance. The first was chaired by Kumar Mangalam Birla, which submitted its report in early 2000, and the second by Narayana Murthy, which submitted its report three years later. These two committees have been Instrumental in bringing about changes in Corporate Governance in India through the formulation of clause 49 of listing Agreements. Concurrent with the initiatives by SEBI, the Department of Company Affairs, the Ministry of Finance of the Government of India also began contemplating improvements in Corporate Governance. These efforts include the establishment of a study group to operationalize the Birla Committee recommendations in 2000, the Naresh Chandra Committee on Corporate Audit and Governance in 2002, and the expert committee on Corporate Law (The J.J.Irani Committee) in late 2004. All these efforts were aimed at reforming the existing Companies Act of 1956 still forms the backbone of corporate law in India.

### **Importance of Corporate Governance in the Banking Sector**

The corporate governance practice is important for banks in India because the majority of the banks are in the public sector, where they are not only competing with one another but with other players in the banking system. Further, with restrictive support available from the government for further capitalization of banks, many banks may have to go for public issues, leading to the transformation of ownership. The banks form an integral part of the economy of the country and any failure in a bank might have a direct bearing on the financial health of the country. The Basel committee on banking supervisory authorities was established by the Central Bank Governors of the G10 developed countries in 1975. The Basel committee in the year 1999 had brought out certain important principles on corporate governance for banking organizations which, more or less have been adopted in India. The minimum impact of the recession on the Indian economy was because of strong and effective nature of the banking sector in India.

Best corporate governance practices will enable banks to:

- Increase the efficiency of their activities and minimize risks;
- Get easier access to capital markets and decrease the cost of capital;
- Increase growth rate; Attract strategic investors; Improve the standards of lending;
- Protect the rights of minority shareholder and other counterparts;
- Strengthen their reputation and raise the level of investors and clients' trust.

### **Fundamental Corporate Governance Factors and Obedience Status in Indian Banking**

#### **1. Bank's Philosophy on Corporate Governance**

- Commitment to uphold values that are based on the idea of a bond and togetherness among all interested parties, particularly close ties between the Bank and its many stakeholders-from customer and employees to its investors, institutions, and society at large.

- The overall objective is to optimize sustainable value to all stakeholders-depositors, Shareholders, customers, borrowers, employees, and society through adherence to corporate values, codes of conduct and other standards of appropriate behaviour.

## **2. Board of Directors**

- Public sector banks are following Banking Companies Act 1970 as the Board of the Bank has been constituted under Section 9(3) of the Banking Companies {Acquisition & Transfer of undertaking} Act 1970 and Nationalized Bank (Management & Miscellaneous Provision) Scheme 1970.
- Similarly, in private sector banks, Board of Directors have been constituted in compliance with the Banking Regulation Act, 1949, Companies Act, 1956 and listing agreements entered into with stock exchanges and in accordance with best practices in corporate governance.
- The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The practice of dual charge Managing Director and Chairman is seen in all the banks as it can help to remove the rivalry between the two positions and ensure the governance function independently

## **3. Committee of the Board**

### **(i). Audit Committee**

- The Audit Committee is constituted as per RBI guidelines and complies with the provisions of Clause 49 of the Listing Agreement to the extent that they do not violate the directives/guidelines issued by RBI. In terms of Reserve Bank of India guidelines, the Audit Committee should have six members in the Board of Directors, including two whole time Directors, two official Directors (nominees of GOI and RBI), and two non-official, non-executive Directors. Meetings of the ACB are chaired by a non-executive Director.

The purpose of the audit committee is to oversee the bank's financial reporting process and ensuring correct, adequate and credible disclosure of financial information. Considering the aim of the audit committee, the following objectives were laid down:

- Reviewing with the management, the financial statements as per the accounting policies and practices, compliance with accounting standards.
- Reviewing the adequacy, quality, and effectiveness of external and internal audit and internal control system.
- Audit Committee reviews the position with regard to issues raised in the Long Form Audit Report (LFAR).
- It follows up on all the issues/concerns raised in the Inspection Report of RBI.
- The audit committee also makes a review of reports received from Compliance Cell, Inter Branch Account Reconciliation (IBAR) section, etc.

**(ii). Investors' Grievance Committee**

- The Investors' Grievances Committee has been constituted in terms of Clause 49 of the Listing Agreement. The Committee takes care of investors' grievances by doing some important functions. It approves and monitors transfer, transmission, splitting and consolidation of shares and bonds and allotment of shares to the employees pursuant to Employees Stock Option Scheme. The Committee also monitors redressal of complaints from shareholders relating to the transfer of shares, non-receipt of Annual Report, dividends, etc.

**(iii) Remuneration Committee**

Formation of the remuneration committee in a bank is a non-mandatory requirement of Clause 49 of the Listing Agreement. However, both private and public sector banks have set up a remuneration committee in their organizations for the Implementation of Best Corporate Governance Practices

**A. Measures Taken by Banks Towards the Implementation of Best Practices**

1. Prudential norms in terms of income recognition, asset classification, and capital adequacy has been well assimilated by the Indian banking system
  - In keeping with the international best practice, starting 31st March 2004, banks have adopted 90 days' norm for classification of NPAs.
  - Also, norms governing provisioning requirements in respect of doubtful assets have been made more stringent in a phased manner.
  - Beginning in 2005, banks will be required to set aside capital charge for market risk on their trading portfolio of government investments, which was earlier virtually exempt from market risk requirement.
2. Capital Adequacy
  - Most of the Indian banks are well above the stipulated benchmark of 9 percent nowadays. They remain in a state of preparedness to achieve the best standards of CRAR.
3. On the Income Recognition Front
 

There is complete uniformity now in the banking industry and the system, therefore, ensures responsibility and accountability on the part of the management in proper accounting of income as well as loan impairment.
4. ALM and Risk Management Practices
 

At the initiative of the regulators, banks were quickly required to address the need for Asset Liability Management followed by risk management practices. Both these are critical areas for an effective oversight by the Board and the senior management which are implemented by the Indian banking system on a tight time frame and the implementation review by RBI These steps have enabled banks to understand, measure and anticipate the impact of the interest rate risk and liquidity risk, which is deregulated environment is gaining importance.

## 5. Measures taken by Regulator towards Corporate Governance

The Reserve Bank of India has taken various steps to further corporate governance in the Indian Banking System. These can broadly be classified into the following three categories:

- Transparency
- Off-site surveillance
- Prompt corrective action

1. Transparency and disclosure standards are also important constituents of a sound corporate governance mechanism. Transparency and accounting standards in India have been enhanced to align with international best practices. However, there are many gaps in the disclosures in India vis-a-vis the international standards, particularly in the area of risk management strategies and risk parameters, risk concentrations, performance measures, a component of capital structure, etc. Hence, the disclosure standards need to be further broad-based in consonance with improvements in the capability of market players to analyze the information objectively.
2. The off-site surveillance mechanism is also active in monitoring the movement of assets, its impact on capital adequacy and overall efficiency and adequacy of managerial practices in banks. RBI also brings out the periodic data on “Peer Group Comparison” on critical ratios to maintain peer pressure for better performance and governance.
3. Prompt corrective action has been adopted by RBI as a part of core principles for effective banking supervision. As against a single trigger point based on capital adequacy normally adopted by many countries, Reserve Bank in keeping with Indian conditions have set two more trigger points namely Non-Performing Assets (NPA) and Return on Assets (ROA) as proxies for asset quality and profitability. These trigger points will enable the intervention of regulator through a set of mandatory action to stem further deterioration in the health of banks showing signs of weakness.

### Findings

With a view to further improving the Corporate Governance standards in banks, the following measures are now recommended for implementation:

- (a) Taking a cue from the recommendations of the Ganguly Committee Report, the concept of ‘fit and proper’ criteria for directors of banks was formally enunciated in November 2003. It included the process of collecting information, exercising due diligence and constitution of a Nomination Committee of the Board to scrutinize the declarations made by the bank directors. Accordingly, all the banks in the private sector have carried out, through their nomination committees, the exercise of due diligence in respect of the directors on their Boards. In some cases, where the track record of the directors was not considered satisfactory, the directors vacated their positions. In regard to some others, there is an on-going process to ensure ‘fit and proper’ status of the directors.
- (b) In the interest of the shareholders, the private sector banks and public sector banks which have issued shares to the public may form committees on the same lines as listed companies under the Chairmanship of a non-executive director to look into redressal of shareholders' complaints.
- (c) All listed banks may provide un-audited financial results on half yearly basis to their shareholders with a summary of significant developments

## Conclusion

The implementation of corporate governance norms in Indian banks has been phenomenal after the bank reforms were put in place. With the initial framework of the Ganguly committee, there has been a consistent focus on 'fit and proper' standards. The PSBs have even begun to rate their corporate governance standards from rating agencies. Banks have been working on the sustainability of corporate governance standards and have begun to realize the importance of corporate social responsibility which is an integral part of it. The multiplicity of regulators, issues in the appointment of rightly qualified Board members and conflict of interest between long term and short term objectives always pose bigger challenges.

Corporate Governance is a mission intended to create strong fundamentals for the banks. With changing dimensions of corporate governance practices banks need to transform into much more dynamic and forceful entities setting a broad vision for the future. It will be more significant in the wake of the recent global financial turmoil which had taken a heavy toll of several financial conglomerates.

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# LITERATURE



## THE LONGING TO BELONG IN BEING

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### Abstract

*Francis Scott Key Fitzgerald encapsulated the theme of connectivity between literature, and the emotional conflict of being and belonging with the following words: "That is part of the beauty of a literature. You discover that your longings are universal longings, that you're not lonely and isolated from anyone. You belong." The purpose of this study is partially based upon the aforementioned belief that literature serves as an amalgamation between the universality of existential crises and the individuality of psychological dwellings.*

*Further exploration brings us in proximity with the degeneration of William Shakespeare's Othello, who has gained the title of 'a tragic, most romantic hero' over time. The degeneration occurs at the expense of his 'Self', by surrendering to the longing to belong in the mainstream Venetian society. Milton's of criticised usage of "And justify the ways of God to men" (I,25-26) is, in actuality, a subtle indication of man's free will in picking out his identity, without restraints or moderated supervision. In the Marathi novels, Yugandhar, and Mahamrityunjaya, by Shivaji Sawant, the characters of Krishna and Karna are portrayed to have possessed almost a parallel ambivalence in their contradictory choices throughout the epic of Mahabharata. Evolutionary activities, taking form within the materialistic environment, have paved the path for a renewed yet conventionally witnessed dilemma of being and belonging.*

*Jodi Picoult's My Sister's Keeper chronicles the emotional upheaval in Anna Fitzgerald's thirteen-year-old mind as her existence is utilised as a mere scapegoat for the survival of her chronically ill elder sister. The sheer firmness she delivers through her actions brings out the desperate hope to exist for her own sense of belonging, which serves as an inclination to invoke a rebellion within her. The journey of mapping out one's intrinsic necessity to envisage one's longings, as one recognizes the universal and individual ways in which one belongs to a more cosmic, social and spiritual purpose by the involuntary sense of being, is connected across eras by the lines drawn through literature, as experienced by every human heart.*

**Keywords :** *Longing, Belonging, Being, Self, Identity (Individual and Universal)*

Robert Herrick wrote: "Gather ye rosebuds while ye may" (Herrick 357). Herrick has captured the essence of 'seizing the day' into these words in poem, *To the Virgins, to Make Much of Time*, so as to evoke the whirlwind of action within each of our souls, and tug at the restlessness within. When one takes a stroll back in time, both prose and poetry would be found envisaging the conflict in our minds with one ultimate question: 'Who am I?'

The inevitable, lingering sense of restlessness is what leads us to ponder about the core of our identity. Had the entire world been devoid of transitions and constant change, then nobody would have wondered about the ways in which one is capable of being. The need to identify would not have existed in such a scenario. One perceives the various ways of being and belonging by first realising what he does not want to be and the path which leads to free exploration of self. The transit of time has been a silent witness to one element of the mortal mind, and it is the personal craving to identify with a satisfactory purpose in life. What Herrick urged man to seek through 'carpe diem' in the seventeenth century has preserved its meaning through every era.

"He is a fool that practices truth, without knowing the difference between truth and falsehood"(Bhatt). This was the lesson of wisdom imparted by Lord Krishna to his friend and disciple, Arjuna, when the latter was stranded in a labyrinth of moral and personal dilemmas with respect to the war of Mahabharata against his kin. During those times, as Shivaji Sawant has portrayed through the mindset of Kunti in *Yugandhar*, the overwhelming knowledge of not being able to have a whole identity haunts a person continuously. She was a palpable victim of the tragedy of abandoning her child, and then finding the abandoned son blood thirsty for her legitimate progeny. But on evaluating the core of her lifelong sorrow and the struggles of identity crisis that she had faced one deciphers the many layers of her twisted fate mangle in her consciousness.

Sawant helps us to delve into the plight of a victimised Kunti, but then brings in the saga as seen from the eyes of her abandoned son, Karna. The former is seen to be the victim of patriarchy, while the latter is suffering due to his own choices. In a quest for maintaining a respectable, elite reputation within her society, Kunti surrendered herself by giving up on a part of her soul, in her offspring, and this played a significant role in vanquishing her sense of individuality. Karna, on the contrary, attempted to mould the core of his identity in accordance with the perceptions that deemed him extraordinary enough to attain acceptance in a community that looked down upon the likes of him. All the choices he dreamt of, chased and made throughout the course of his lifetime were driven by the sole need of acceptance. The mother sinned in disowning her son because of her cowardice in defending her identity, while the son meets a tragic end on a path of foolhardy decision making because of arrogance in attempting to defend his.

Jerome David Salinger's teenage the protagonist from *The Catcher in the Rye*, Holden Caulfield, expresses his detachment from the lifestyle he has been living, by saying, "I don't even know what I was running for—I guess I just felt like it" (Salinger 3). The usage of the phrase 'running for', instead of 'running from' discerns a void in the life of Caulfield, as it is this search of a satisfactory and filling sense of being and the need to belong in his present identity, which makes him endeavour towards extremities. When Holden narrates his story, one is immediately struck by the detached manner in which he identifies, or rather fails to, with the traits of his personality and the reader has to reach out, gather and design the character from the narratives that he imparts in a random fashion of thought.

Throughout the course of his teenage years, Salinger's Holden is tied up, in a redundant manner, to the confined norms of his family's idea of a right, uplifting role in the society. There is particularly no struggle for the basic survival necessities in his account, but his frequent undertaking of the unpredictable somehow appears to be a craving to find a sense of connection between his mind and his identity.

Most manoeuvres of apparent rebellion are, in fact, embarked upon when the ongoing course of activity ceases to gratify the rebel's mindset. This can be directly discerned with the scrutinised analysis of the following reference from *The Catcher in the Rye*: "I don't give a damn, except that I get bored sometimes when people tell me to act my age. Sometimes, I act a lot older than I am- I really does but people never notice it. People never notice anything" (Salinger 9).

Holden feels disconnected from the ideas of idealism set by the society because he is at war with pieces of himself that he, himself, is unaware about. It is this paucity of emotional association to his conscious mind and his traits that cause his mainstream detachment. This occurrence from his account brings out a key-consequence. The the aftermath of not identifying with your own self, as required, is the reason many of the society's "rebels" rise, who find themselves incessantly at crossroads with the guidelines designed for righteous and upright, moralistic attitude.

One suitable exhibit of the aforementioned trait is found in Ayn Rand's brilliant and popular work, *The Fountainhead*, which emphasizes the uniqueness and individuality of thought one is capable of possessing and, more significantly, exercising.

A touching line of dialogue from the novel explains the need for belonging to oneself more before fitting in everyone's bias of idealism. Howard Roark addresses Peter Keating, saying, "To sell your soul is the easiest thing in the world. That's what everybody does every hour of his life. If I asked you to keep your soul, would you understand why that's much harder?" (Rand 625). In the labyrinth of materialistic aspirations and spiritualistic dilemmas, it has always been uncomplicated to surrender one's sense of belonging to the paradigm of the crowd, because it is, to a certain extent, the apt junction of achievement and comfort. This is why Rand's Howard is visualized as a counter-culturist in 20th century society.

A majority of the characters associated with Roark are portrayed to be in his individuality's opposition, but, in actuality, they are threatened by the ease with which Roark, belongs fully in his own being and its uniqueness. This fear of acknowledgement of their own insecurities is the cause that Howard and his art suffer segregation. Yet Rand depicts that the honest passion with which her protagonist, Howard Roark, embraces his art's exclusivity makes his mind and soul impervious to the fuel of fright or fret for isolation or scrutiny. This is where the soul and heart of this literary piece lies.

Many would argue that the universality of this urge to experience a sense of belonging is inevitable. Rand has tackled this outlook through an exchange between her fiercely individualist characters, Howard and Dominique. The excerpt of that exchange goes as follows, where Howard says to Dominique: "To say 'I love you', one must first know how to say the 'I' (Rand, 400). Roark implies in a blatant manner, fitting to his honest uniqueness, that if a person is not aware of his flaws and appeasing qualities, or is stubborn enough to cling to all the poor traits, then he would not be able to fill himself with enough emotion to deliver to another soul. One cannot give pieces of oneself to others, unless he is acquainted with the whole of his being, completely. This holds true for the previous deliberation of universality in the sense of belonging.

Another aspect of the longing to belong has been expressed through the saga of Peter Keating, who, throughout the course of his lifetime, attempts to attain the epitome of success by pleasing the ideals set by society. His actions are steered by this conjecture that contentment would come to him, only if he

chases the herd. Keating lacks the courage to crusade in favour of his desires, therefore his passion perishes out of his soul, and he is rendered a hollow man running after the profane.

Ayn Rand has made her Keating impulsive yet measured in a manner that constructs the image of a world-fearing man. This fear is the repercussion of his failure to make peace with his whole being, as he makes incessant efforts to mould his identity to suit the whims of every individual, who seems beneficial. The canvas-artist within him chokes to its end as a shrewd and cunning architect rises, trying to touch the endless sky. The bitterness experienced by Peter in the times of personal conflict is, in fact, his desperate mechanism of defense in opposition to his conscience that gnaws at him, time and again. Had Peter showcased ample vigour in exploring and acknowledging his identity, raw and unbent, then his choices would have turned out to be utterly different. The tragedy lies in his disastrous inability to do so.

Every individual identity is perceived with such intricacy in Rand's method that one is oft left to wonder whether collective connection yields happiness at all. The outcome of such wonderments in the modern-day, post-Rand era, is a vast comprehension of an existential crisis.

Delineating the delicate subject of existential crisis in an intensely engaging way of narration is Jodi Picoult's *My Sister's Keeper*, where Anna Fitzgerald struggles to break free from the grip of a false existence that hinders the path to the formation of her independent identity. Picoult delves into the psychology of a thirteen-year-old Anna and presents to her readers, what is nothing less than, a "road to redefinition" This piece of writing embarks on a journey with both the suffering sisters, Anna and Kate. The latter is a patient of acute promyelocytic leukemia and Anna is conceived by her parents in order to serve as a 'saviour sister' for an ailing Kate.

It is Anna's right to her body, as well as mental individuality that is challenged and, in most cases, sacrificed until she steps into her teenage years and decides to withdraw herself from the unsolicited responsibility of catering to the medical requirements of her sister. As a thirteen-year-old, her fragile sense of independent identity is stranded between doubt and defeat, where she almost begins to look at herself as an extension of Kate.

*My Sister's Keeper* makes pensive transitions from one emotional conflict to another by portraying one scenario with separate perspectives and backgrounds of the various characters closely associated with the protagonist. There is the moral dilemma of Anna's father and the relentless belief of her mother that presents an integral question of individuality and the ability to take a stance for it. A chord is struck when Anna gathers the courage to rebel and she says, "It is about a girl who is on the cusp of becoming someone... A girl who may not know what she wants right now, and she may not know who she is right now, but who deserves the chance to find out" (Picoult 199).

The revelation at the end of the book gives another train of thought, its track. Kate is the person who encourages her younger sister to revolt against the decisive ways of their parents, because of her firm understanding and desire to accept the fate assigned for her. It is this acceptance that attaches a sense of dignity in departing, to her identity. She chooses to linger not in form, but in thought, and this choice is the crux of *My Sister's Keeper*. Not only does this bold declaration evoke a sense of liberation for her own body, but it also makes an impact on her deep sense of belonging. This decisiveness in preserving her earthly form and thoughts, leads to a search for the sense of individual belonging. This individualism



ultimately attains a relatable and motivational shape through the course of the book, as Anna and her family realise the multitudes of their personalities. A universal need for the sense of individualism and belonging is then witnessed, and felt, by the characters and the readers, as well.

Every soul in the modern world deals with a situation, at least once in his lifetime, which attempts to suppress the facets of its identity, either completely or with subtle partiality. This is the foundation of an existential crisis, which gradually evolves as the suppression deepens its roots. History has been witnessed to rigorous modifications of ideas, beliefs, cultures and societies. What has remained constant is the desire for contentment in individual souls, and this desire for contentment has showcased latent longings to belong. The greatest ways of being and belonging are imbibed in the method of exploration, or rather, the freedom of exploration.

*The Unabridged Journals of Sylvia Plath* consists of a line from the poetess, which encapsulate the restlessness to be and identify with numerous feelings at the same time: “I can never be all the people I want and live all the lives I want. I can never train myself in all the skills I want. And why do I want? I want to live and feel all the shades, tones and variations of mental and physical experience possible in my life. And I am horribly limited”(Plath 166). This fright of being “horribly limited” conceives a sensation to find the possibilities entrapped within oneself.

As John Ronald Reuel Tolkien wrote, “Not all who wander are lost”(Tolkien 378). Those who do not wander at all do not know what good the destination will bring them.

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# ***THE METAMORPHOSIS :*** **A QUEST FOR EMOTIONAL IDENTITY**

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## **Abstract**

*This paper aims to explore the quest for emotional identity as experienced by the narrator in Franz Kafka's novel *The Metamorphosis*. The novel opens with a realization by the narrator that he has been transformed into monstrous vermin, which can be seen as his unintentional isolation from family and society. His metamorphosis can be interpreted as a form of emotional escape from stressful reality and its dangers. It studies the emotional and psychological changes experienced by the narrator in the process of trying to be apart of something greater than what he is born into. And how he alienates himself from the surroundings while pretending to be someone that others want him to be. It's about a metaconflict which sprouted in him due to a confused state of 'who he is' and 'what he wants to be'. Kafka's *The Metamorphosis* is a masterpiece of modern literature, which explores universal issues of despair, hope and conflict that Kafka himself witnessed in his personal life as well.*

**Keywords :** *Emotional Identity, Identity Crisis, Social and Emotional Isolation*

## **Introduction**

Franz Kafka originally wrote *The Metamorphosis* in German *Die Verwandlung* in 1912. It was published for the first time in 1915. During 1933 it was further translated into English. Kafka was a disciple of the students of Brentano when he attended the Charles University to study psychology. Therefore, his works are a reflection of his psychological principles. It is the mouthpiece of the emotions of a human being trapped in the body of an insect as the novel opens with a realization by the protagonist Gregor Samsa that he has transformed into horrible vermin. In order to avoid the shame and unease that his transformation would probably cause, he was locked within the boundaries of his room by his family where he eventually dies. The novel not only describes the causes and effects of Gregor's mysterious transformation but also gives a psychological insight of the protagonist's world giving it universality since we can correlate the novel with our lives. According to Vladimir Nabokov, *The Metamorphosis* beyond a fantasy, it's a symbolic representation of Gregor's world emotionally and psychologically. The psychoanalysis of the novel would take us to conscious, unconscious and pre-conscious domains of mental status since dreams confront one with reality in a disguised form. Gregor was trying to see his reality disguised in the form of insect which represents the extent to which he felt worthless. The novel tries to explore the realities of life faced by a worthless person, 'the day you become worthless, you are no longer tolerated by your closed relations and well-wishers'. Therefore, the novel reveals the relevance for meaningful involvement and the utilitarian aspect of every human being. The diminished utility either of human beings or of commodities may give rise to alienation.

### **Utilitarianism Results in *Metamorphosis***

In the novel, Gregor's transformation is parallel to the realities of a non-productive person in the society. He perceived himself to be so useless and unworthy that he imagined himself to be "Ungeheuer Ungeziefer". In German "Ungeheuer" means a creature that doesn't possess any place in its family while "Ungeziefer" refers to an unclean beast that is not suitable for sacrifice. It depicts the attitude of uselessness and worthlessness of his life. This attitude of incompetence sprouted out as a result of taking up the job which is not liked by him "what a strenuous career it is that I've chosen!" [1]. He took up the job because of the urgency to pay off the debt that was taken by his father from his company's manager. He, therefore, lacked competence while working as a salesman because of no personal interest. It was a compulsion to meet the ends. If this situation is compared to the present day scenario, then it is a matter of concern that there are very few amongst youth, who actually, evaluate their aptitude, consider their interest before taking up a career and eventually pursue the job while keeping in mind the value system that they have inherited during the process of learning the ideal way to lead life. After his metamorphosis, Gregor's immediate worry was about the possibility of losing the job instead of worrying about his state. He is afraid to get late for work. It exemplifies Mill's principle of utilitarianism that "actions are right in proportion as they tend to promote happiness, wrong as they tend to produce the reverse of happiness." According to the novel, Gregor only thinks about his business, never goes out in the evenings, relaxes by working with his fretsaw and studies train time-tables in that time which he can spend in amusement. In order to achieve success at workplace, He has sacrificed his personal life.

Most of the present-day generation is inheriting a modern yet destructive approach towards the concept of utilitarianism. This novel shows the extent of negative emotions like uselessness, meaninglessness and worthlessness of a job incumbent, who has to perform a job where he has no inclination, interest or motivation of his own. He is continuing the job just because it's beneficial for his family. The job is the reason of his families' happiness; deep down he felt like a dung-beetle who lives and dies a life of non-recognition, meaninglessness and worthlessness. Gregor's uncreative work, repetitive and non-challenging routine, long tiring and exhausting work schedule turned his life mundane. The effect of life circumstances on the quality of life are reflected by the emotions represented. If given a chance to live a life of free-will, he'll probably give up his job of salesman. His natural instinct to grow and develop well has vanished away. Although man by nature has a potential for growth but when life experiences hinder natural growth then the person starts feeling low or sick that has been symbolized by Gregor's metamorphosis into a worthless creature."

### **Metamorphosis as an Outcome of Alienation**

According to McClelland's *Theory of Needs* (1961) all motivation of an individual arouses from its desire to fulfill the need for achievement, power, and affiliation. The major cause of Gregor's transformation to a bug is that he is overworking, self-sacrificing his personal life for family survival and facing threatening debt to his employer which is brought up by his father. Such a condition sprouted for him because of the financial and emotional burden. Freud's "Pleasure Principle (1922)" explains that at time of psychological vulnerability people have tendencies to seek pleasure by avoiding pain. Gregor behaved so normally towards his transformation that he gave little or no importance to his transformed state in order to forget the pain of his monotonous life by finding pleasure in the form of a bug; that is free of responsibilities

and a master of his own will. He found his mutation amusing “Despite all the difficulty he was in, he could not suppress a smile at this thought (that he was able to control his legs as per his will)” [1].

Gregor’s conception about his family can be explained with the help of Bem’s “Self-perception Theory” (1960’s) which says that people develop their attitude by observing and concluding from the attitude of others that must have been caused by their own behaviours. Even his family foresees Gregor much like he himself sees his family. They didn’t feel appalled like outsiders on his transformation into a giant cockroach; indeed, their concern is about the threat of upcoming financial crisis because of his inability to earn anymore as a salesman or as anyone else. For them, Gregor has turned into a burden; that needs to be taken care of instead of acting as a caretaker. He has turned invalid and will only create hindrances in their progress and may lead to their disgrace in the society. The family didn’t worry about his pitiful condition or why such a condition has befallen on him.

According to Marx (1822) the true essence of a human being is ‘freedom of creativeness’ the constraint of which may lead towards a life of meaninglessness and alienation. Gregor took up a job against his self-interest which alienated him not only from his family but from his true self too hence his metamorphosis represents ‘loss of self’. He has lost his identity while trying to be a part of something greater than what he was born into. He alienated himself unintentionally from the surroundings while pretending to be someone that others wanted him to be. This situation is dominant in today’s capitalistic society where fellow human beings are alienated from their fellows as well as family because of no personal space in order to grow well. Even his metamorphosis is a meta conflict which sprouted in him due to a confused state of ‘who he is’ and ‘what he wanted to be’. Karl Marx criticized the capitalist system and advocated the creation of a classless society which will generate equality. He stated that workers are treated as commodities under capitalistic society. In Kafka’s *Metamorphosis*, the chief clerk too arrived at Samsa’s home to enquire about the reason for Gregor’s tardiness to work. In spite of his dedication and hard work, his boss expresses his dissatisfaction from his performance ‘Your turnover has been very unsatisfactory of late’ [1]. Without waiting for a reasonable explanation from Gregor, the clerk had already assumed that he’ll put forth an inadequate excuse for his idleness. These disappointments are commonly experienced by people in today’s economy. But such a treatment shatters one’s fantasised notions about their job that it will lead towards a fulfilled future and pushes them towards alienation.

According to the *Encyclopedia of Britannica*, alienation is a state of feeling separated from self, work or the labour of work. Seeman (1959) explained five important traits of alienation formulated by Emile Durkheim: powerlessness, meaninglessness, normlessness, social isolation and self-estrangement. Later ‘cultural estrangement’ was also added as sixth element of alienation. Initially Gregor faces physical metamorphosis but as the story progresses, we can conclude that his state is quite similar to his previous life as a human being. He has no control over his transformation which shows the extent of his helplessness.

Powerlessness is defined as a state of feeling when our destiny is beyond our control. It is determined by external agents like fate, luck and institutional management. Meaninglessness is a state of feeling purposelessness in life. Gregor turned into a parasite like his father after his mutation. This happened because of his self-surrendering attitude towards his work. Normlessness means lacking a commitment to social conventions and indulgent in practices of distrust and unrestrained individual competition. Gregor became mechanical with increased obsession for his job; which in turn appeared to dehumanize

him by terminating his personal interest. His habit of locking doors at night and reading train schedules during his free time shows his detachment from common aspects of happiness. His transformation didn't have a drastic change on his family life since he has no connection with his family members. He is no longer important to his family as he does not possess the role of breadwinner. Social isolation is a state of feeling lonely or prohibited in social relations. Self-estrangement is a state of feeling alienated from society and things around you.

One can feel alienated from work or life because of unexpected challenges witnessed within surroundings. Self-estrangement causes psychological stress by generating the feeling that he has no meaning to work and gradually losing his positive sense of self. This deteriorates the mental health-giving rise to: depression, anxiety, stress, indecisiveness and suicidal thoughts. The person starts avoiding relationships and faces with self-confidence issues. These symptoms may result in "Dissociative Identity Disorder" due to which a person develops more than one personality that may function with or without his awareness like Gregor was entrapped within the body of an insect with the emotions of a human being. Self-estrangement is the major factor in alienation as a person detaches himself from everything including his own self by perceiving that he's not good enough and loses his purpose of existence. The family considered him a burden and wanted to get rid of him made him disheartened. The declaration for Gregor's termination by his little sister's confrontation was more shocking for him.

### **Emotional Inconsistency as an Outcome of Alienation**

Emotions are not only an attribute of human beings but of all evolutionary beings, they are equally applicable to insects, animals, and plants. They make us lively, shape our personality and define who we are; they are the result of influences that we come across in the surroundings (Plutchik, 2001). Emotional identity characterizes how one responds to positive and negative behavioural traits. *The Metamorphosis* intimates an emotional journey acquired in order to escape from the emotional outburst. It also describes the extreme attitude of family members as well as the society after Gregor's transformed condition. He himself isn't sad by his transformed state but it's "the overcast weather—he could hear raindrops hitting against the metal window ledge—[which] completely depressed him" [2]. And instead of facing this situation he thought "how about if I sleep a little bit longer and forget all this nonsense." [1]. He despises his way of life and job so much that he just wants to flee from this situation. He wants an escape from all the responsibilities surrounding him as he can't feel his real self anymore. He sees himself not as a loved one of his family. Plutchik(1890) described emotions as "basic adaptations needed by all organisms in the struggle for individual survival", Gregor feels transformed as an insect because of his monotonous life. Gregor isolated himself unintentionally from his family in many ways which define the depth of his emotional suffrage. He has developed the habit of locking his room's door even if he is at home—a place where everyone can feel safe and secure. When his sister Grete whispered: "Gregor, open the door. I beg of you." [1] We can figure out that he has entered in such a position where he can't trust anyone not even his family. This physical metamorphosis represents his emotional escape from the stressful dangers which he can witness around him. Gregor's transformation shows that something has been broken within him emotionally. The absurdity is that he never paused to think about the cause of his transformation or found it absurd.

## Conclusion

The novel ends with Gregor's complete physical as well as emotional alienation that results in death. He dies realizing the worthlessness and meaninglessness of his life as a non-productive being. The fact that he is no more wanted as a loved one in the form of a son, a salesman, as a brother or as member of society tore him apart. The novel portrays the attitude of people towards others with mental or physical illness. He didn't die of physical cruelty by his own people but due to the shocking treatment that he faced because of his transformed appearance.

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# KURTZ AND MADNESS : A REPRESENTATION OF KURTZ'S IDENTITY IN THE NOVELLA *HEART OF DARKNESS*

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## Abstract

*One of the foremost impacts of Belgian Colonialization on the natives of Congo Free State over the years between 1890-1908, due to physical violence, sagacity, superiority, power, greed, and exploitation was marginalization. Joseph Conrad in his novella Heart of Darkness, written in the same time period (as a serial form in 1898 and published as a book in 1902), designates this process of marginalization leading to mental disorder, which is denoted as "madness" in the novella. Kurtz, is a central fictional character in the novella, who projects this notion of madness along with other characters. The research paper will explore how his character is led towards madness within himself and outside, how this feature is assimilated by the author and narrator to describe the acts of criminality, and what are the different ways through which Kurtz's identity has been represented. It will be studied under four representations of madness i.e. autobiographical, political, symbolic and psychological representations. Carl Jung's theory of Collective Unconscious will also be employed to explain the characteristic of madness. The paper, therefore, attempts to analyse Kurtz's identity which is associated with madness in the novella.*

**Keywords:** *Colonialion, Collective Unconsioces, Heart of Darkness, Madness*

### **Kurtz and Madness: A Representation of Kurtz's Madness in the Novella *Heart of Darkness*.**

One of the foremost impacts of the Belgian Colonialization was on the natives of the Congo Free State between 1890-1908. Due to physical violence, racial discrimination, power, greed and exploitation the natives were marginalised. Joseph Conrad in his novella *Heart of Darkness*, written in the same time-period (as a serial form in 1898 and published as a book in 1902), designates this process of marginalization leading to mental disorder, which is denoted as "madness" in the novella. Kurtz, is the central character in the novella, who projects this notion of madness along with other characters. The research paper will explore how his character leads to the growth of madness within himself and outside, how this feature is assimilated by the author as well as the narrator to describe the acts of criminality, and the different ways through which Kurtz's identity has been represented. In this paper madness will be studied under four representations of madness i.e. autobiographical, political, symbolic and psychological. Carl Jung's theory of 'Collective Unconscious' will also be employed. The paper, therefore, attempts to analyse Kurtz's identity which is associated with madness in the novella.

In '*Heart of Darkness* and Late-Victorian Fascination with the Primitive and the Double', Samir Elbarbary transcribes the interest the late-Victorian society showed towards duality in human character and behaviour.

He defines this duality as an indicator of how primitivism is also linked with “savagery”. Savages were considered as inferior or mad which is why white people considered themselves as the only guiding light towards enlightenment. The article by Tony Ward on ‘State Crime’, which is presented in the novella, describes how Kurtz epitomizes King Leopold, under whose rule, “massacre, hostage-taking, rape, death by starvation because of state or company actions, and extremes of physical cruelty were common occurrences” (Ward 626). An extensive report on ‘Madness and Murder’ by William A. Hammond suggests that an “uncontrollable will” to kill becomes a primary driving force that results in carnage which gives satisfaction to this urge. Human psyche plays an important role which can result into an excessive desire to kill oneself or others. Xiaoni Li, in his article ‘Light and Dark Symbols in *Heart of Darkness*’ elucidates the usage of the words- white, light, black, dark, jungle, fog and many others as significant symbols and how through these words “the author overthrows people’s common understanding of those symbols” (Xiaoni Li). Through these symbols, certain attributes are given to the characters. The research paper will incorporate and elaborate these ideas with instances from the novella to further the analysis and argument.

Conrad adopts a different style of writing to highlight the feature of madness in the novella, which has been approved and criticized widely. On one hand, he seems to defend the natives of Congo Free State and through the frame narrative, tries to bring out their suffering in an ambiguous tone, on the other hand, critics have accused him of being a racist. The printed version of a lecture delivered in University of Massachusetts, Chinua Achebe, the novelist and critic, reflects upon the novella *Heart of Darkness*, and calls Conrad a “bloody racist”. His views on the novella differ from a majority of the readers and he finds that the novella has dehumanised Africans in an ambiguous way. He states that Kurtz’s transformation from a “universal genius” to ‘mad’ is an indirect comment upon savages who are responsible for Kurtz’s transformation. The colonial irony is projected with a contrast when Marlow narrates the condition of the natives and then he states that all the natives are working for the colonizers as “They were building a railway”.<sup>(24)</sup> By showing the negative or horrible effects on the Europeans when they visited the dark continent, he says that Conrad has portrayed a negative image of the continent as well as the natives. The natives have thus become infectious or dehumanised who have corrupted even the sanest of the people including Kurtz. Therefore, Conrad projects one reality that Kurtz has become mad due to the environment in which he lived amongst the savages.

Joseph Conrad in this novella has incorporated various semi-autobiographical descriptions which have highlighted the state, the acts and practices of the colonizers and the suffering of the colonized. The novella is a narration over the time-period when King Leopold was ruling and exercising his brutal practises over the state and the natives. Conrad himself travelled through the same river and wilderness as Marlow has described in the text, and saw the horrors of the Belgian colonialists. The character of Kurtz, strongly related to King Leopold, represents all that he has exercised i.e. violence, power, lust for money. But Conrad does not incorporate these experiences and opinions directly towards Kurtz’s madness but through his narrator, who further tells the story of Marlow. The character of Kurtz is thus framed through the depiction of Marlow’s character. Though the journey and the situations he undergoes that run parallel with the character, the reader gets the hint of Kurtz’s own journey. From the beginning and in the entire course of the journey, Marlow is depicted showing gradual changes in his characteristic behaviour. Marlow is shown suffering through these changes as he says to his companions on the boat, “I don’t want to bother you much with what happened to me personally... (Ibid 10). The ambiguity, which is retained



in the sentence through partially revealing the changes, suggests the effects of the place on Marlow. “I flew around like mad to get ready, and before forty-eight hours I was crossing the Channel to show myself to my employers, and sign the contract.” (Ibid 14). The character of Kurtz is specifically described indicating Marlow’s mental sickness, his political ideologies which led him into this jungle and how he is at present among the savages.

Through Marlow, Kurtz’s journey provides the first parallel link between both the characters and the political conditions. The novel begins with the description of the journey where Marlow finds a halt, the river, and finally he reaches the outer and the inner stations. Through the description of the state and the colonizers he builds the theme of madness by using symbolic words like “darkness”, “horror” and so forth. “We penetrated deeper and deeper into the heart of darkness.” (Ibid 58) The physical journey is followed by the inner journey, journey into the primitive states of mind. Marlow says, “A narrow and deserted street in deep shadow, high houses, innumerable windows with venetian blinds, a dead silence, grass sprouting between the stones, imposing carriage archways right and left, immense double doors standing ajar. I slipped through one of the cracks, went up a swept and ungarnished staircase, as arid as a desert, and opened the first door I came to.” (Ibid 14) The “narrow and deserted street in deep shadow” is where Kurtz and Marlow both look for light within their own minds. Through the symbolic descriptions of State and journey, Marlow himself becomes the symbol for Kurtz.

The novella also represents his madness through various other symbols, instances and physical attributes, directly and indirectly. The paper deals with only those symbols which have been used in association with Kurtz’s madness. The terms ‘mad’ or ‘madness’ have been majorly used for savages, as a warning for Marlow when he is about to set out for the journey to the inner station and Kurtz, who is ultimately responsible for the exploitation of the state of Congo, and of his own mental health and the subsequent changes. The state of Congo itself becomes a signifier of the wilderness which allegedly affects the human mind. As Marlow describes: “Land in a swamp, march through woods, and in some inland post feel the savagery, the utter savagery. Had closed round him-all that mysterious life of the wilderness that stirs in the forest, in the jungles, in the hearts of wild men.”(Ibid8)

With the description of the physical and political conditions he then introduces Kurtz as told by the manager, “In the interior you will no doubt meet Mr. Kurtz”. (Ibid 29) the interior becomes both the interior of the jungle and the interior of the mind where darkness resides. Through these symbols, certain attributes are given to the characters. Xiaoxi writes that Kurtz, who is described as a “universal genius” in the beginning of the novella is shown fading in the fog of savagery and “when Marlow first learns of Kurtz’s activities in the jungle, he attributes Kurt’s moral downfall or madness to his lack of connectedness with civilization. Marlow blames the dark, mysterious force of the jungle for Kurtz’s actions” (Xiaoxi 85). “Why! He’s mad?” I said. He protested indignantly. Mr. Kurtz couldn’t be mad. If I had heard him talk, only two days ago, I wouldn’t dare hint at such a thing...” (Ibid 96) The dialogue exchanged between Marlow and the manager hints at Kurtz being mysteriously mad due to some reason. The reason becomes clear when he says, “But his soul was mad. Being alone in the wilderness, it had looked within itself, and, by heavens! I tell you; it had gone mad.” (Ibid 113) The symbols become more prominent and Kurtz is ultimately established as a mad character. “His was an impenetrable darkness.” (Ibid 117)

Madness of Kurtz can also be explained through the psychological approach. The Doctor in the novella becomes both a metaphor as well as a real character revealing the idea of how living with the savages and the desire for power and wealth leads to changes which are deeply rooted and come on the surface when they are slowly dug up. Before Marlow his set for his journey, he has recommended to visit a doctor to complete the process of tests. He says, "There was yet a visit to the doctor. 'A simple formality', assured me the secretary, with an air of taking an immense part in all my sorrows"(Ibid 16). Sorrow is displayed towards Marlow is due to the anticipation of madness through which he will suffer once he sets off for his journey. The doctor remarks while examining Marlow before the journey, "... 'and moreover, the changes take place inside, you know.' He smiled, as if at some quiet joke. (Ibid 17) The doctor indicates how madness will be the major factor that will make Marlow just like Kurtz. The psychological changes that take place in the characters can also be explained through Carl Jung's Theory of Collective Unconsciousness which deals with aspects of human psyche.

"The collective unconscious is the storehouse of the latent memory traces from one's ancestral past, a past that includes not only the racial history of humans as a separate species but also their prehuman or animal ancestry as well." (Hall 85). The repeated experiences over the years form a "psychic residue" which gets accumulated. These residues are not inherited as such but are the result of common evolution. *Heart of Darkness* with its title itself suggests a comparison between the darkness of the savages and the darkness of the hearts of colonizers. These colonizers become the inheritors of the past i.e. the practice of colonization and immense brutality, to treat non-whites as inferior and poor, to consider those tribes who live in the forests and wilderness as animals or even worse than that. The concept is also elaborated by Michelle Rozzo in his article, 'Marlowe's Questionable Racism: The Struggle between Human Sentiment and Nurtured Principles.' He uses the term "human sentiment" and "nurtured principles" to define how psychology has affected the development of imperialism because of which Marlow becomes extremely judgemental towards the breakdown of Kurtz's mental order.

"The structural components of the collective unconscious are called by various names: archetypes, primordial images, imagoes, mythological images, and behaviour patterns." (Jung). Jung claimed to identify many archetypes but paid special attention to four- the persona, anima/animus, shadow and self. The research paper will identify Kurtz's madness with this theory under two archetypes which are persona and shadow.

The "persona" (or mask) is the outward face we present to the world. It conceals our real self and Jung describes it as the "conformity" archetype. This is the public face or role a person presents to others as someone different than (from) who we really are. It is the role assigned to one by the society, the part that society expects one to play in life. Kurtz was the "universal genius" and the most successful businessman for the Belgian Empire. But soon after he entered the jungle his true self surfaced from beneath the persona. Thus, instead of the mission of spreading light in the state of Congo, the true self of everlasting greed for money and power is revealed in the way he executes the plan of administration. The final words he utters before dying, "The Horror! The Horror!" become symbolic of this true self which Kurtz identified within himself in his final moment after the persona broke away.

Shadow is another component of archetype. This is the animal side of our personality (like the Id in Freud) which is inherited from the lower forms of life. It is the source of both our creative and destructive

energies. The most prominent instance of shadow in the novella is the description when Marlow first sees Kurtz like an animal. The idea of this description is suggestive of the hidden destructive energies like animals in Kurtz, as Jung describes in his theory. Also, when Marlow witnesses the natives in the jungle crawling on all fours and drinking water from the lake by lowering down their faces directly into the water body, not only it gives the idea of their suffering but also emphasises the animal like identity which has been forced upon them.

There are few instances in the novella where the sentences are left unfinished and thus the ambiguity, adds multiple meanings. For instance, the doctor while examining Marlow comments, “interesting for science to watch the mental changes of individuals, on the spot, but...” (Ibid17). Here the doctor describes the gradual changes which occur in a personality due to change in mental health. These gradual changes have occurred in Kurtz. He had gone there as a “universal genius” but has changed into a “mad soul”. Ambiguity in the text also persists with the fact that Conrad made major changes in the original manuscript before publishing it as a novella. An article titled, “*Heart of Darkness: The Manuscript Revisions*” by John Ruskin, deals with the comparison of the original text or the manuscript written by Conrad and the revised text that became the novella. The article suggests that there are multiple changes that Conrad has made in his manuscript either to highlight the mood, the significance or making the text obscure in some places to reveal inward characteristics of the characters and the settings. The article also deals with the explanations of some of the lines used by Conrad and why certain phrases and words are used and edited in the making of the novella. As the author says, Conrad wanted the readers to interpret the text not from the eyes of the colonizer but through the colonized. The ambiguity therefore remains how Conrad wanted to portray Kurtz’s character.

Madness thus becomes an outcome of lust, power, money and the conquest of never-ending greed for authority and knowledge. As Marlow describes the physical appearance of Kurtz witnessed by himself, he says, “I saw on that ivory face the expression of sombre pride, of ruthless power, of craven terror- of an intense and hopeless despair. Did he live his life again in every detail of desire, temptation, and surrender during that supreme moment of complete knowledge?” (Ibid 118)

Therefore, the novella deals in a very ambiguous as well as in an explanatory manner how Kurtz receded into madness. Though these influences have often been considered as extremely racist by critics but what Conrad tries to create in this novella is figure of the past, present and future. The past figure can be compared to the works and deeds of brutal behaviour by the colonists, the present figure becomes an imitation of the King Leopold who led to the devastation of Congo and the future figure which he highlights through his dying sentence, “The Horror! The Horror!” denoting the coming of time when extreme brutality will still be practiced which will bring about the doom of many such rulers like Kurtz, consumed by their own madness.

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## EXPLORING HOMOSEXUALITY IN BROWNING'S 'PORPHYRIA'S LOVER'

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### Abstract

*'Porphyria's Lover' was published, along with a not her poem, under the title Madhouse Cells. It is about two lovers and their meeting. It is about Porphyria and her lover. Going through the poem suggests that Porphyria's lover is a female. As the poem was published in Victorian Era, it was not a great matter to be rich as Victorian Age records a period of economic expansion and rapid changes. So financial status wasn't the matter to worry about for a person. But Victorian values were hard to change. Homosexuality was a taboo and it was considered a crime. Christianity also considers it a sin. Homosexuals were considered mad and sent to asylum for cure. It is important to note that the poem was published under the title Madhouse Cells. This poem speaks not only about class difference, but also mental illness, inferiority complex, suppression and narcissistic behaviour. Porphyria's lover kills Porphyria in the end and justifies her act narcissistically. Porphyria's coming to her place shows some kind of awkwardness, if there is a gap between them. Either because Porphyria Is Not Loyal To Her Or the lover feels inferior to Porphyria from the perspective of Class. This is just an apparent meaning of the poem. This paper critically reads the poem with homosexual perspective and deeply examines the psyche of both Porphyria and the lover. Browning's works mostly stand out for his different characters and the psychological phenomenon related to them.*

**Keywords :** *Homosexuality, Victorian Age, Stereotype, Society, Beloved, Human Psyche*

This short dramatic monologue begins with the description of a stormy night. It is raining and the wind is gloomy. The lover gets a sort of fit while listening to the wind. And in such unfriendly weather, Porphyria manages to come. It shows that their romantic rendezvous is not random. They have something very serious and predetermined. Porphyria has a deep purpose to reach to her lover anyhow.

When Porphyria arrives, her presence makes the atmosphere warm and bright for her lover. Without talking to each other or even greeting each other, Porphyria goes and lights the fire. This can happen only when there is awkwardness between lovers and one makes himself busy to avoid interaction, out of nervousness. But finally, this awkwardness breaks. Porphyria sits beside her love, with her hair all wet.

If Porphyria's lover was a man, then her taking off the cloak must have created a sort of sexual tension or shyness, but it doesn't happen. Awkwardness and shyness could be with a woman also, but the fact is, a female is most comfortable in the presence of a female only. There is always a sort of discomfort and awkwardness between different sexes. This kind of awkwardness is lacking definitely because, the lover was a female. The notion that only women can understand other women, even homosexual women, is refuted by Jones, de Saussure, Socarides etc.

The way Porphyria's lover talks about the lover's white skin and yellow hair, shows that she is different from her. Porphyria's lover could be a black man or a black woman, that's why he/she feels inferior. Though being black skinned should not be the matter to feel inferior at all, but the time, this poem was published, a person belonging to the 'black race' was considered ugly. Porphyria's lover is most probably a black woman, because in the most censorious way, Browning rebelliously drew a lesbian love affair between different races. It reminds me of Othello and Desdemona, Desdemona's pale white skin and golden hair, and Othello's aggression, doubts, and inferiority that made him kill the innocent Desdemona.

Later on, in the poem, Porphyria tells her lover that she loves her, hearing such sweet statement from a lover, it is a matter to be on the cloud nine. But instead, her lover gets a nightmarish feeling and thinks to free Porphyria from such struggle. The struggle against the Victorian heterosexual society that thought loving a same sex was a crime.

“From pride, and vainer ties dissever  
And give her self to me forever.”

These lines indicate Porphyria's dishonesty but when we read the poem further, the lines:

“For love of her, and all in vain  
Happy, and proud; at last I knew

Porphyria worshipped me” indicate the pride she talks about is not the pride Porphyria has for belonging to a superior class but she is proud of her lover and she kind of worships her too. She says ‘all in vain’ to Porphyria's love and her pride on her love, because it was impossible for them to stay together.

It shows as if Porphyria is optimistic and lives in a Utopian world, believing in their love life and a perfect future with her lover, they might stay together forever, get married, have children or just be in love as if it is no crime but her lover knows the harsh reality and upcoming tortures that they may have to face because of their ‘immoral and unnatural’ relationship.

Her lover knows that Victorian society would never allow them to be together and Porphyria won't be with her in future; and out of uncertainty, insecurity, immense love, she thinks of making Porphyria's life less miserable; as a horrifying future is waiting for them already, she makes her love immortal by killing her at the moment she lover's her most.

This thought of killing her might not be sudden also, because this is what Porphyria wanted and she had already made up her mind to die in her lover's arms to feel it forever, and that's why she came through the negative stormy weather, and did not even resist for once while being strangled. She was happy dying in her lovers arms.

“So glad it has its utmost will”

This line shows that Porphyria wanted to die this way and her beloved made her wish come true. In the end, her lover is sitting with Porphyria's corpse. It is such a melancholic and tragic end if we see it as a homosexual poem. She clings to Porphyria's body as if it was immortal and had life, this is where ‘insanity’ comes in the poem.

Love was not the crime she made, but to save themselves from the so-called crime, a criminal and insane was made in the 'Madhouse Cells'. The last line is a sharp satire to Christianity, that called their love a sin, a crime, and when the crime was done, when Porphyria was killed, "God did not utter a word". No God came up to save the soul, to stop the crime from being done.

This was the positive perspective of Porphyria's lover but as a negative character, the way her lover murders her, shows violence that comes out of frustration. And the frustration is a result of not coming out as a person you are, or not having the guts to come out of the closet because obviously society will not allow. Porphyria was proud of her love but her lover's opinion on their relationship is not clear. So perhaps, her lover was violent, frustrated, had narcissistic behaviour, and this was leading her to insanity.

Elaine V. Siegel in her Psychoanalytic Study "Female Homosexuality: Choice Without Volition" talks about how homosexuality in a woman leads to her narcissist behaviour and its deviations, ego development, suicidal thoughts, inner guilt and psychosis. In her study, she speaks about 'Ferdinand de Saussure's theory on lesbianism that homosexual fixation in women corresponds with the patient's projections. A woman can project her femininity onto another woman, who is a mother substitute. She may become excessively narcissistic because she is thwarted in her own femininity and wishes to be mirrored by another woman, or she may choose as an ideal, an aggressive woman, just like the case of Porphyria in the poem.

By killing Porphyria in the end, by her own lover, Browning indicated on how Victorian society and values were vanishing love and peace among people. Sodomy became a civil offence, punishable by death in 1533 and remained a capital offence in England until 1828. Act against Sodomy, The Social Purity Movement 1880, Gross Indecencies, and Section 11 of the criminal law Amendment act that Oscar Wilde was accused to have violated, remained in England till 1967. In 1973, the American Psychiatric Association decided that homosexuality should no longer be classified as a mental disorder. If such laws didn't exist no Porphyria would have died, no elephant could be found hidden in the Lihaf or no Jack Twist would have killed in the Brokeback Mountain.

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## SLAVERY'S DESTRUCTION OF IDENTITY IN TONI MORRISON'S *BELOVED*

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### **Abstract**

*Beloved is the most celebrated novel of Toni Morrison. The paper investigates how identity is affected by slavery in the novel. Identity is something which tells about a person. Identity can be as a citizen, as an employee or as a member of the community. By and large identity is the benchmark of a person. Weinreich gives the definition “A person's identity is defined as the totality of one's self-construal, in which how one construes oneself in the present expresses the continuity between the past and how one aspires to be in the future”; this allows for definitions of aspects of identity, such as: “One's ethnic identity is defined as that part of the totality of one's self-construal made up of those dimensions that express the continuity between one's construal of past ancestry and one's future aspirations in relation to ethnicity”. (Weinreich, 1986). Identity can be constructive or destructive. Slavery is something which tries to snatch away one's identity in a hideous way. *Beloved* explores the physical, emotional, and spiritual devastation wrought by slavery, a devastation that continues to haunt those characters who are former slaves, even post freedom. The most dangerous effects of slavery is its negative impact on the former slaves' sense of self, and the novel contains multiple examples of self-alienation. Paul D, for instance, is so alienated from himself that at one point he cannot tell whether the screaming he hears is his own or someone else's. Slaves were told they were subhuman and were traded as commodities whose worth could be expressed in dollars. Consequently, Paul D is very insecure about whether or not he could possibly be a real “man,” and he frequently wonders about his value as a person.*

**Keywords :** *Slavery, Emotions, Identity, Family*

Identity is something which tells about a person. Identity can be as a citizen, as an employee or as member of the community. By and large identity is the bench mark of a person. Weinreich says “A person's identity is defined as the totality of one's self-construal, in which how one construes oneself in the present expresses the continuity between how one construes oneself as one was in the past and how one construes oneself as one aspires to be in the future”. (Weinreich); this allows for exploration of various aspects of identity. “One's ethnic identity is defined as that part of the totality of one's self-construal made up of those dimensions that express the continuity between one's construal of past ancestry and one's future aspirations in relation to ethnicity”, (Weinreich). Identity can be constructive or destructive. Slavery is something which tries to snatch away one's identity in a hideous way. A slave loses its identity and becomes the property of the owner. Slavery is a legal or economic system in which principles of property law are applied to humans allowing them to be classified as property,[1] to be owned, bought and sold accordingly, and they cannot withdraw unilaterally from the arrangement. While a person is enslaved, the



owner is entitled to the productivity of the slave's labour, without any remuneration Toni Morrison uses fiction to manifest how slavery is responsible for the destruction of identity.

*Beloved* explores the physical, emotional, and spiritual devastation wrought by slavery, a devastation that continues to haunt those characters who were slaves formerly even after they are free. The most dangerous of slavery's effects is its negative impact on the slaves' senses of self that alienates the slave further. The novel contains multiple examples of self-alienation. Paul D, for instance, is so alienated from himself that at one point he cannot tell whether the screaming he hears is his own or someone else's. Slaves were told they were subhuman and were traded as commodities whose worth could be expressed in dollars. Consequently, Paul D is very insecure about whether or not he could possibly be a real "man," and he frequently wonders about his value as a person.

Sethe, also, was treated as a subhuman. She once walked in while a school teacher was giving his pupils a lesson on her "animal characteristics." She, too, seems to be alienated from herself and is filled with self-loathing. However, she sees her children as complete beings, unlike herself. Yet her children also have volatile, unstable identities. Denver conflates her identity with Beloved's, and Beloved feels herself actually beginning to physically disintegrate. Slavery has also limited Baby Suggs's self-conception by shattering her family and denying her the opportunity to be a true wife, sister, daughter, or loving mother.

As a result of their inability to believe in their own existence, both Baby Suggs and Paul D become depressed and tired. Baby Suggs's fatigue is spiritual, while Paul D's is emotional. While a slave, Paul D developed self-defeating coping strategies to protect himself from the emotional pain he was forced to endure. Any feelings he had were locked away in the rusted "tobacco tin" of his heart, and he concluded that one should love nothing too intensely. Other slaves—Jackson Till, Aunt Phyllis, and Halle—become insane and thus suffer complete loss of the self. Sethe fears that she, too, will end her days in madness. Indeed, she does prove to be mad when she kills her own daughter. Yet Sethe's act of infanticide illuminates the perverse forces of the institution of slavery: under slavery, a mother best expresses her love for her children by murdering them and thus protecting them from the more gradual destruction wrought by slavery.

Stamp Paid muses that slavery's negative consequences are not limited to the slaves: he notes that slavery causes the whites to become "changed and altered . . . made . . . bloody, silly, worse than they ever wanted to be." (*Beloved*, 57) The insidious effects of the institution affect not only the identities of its black victims but those of the whites who perpetrate it and the collective identity of Americans. Where slavery exists, everyone suffers loss of humanity and compassion. For this reason, Morrison suggests that our nation's identity, like the novel's characters, must be healed. America's future depends on its understanding of the past: just as Sethe must come to terms with her past before she can secure a future with Denver and Paul D. Thus, before we can address slavery's legacy in the contemporary problems of racial discrimination and discord, we must confront the dark and hidden corners of our history. Crucially, in *Beloved*, we learn about the history and legacy of slavery not from school teacher's or even from the Bodwins' point of view but rather from Sethe's, Paul D's, Stamp Paid's, and Baby Suggs's. Morrison writes history with the voices of a people historically denied the power of language, and *Beloved* recuperates a history that had been lost—either due to willed forgetfulness (as in Sethe's repression of her memories) or to forced silence (as in the case of Paul D's iron bit).

When Sixo turns school teacher's reasoning around to justify having broken the rules, school teacher whips him to demonstrate that "definitions belong to the definers," not to the defined. The slaves eventually come to realize the illegitimacy of many of the white definitions. Mr. Garner, for example, claims to have allowed his slaves to live as "real men," but Paul D questions just how manly they actually are. So, Paul D too finally comes to realize with bitter irony the fallacy of the name "Sweet Home." Although Sixo eventually reacts to the hypocrisy of the rhetoric of slavery by abandoning English altogether, other characters use English to redefine the world on their own terms. Baby Suggs and Stamp Paid, for example, rename themselves. *Beloved* may be read as Morrison's effort to transform those who have always been the defined by definers.

While slaves, the characters manipulate language and transcend its standard limits. Their command of language allows them to adjust its meanings and to make themselves indecipherable to the white slave owners who watch them. For example, Paul D and the Georgia prison inmates sing together about their dreams and memories by "garbling... [and] tricking the words." (Ed. Tyrone Williams, enotes)

The title of the novel alludes to what is ultimately the product of a linguistic misunderstanding. At her daughter's funeral, Sethe interpreted the minister's address to the "Dearly Beloved" as referring to the *dead* rather than the living. All literature is indebted to this "slippery," shifting quality of language: the power of metaphor, simile, metonymy, irony, and wordplay all result from the ability of words to attach and detach themselves from various possible meanings.

Paul D describes his heart as a "tin tobacco box." After his traumatizing experiences at Sweet Home and, especially, at the prison camp in Alfred, Georgia, he locks away his feelings and memories in this "box," which has, by the time Paul D arrives at 124, "rusted" over completely. By alienating himself from his emotions, Paul D hopes to preserve himself from further psychological damage. In order to secure this protection, however, Paul D sacrifices much of his humanity by foregoing feeling and gives up much of his selfhood by repressing his memories. Although Paul D is convinced that nothing can pry the lid of his box open, his strange, dreamlike sexual encounter with Beloved—perhaps a symbol of an encounter with his past—causes the box to burst and his heart to once again glow red.

The use of Beloved as the symbol of bondage has implications for several of the novel's characters and most importantly for Sethe. In her monologues and her interactions with Beloved, Sethe struggles to justify the death of her daughter as an act to free the child from slavery's inheritance as much as it was to free herself from its legacy.

"I won't never let her go. I'll explain to her even though I don't have to. Why I did it. How if I hadn't killed her, she would have died and that is something I could not bear to happen to her". (*Beloved*, 52)

As much as Sethe and Beloved do experience moments of unspoken mother-daughter joy, Beloved's destructive purpose is evidenced several times throughout the novel. In one example, Sethe enjoys a moment of respite, imagining the soothing hands of her deceased mother-in-law, Baby Suggs, massaging her neck, a moment that turns to alarm when she is choked - by the hands of Beloved.

“For eighteen years she had lived in a house full of touches from the other side. And the thumbs that pressed her nape were the same”. (*Beloved*, 12)

The definitive example of the novel’s mythological interpretation of *Beloved* as a supernatural symbol of slavery’s destructive heritage is revealed in the final chapter. The conclusion is prefaced by the consensus of the community to forgive Sethe’s crime, to “turn infanticide and the cry of savagery around and build a further case for abolishing slavery”. (*Beloved*, 35)

As Sethe prepares to finally part with the ghost of slavery that has haunted her for so many years, *Beloved* is revealed as wearing “vines of hair twisted all over her head”. The imagery is symbolic of the mythical Medusa who could turn anyone that looked upon her to stone. She represents to Sethe the final chance to leave the bonds of slavery and meet the wholeness of community, a deliverance that she had denied by her chosen isolation for so many years but which had been within her grasp from the very beginning.

*Beloved* begins in 1873 in Cincinnati, Ohio, where Sethe, a former slave, has been living with her eighteen-year-old daughter Denver. Sethe’s mother-in-law, Baby Suggs, lived with them until her death eight years earlier. Just before Baby Suggs’s death, Sethe’s two sons, Howard and Buglar, ran away. Sethe believes they fled because of the malevolent presence of an abusive ghost that has haunted their house at 124 Bluestone Road for years. Denver, however, likes the ghost, which everyone believes to be the spirit of her dead sister.

On the day the novel begins, Paul D, whom Sethe has not seen since they worked together on Mr. Garner’s Sweet Home plantation in Kentucky approximately twenty years earlier, stops by Sethe’s house. His presence resurrects memories that have lain buried in Sethe’s mind for almost two decades. From this point on, the story unfolds on two temporal planes. The present in Cincinnati constitutes one plane, while a series of events that took place around twenty years earlier, mostly in Kentucky, constitutes the other. This latter plane is accessed and described through the fragmented flashbacks of the major characters. From these fragmented memories, the following story begins to emerge: Sethe, the protagonist, was born in the South to an African mother she never knew. When she is thirteen, she is sold to the Garners, who own Sweet Home and practice a comparatively benevolent kind of slavery. There, the other slaves, who are all men, lust after her but never touch her. Their names are Sixo, Paul D, Paul A, Paul F, and Halle. Sethe chooses to marry Halle, apparently in part because he has proven generous enough to buy his mother’s freedom by hiring himself out on the weekends. Together, Sethe and Halle have two sons, Howard and Buglar, as well as a baby daughter whose name we never learn. When she leaves Sweet Home, Sethe is also pregnant with a fourth child. After the eventual death of the proprietor, Mr. Garner, the widowed Mrs. Garner asks her sadistic, vehemently racist brother-in-law to help her run the farm. He is known to the slaves as school teacher, and his oppressive presence makes life on the plantation even more unbearable than it had been before. The slaves decide to run.

School teacher and his nephews anticipate the slaves’ escape, however, and capture Paul D and Sixo. Schoolteacher kills Sixo and brings Paul D back to Sweet Home, where Paul D sees Sethe for what he believes will be the last time. She is still intent on running, having already sent her children ahead to her mother-in-law Baby Suggs’s house in Cincinnati. Invigorated by the recent capture, schoolteacher’s nephews seize Sethe in the barn and violate her, stealing the milk her body is storing for her infant daughter.

Unbeknownst to Sethe, Halle is watching the event from a loft above her, where he lies frozen with horror. Afterward, Halle goes mad: Paul D sees him sitting by a churn with butter slathered all over his face. Paul D, meanwhile, is forced to suffer the indignity of wearing an iron bit in his mouth.

When School teacher finds out that Sethe has reported his and his nephews' misdeeds to Mrs. Garner, he has her whipped severely, despite the fact that she is pregnant. Swollen and scarred, Sethe nevertheless runs away, but along the way she collapses from exhaustion in a forest. A white girl, Amy Denver, finds her and nurses her back to health. When Amy later helps Sethe deliver her baby in a boat, Sethe names this second daughter Denver after the girl who helped her. Sethe receives further help from Stamp Paid, who rows her across the Ohio River to Baby Suggs's house. Baby Suggs cleans Sethe up before allowing her to see her three older children.

Sethe spends twenty-eight wonderful days in Cincinnati, where Baby Suggs serves as an unofficial preacher to the black community. On the last day, however, School teacher comes for Sethe to take her and her children back to Sweet Home. Rather than surrender her children to a life of dehumanizing slavery, she flees with them to the woodshed and tries to kill them. Only the third child, her older daughter, dies, her throat having been cut with a handsaw by Sethe. Sethe later arranges for the baby's headstone to be carved with the word "Beloved." The sheriff takes Sethe and Denver to jail, but a group of white abolitionists, led by the Bodwins, fights for her release. Sethe returns to the house at 124, where Baby Suggs has sunk into a deep depression. The community shuns the house, and the family continues to live in isolation.

Meanwhile, Paul D has endured torturous experiences in a chain gang in Georgia, where he was sent after trying to kill Brandywine, a slave owner to whom he was sold by School teacher. His traumatic experiences have caused him to lock away his memories, emotions, and ability to love in the "tin tobacco box" of his heart. One day, a fortuitous rainstorm allows Paul D and the other chain gang members to escape. He travels northward by following the blossoming spring flowers. Years later, he ends up on Sethe's porch in Cincinnati.

Paul D becomes Sethe's lover, staying for a time despite friction between him and the two young girls. Beloved despises him, and she tries to divide Sethe from Paul D. Paul D eventually leaves when he learns that Sethe had murdered her own child. Sethe, on discovering Beloved's identity, believes she has been given a second chance. She tries to make amends for the past, but the girl's needs are devouring. The ghost does not forgive Sethe for her actions. Beloved settles into the house like a parasite, growing ever stronger as Sethe grows weaker. Sethe's insanity begins to unravel, and Beloved only grows more demanding. Denver is forced to go to the community for help.

A group of women, led by Ella, a former agent of the Underground Railroad, go to 124 to exorcise Beloved's ghost. The ghost is forced to leave, but Sethe's spirit has been nearly broken. Paul D returns to her, vowing to help Sethe heal herself. Denver, Paul D, and Sethe will build a new life, one in which they learn to deal with their painful past while focusing on the future.

Beloved is a haunting and dark novel, full of gothic elements and acts of terrible violence. The ghost represents the power of the legacy of slavery, which continues to trouble Sethe eighteen years after she

won her freedom. *Beloved* is the spirit of the dead baby returned but she is also an embodiment of all suffering under slavery; her memory extends back to the slave ships that first carried blacks to the Americas. The question of the rightness of Sethe's terrible act is a difficult one, moreover, it is a question that the novel does not attempt to answer in a definitive way. Morrison is more concerned that we understand why Sethe did what she did, as well as the ways that her decision has haunted her ever since. The novel effectively conveys the brutality and dehumanization that occurred under slavery, putting Sethe's act in context without necessarily condemning it or excusing it.

The structure is fragmentary, closely tied to the consciousness of each character and weaving suddenly between past and future. More time is spent describing past events than the action of the current moment, reinforcing the idea of the past lingering and shaping life in the present. The novel is often repetitive, telling the same stories of the past again and again, giving more information with each repetition. All of the characters of the novel, former slaves and the children of former slaves, suffer a troubled relationship with their own past. Their relationships to their past often makes it impossible for them to live in the present or plan for the future, and slavery has damaged the ways they can experience love and think about their own worth as human beings. This is the destruction of identities caused by slavery that Morrison projects through *Beloved*.

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## St. Xavier's College, Jaipur

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### **About the College**

Jesuits came to Jaipur in 1941, the 400th anniversary year of St Francis Xavier's arrival to India, at the invitation of the Ajmer Bishop and Mirza Ismail, the then prime minister of Jaipur, to start a school. The school started in 1945 is today known as St. Xavier's School. The Jaipur Xavier Educational Association (JXEA), a trust managed by the Jesuits, was established in 1950 to give organizational support to the school. To carry forward the venture of promoting education and training in Rajasthan, in 2006 the Xavier Vocational Institute (XVI) was started in Jaipur. Its aim was to give vocational training to the economically poorer sections of society. The next step in this direction was the launching of the Higher Education Program. In 2010, the JXEA, in collaboration with the Xavier Alumni and the well wishers of Jaipur, started the St. Xavier's College, Jaipur, affiliated to the University of Rajasthan. It is established and maintained by the members of the Delhi Province of the Society of Jesus.

St. Xavier's College envisions the formation of the whole person. It aims to train young men and women who would grow up as creative leaders and responsible citizens, committed to the service of the people. Every effort is made to see that the students become intellectually equipped, morally upright, socially committed and spiritually awakened to God's presence in the world.

St. Xavier's College reaches out to all without any distinction of caste or creed. Situated in an ancient city, rooted in tradition and resistant to any radical change in the existing socio-cultural structures, it feels called to work for the transformation of society so as to bring about a cultural emancipation of the youth by means of higher education. The college's vision prompts it to enter into a creative dialogue with the local culture in order to bring about social and cultural liberation. It seeks to form young men and women who are committed to the establishment of a just and caring social order.

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