

GLOBALISATION AND PROGRESS HIGHER EDUCATION IN Dr.BABASAHEB AMBEDKAR MARAATHWADA UNIVERSITY AAURANGABAD

Introduction

Education in India has historically been the property of the few. Since educational development took place within the framework of a stratified social system. It has always been focused on the needs of the privileged ones. The status of education for various clientele groups is dependent upon their socio-political profile in a given society. The Indian society has over a period of time undergone a process of continuous degeneration, namely from Varna vyavastha to the caste system. Education is directly related to the development of a country. Efforts are being made both by the Union Government as well as state Governments to provide numerous facilities to the disadvantaged groups with a view to bring them at par with the various advantaged groups. Opening of schools in habitations with a higher concentration of disadvantaged population, free education, merit scholarships, attendance scholarships, free uniforms, mid-day meals and providing coaching classes to the needy children are some interventions which aim at increasing the enrolment and retention of the different peoples.

Higher Education An Overview

India has the largest educational system in total and second largest in higher education particularly in the world. Higher education is the apex system in our educational system. There has been rapid development in higher education during last 55 years. Post independence period is known as an era of higher education in the history of Indian education, because there has been considerable quantitative development in higher education since 1947. At the time of independence there were 20 Universities and 500 affiliated colleges with 2.1 billion students enrolled and 21000 teachers. The number of universities and colleges has now jumped to 279 and 11562 respectively by may 2002. the number of students enrolled has gone upto 75 billion and the number of teachers has gone upto 3 billion during the same period. At present now in the jurisdiction of Dr, Babasaheb Ambedkar Marathwada University Aurangabad colleges and management institutes are increased by 317. This indicate that the universities have increased 13 times, colleges have increased 22 times, students have increased 35 times and teachers have increased by 15 times during the last 55 years.

More than 86 percent of the higher education students are enrolling in the colleges. Around 80 percent of the college graduates are from traditional and conventional sides like Arts, Commerce and Science. Majority of these graduates are unsuitable for the work place. Low quality graduates are diluting the quality of the school education by becoming in-competent teachers. There are various reasons for deteriorating quality of education. Every person in the society is responsible for this situation.

The quality of education especially in higher education can be measured. As NAAC has describes a standard of it. Besides this, there are other methods of quality measurement in education based on market or industry acceptances of the students for

recruitment. Similarly other stake holders VIZ: students, parents, college management society at a large of education must also be satisfied. If every one of is satisfied then the quality of education is excellent.

Higher Education And NAAC

Today it is a growing discipline with a set of many multi-dimensional key areas like Accounting, Finance, Marketing, Information technology, E-commerce, Taxation, Statistics, Human resource Management, Material and Marketing Management, International business and cyber laws. As per the recommendations made by the NAAC committee for the quality education and enhancement, every University and their affiliated colleges has to concentrate on the following seven point program me i.e. 1) curricular aspects. 2) Teaching Learning and Evaluation. 3) Research consultancy and extension. 4) Infrastructure and learning resources. 5) Students support and progress. 6) Organization and Management. 7) Other healthy practices.

Quality improvement programme started by NAAC committee it was earlier slow, but in the year 2003-04 the Government of Maharashtra was accepted the whole programme and the directions has to be given to also the Universities in the state of Maharashtra for the NAAC gradation. At present now in the state of Maharashtra 848 colleges and total 15 Universities have been accredited by the NAAC.

Significance Of The Study

The present study is an attempt to examine the quality and quantity of the higher education in Aurangabad District. The Dr.Babasaheb Ambedkar Marathwada University is very old University established in the year 1958. It is located in the Marathwada region which is economically, socially and educationally backward region in the state of Maharashtra. At present now near about 317 colleges are affiliated to this University. The demand of the higher education from last decade is increasing day-by-day. Most of the students now preferring higher and professional education for the employment purpose. Taking into account the demand of the students, the college owners and Society management is now started different professional and management education colleges, but very few colleges are able to provide good and qualitative education. This study is an attempt to examine the quality, quantity, higher educational curricula and syllabus, modern teaching aids and techniques and other infrastructural facilities provided by the college owners and Society Management to the students and teaching staff.

Access Of Higher Education

Indias population is above 100 crore. But its access to higher education is still about 6%. The other countries access to higher education is as under.

Table No-1.1
Access of higher education in the world

Sr.No.	Name of the Country	Percentage
1	Canada	88%
2	U.S.A.	81%

3	U.K.	52%
4	Thailand	19%
5	Indonesia	11%
6	India	6%

Table no-1.2
Number of General & Professional colleges

Sr.No.	Year	General & Professional Colleges
1	1950-51	568
2	1960-61	1,819
3	1970-71	3,277
4	1980-81	4,738
5	1990-91	5,748
6	2001-02	11,146
7	2003-04	16,865

Source:-CABE Committee Report (2006-07)

As against the total enrolment of 2,00,000 students in 1950, the present enrolment has risen to 99,53,506 out of which 86.97 % are enrolled in colleges for UG and PG, research and diploma courses and the rest 13.03 % are enrolled in universities. While 90.25 percent of the graduate's students and 65.47 % of posgraduate studnts ar enrolled in colleges, only 10.95% of research students are enrolled in colleges, out Of the total enrolment, 45.12% of the students are pursuing their degrees in arts, 20.44% in science, 17.99% in commerce and mangement. The remaining 17 percent students are doing professional courses in Engineering, Technology, medicine, law, Education etc. Approximately 22% of the students are covered under distance education programme, near about less than one-third of the students are enrolled in unaided institutions.Only 8,000 students are enrolled in 150 foreign education provides with an average intake of little over 50 students.

TABLE NO 1.3
Number Of Universities In India

Year	Central Univ..	State Univ.	Deemed Univ.	Inst.of National	Priv	Tota
1950-51	3	24	-	-	-	27
1960-61	4	41	2	2	-	49
1970-71	5	79	9	9	-	102
80-81	7	105	11	9	-	132
90-91	10	137	29	9	-	185
27.4.5	18	205	95	18	7	343

TABLE NO-1.4
Typology And Growth Trends Of Higher
Education Institutions In India

Type	Ownership	Financing	No.of Instit.	No. of Students
Govt. Univ.	Public	Public	240	10,00,000
Private Univ.	Private	Private	7	10,000
Deemed Univ.aided	Private or public	Public	38	40,000
Deemed Univ. Un-aided	Private	Private	63	60,000
Govt. Colleges	Public	Public	4,225	27,50,000
Private Colleges aided	Private	Public	5,750	34,50,000
Private Colleges aided	Private	Private	7,650	31,50,000
Foreign Institution	Private	Private	150	8000
Total			18123	10,46,8000

Source: - U.G.C. Annual Reports (2007-08)

TABLE NO-1.5
Growth Of Management Education In India

Year	No. of Institute.	Intake
1994 -95	312	26,874
2006 -07	1,132	94,704
%Growth	263%	290%

Source: - AICTE Annual Reports (2007-08)

The growth of B-Schools in India during 1994-95 and 2006-07 is given in table no. V. as is evident from table no V, during 1994-95 and 2006-07, there has been spectacular growth of 263% in number of Management colleges in India and 290% in the intake of students.

Analysis given in Table no.VI shows that out of 1,132 B-Schools in India 56.44% of colleges are only in five seats, viz, Maharashtra, Andhra Pradesh, Tamilnadu, Karnataka and Kerala. Its seven states/Union territories, viz, Sikkim, Mizoram, Meghalaya, Arunachal Pradesh, Chandigarh, Anandman and Nicobar and Daman and Deu do not have any private institute of Management. The highest number of B-Schools in India are in Andra Pradesh, i.e. 222 (19.61%) and the highest intake is in Maharashtra, i.e., 15,912 (16.80%).

TABLE NO. 1.6
Regionwise Distribution Of Management Institutes And Intake (MBA/PGDBM)-2008-09

Region	No. of Institutions	Intake MBA/PGD	Average Intake Per Institute
Central Region	91(8.04%)	7,275	80
Eastern Region	78(6.89%)	7,085	91
Northern region	137(12.10%)	16,170	118
North-western R.	183(16.17%)	14,095	77
Southern Region	374 (33.04%)	24,850	66
South western Re	123 (10.86%)	9,107	74
Western Region	146 (12.90%)	16,122	110
All India	1,132 (100%)	94,704	84

Source:-AICTE Handbook 2008-09, p-111

It is evidence from table no.VII that there are 1,132 management colleges in India with intake of 94,704 per annum. Out of total B-schools in the country, their highest concentration is in southern Region (33.04%) and the lowest is in the Eastern Region (6.89%).

Ten Important Problems Of Commerce and Management Education

- 1 Restructuring of syllabus.
- 2 Lack of practical training facilities.
- 3 Medium of instruction.
- 4 Declining the strength of students towards traditional education.
- 5 Preference of commerce graduate for B.Ed. Course.
- 6 Lack of different specializations.
- 7 Lack of innovative approaches.
- 8 Lack of teaching aids and methods.
- 9 Unemployment/Job opportunities.
- 10 Non inclusion of commerce subjects at school level.

Restructuring Of Syllabus In Commerce And Management Education

India has its share of problems and prosperity. In a global economic environment the immediate changes are witnessed towards the integration for product market, finance market and layout market. The perceived changes are more pronounced in trade and agricultural sector. The same changes could be seen in the education sector and therefore there is a need to prepare

ourselves into a changing scenario. And the commerce and management education is not exception to this general rule.

The general perception regarding commerce and management education is that there is a lacuna between the social and organizational needs and the type of education that is imparting in the present system. This gap has to be bridged in systematic manner. To start with an academic exercise, and intellectual simulation in a scientific way, can provide same insight into the problems of commerce and management education.

Commerce is an integral part of our day to day life. Every Economic activity is interwoven with the Commerce. Commerce Education is that area of education which develops the required skills, attitudes and knowledge for the successful handling of trade and industry. During the last few years it has grown remarkably both in corpus and scope.

Today it is a growing discipline with a set of many advantages and job oriented career. There is a phenomenal expansion in Commerce and Management education in terms of the number of students and Colleges. According to an estimate, every year, very sixth students in higher education is a Commerce student and every year near about 1, 00,000 graduates and 60,000 Post - Graduates are added to the stream with B.Com. & M.Com. Degrees. The rate of unemployment among the Commerce graduates and Post - Graduates has increased significantly causing concern to both planners and academicians

Today it is a growing discipline with a set of many multi - dimensional key areas like Accounting, Finance, Marketing, and Taxation, Statistics, Human resource Management, Material Management, International business and Information Systems.

As per the recommendations made by the NAAC committee for the quality education and enhancement, every University and their affiliated colleges has to concentrate on the following seven point programme.

- 1 Curricular aspects.
- 2 Teaching Learning and Evaluation
- 3 Research consultancy and extension.
- 4 Infrastructure and learning resources.
- 5 Students support and progression.
- 6 Organization and Management.
- 7 Other healthy practices.

Quality improvement programme started by the NAAC committee was earlier slow, but in the year 2003-04 the Govt. of Maharashtra was accepted the whole programme and the directions has to be given to all the Universities in the state of Maharashtra for the NAAC gradation. At present now in the Maharashtra 848 colleges and total 15 Universities have been accredited by the NAAC. The focus of the present paper is to analyzing the restructuring of syllabus in commerce and management education and their problems in a scientific way. Further the paper is aimed at finding the solution to the problems thereby making commerce and management stream as a vibrant discipline, which can cater to the needs of the society.

Challenges before Commerce Education

Following are the challenges before enhancing the Commerce education.

- 1) Government rules.
- 2) Administration policies.
- 3) Social issues.
- 4) Economic problems.

5) Individual problems.

To overcome these problems following steps has to be taken.

- 1) While framing the policy for quality education both the areas i.e. rural and urban college areas should be considered.
- 2) Proper medium of instructions should be made & implemented.
- 3) While framing the policies regarding the commerce education there should be co-ordination between the Universities and the concerned higher education government department.
- 4) To teach the computer subjects highly qualified teachers should be appointed.
- 5) Strength of the students in the division must be kept limited, which is very high i.e. 145.
- 6) There should be proper planning to improve the regular attendance of the students in the college and Universities.

Objectives of the Study

Following are the broad objectives of the present study

- 1 To find out the problems associated with commerce and management education in the present scenario.
- 2 To evaluate the problems of commerce and management education from different perspective.
- 3 To evaluate the present education system particularly commerce and Management Education to the future goals of the organization/society.
- 4 To highlight on the restructuring of syllabus in commerce and Management education.
- 4 To find out remedial measures associated with commerce and management education.

As it is mentioned earlier, the focus of the present paper is to highlight on the restructuring of syllabus in commerce and Management education, and identify the problems of commerce and management education in the present situation. Some of these problems were of restructuring the syllabus, improper teaching aids, attracting best students towards commerce stream and medium of instruction etc. Many of these problems were interrelated, and to make it more comprehensive. Ten important problems have been narrowly focused, as follows:

- 1 Restructuring of syllabus
- 2 Lack of practical training facilities.
- 3 Medium of instruction.
- 4 Declining the strength of students.
- 5 Preference of commerce graduate for B.Ed. Course
- 6 Lack of different specializations.
- 7 Lack of innovative approach.
- 8 Lack of teaching aids and methods.
- 9 Unemployment/Job opportunities.
- 10 Non inclusion of commerce subjects at high school level.

Detail of the problems and their remedies

- 1) **Restructuring of syllabus**

Since the dawn of formal commerce and management, education in India more than the decades ago, there has been steady growth of institutions offering commerce and management courses culminating in a post-graduate degree or diploma in business administration in Maharashtra, a birth of commerce and management education was at the fresh fold of mid seventies, after that there were number of short training programs arranged by the different institutions. There are following shortcomings of syllabus in the following manner.

- A) Most of the subjects and their syllabus are outdated since they are not related to use of computer and recent changes.
- B) Present curricula is not directly related to cost A/c, Advance A/C of the business and industrial environment of regional, national and global levels.
- C) The structure and subjects of P.G. & U.G. courses are prepared through democratic i.e. consultation with the elected members of BOS faculty and experts, and hence much time is required in revising the syllabus, many times it may take more than three to four years and by that time total interest of the concerned get lost. Most of the times the elected members are more interested in politics not interested in the academic activities.
- D) Reference and textbooks quoted at the end of subject bear no concern to the context of syllabus. A common contour is to restructure the syllabus of various courses according to the need and recent changes.

2 Practical's in Commerce & Management Education

Another problem is the introduction of practical's in commerce & management education. The benefit of the practical's can be narrowed down in the following manner.

- a) Tapping the creativity of teachers.
 - b) Bridging the gap between classroom learning and real life.
 - c) Initiating the students in research methodology.
 - d) Improving the examination system through the introduction of orals, for Performance assessment.
 - e) Give a chance to students to apply for knowledge to a real life situation, so that they can judge its relevance.
- The practical's on various subjects can be prepared according to the local conditions.

Medium of Instruction

The medium of instruction in most of the colleges particularly in rural area is in their Vernacular. Since there is a growing concern regarding English medium, there is a need of English medium at various levels of teaching. It can be introduced in a phased manner to suit the local conditions.

4 Declining the strength of Students

To overcome this problem, overall remedies are suggested, as follows,

- a) To make Commerce Education more & more attractive.
- b) Remedial teaching should be adopted.
- c) To introduce scholarship, Fee concession, awards etc.

- d) To make Commerce education job oriented by introducing Computer and more practical Knowledge.
- e) Internal evaluation may be introduced and implemented strictly.

Table no. 1.7
Student's admitted in Arts, Science & Commerce courses in Dr. Babasaheb Ambedkar
Marathwada University Aurangabad

<i>Academic year</i>	Commerce Students		<i>Arts & Science students</i>		% of commerce students with A&Sci.	
	Boys	<i>Girls</i>	Boys	Girls	Boys	Girls
	2000-01	6055	2259	54367	20579	11.13
2001-02	6854	2493	69695	24133	09.83	10.33
2002-03	6957	2732	50111	24774	13.88	10.03
2003-04	10019	3226	69765	29659	14.36	10.88
2004-05	10054	3247	76522	26575	13.14	12.22
2005-06	9678	4029	85526	24512	11.31	16.44
2006-07	--	--	1,02,818	45,930	13.31	21.12
2007-08	--	--	1,06,582	48,887	14.12	29.57
2008-09	--	--	1,26,402	51,432	16.20	32.12

Source: Dr. B.A.M. University Annual reports (2000-2009)

Table no. first clearly shows that, percentage of the commerce students is decreasing as compare to Arts and Science students in the college and University. The strength of the Girls is increased by 10.97% in the year 2000-01 to 16.44% in the year 2005-06 as compare to boys.

Table No. 1.8
Percentage of admitted Commerce students with Arts & Science in Dr. B.A.M. University
Aurangabad.

Academic year	Commerce students	Arts & Science students	% of commerce with Arts & Sci.
2000-01	8314	74946	11.09
2001-02	9347	93828	9.96
2002-03	9689	74885	12.94
2003-04	12345	99424	12.41
2004-05	13309	103097	12.91
2005-06	13707	110038	12.45

Source: - Dr. B.A.M. University Annual reports (2000-2009)

Table no. second indicates that the overall strength of the commerce graduates and post-graduates is decreasing as compared to Arts and science graduates. The percentage rate of commerce graduates decreased by 11.09% in 2000-01 which is constant from the year 2002 to 06 which has to increase as per the overall strength of the students.

5 Lack of innovative Approach and Teaching Aids

Teaching methods or Pedagogy, which is adopted in the present system, is lecturing method. The lecturing method has so many drawbacks. Various methods such as group method, case study method, seminars may be introduced, and similarly extensive use of audio-visual aids must be practiced in the regular teaching.

The evaluation system should also be changed; more objective type questions proposed by U.G.C. may be introduced at all levels.

6. Preference to Commerce Graduates for B.Ed. course

To attract the students towards the Commerce Education the preference may be given for the commerce graduates, in B.Ed. Course admission.

7. Lack of Specialization

To make commerce education more vibrant, different specializations must be introduced. It was observed that the commerce teachers become lack of all trades, and master of none. Possibly introduction of specialization may make the commerce teachers more vibrant in the academic field. In the era of globalization specialist will have an edge over nonspecialist in the business and trade.

8 Lack of innovative approaches and subjects:

A) Expansion of opportunities for professional education including those for vocational subjects, I, T., Engineering and Management. In Arts and Commerce faculty subjects like Research Methodology, Mathematics, applied Statistics, Capital Markets, investment management, communicative English, Application of Computer in business applications, short term courses should be introduced.

B) Besides autonomous short term job potential courses should also be considered.

C) There should be interdisciplinary as well as applied orientation to some of the traditional subjects including languages and literature subjects in a new syllabus.

D) Emphasis on information technology and it enable education is necessary for enhancing quality education.

E) High priority for spoken and written communicative skill of English is very much needed.

F) In considerations of the growing need of commerce and management education for the students, centers for management studies should be established College industry relation (to make curriculum more professional).

G) Regular training and induction to college teacher.

H) Induction based learning opportunities to students.

9) Lack of teaching aids and methods

Most of the teachers they use old notes, old books, chock and boards, they have to use Overhead projector, L.C.D. projector, different Websites and other latest teaching aids and material.

10) Unemployment and Job opportunities

Due to the proper motivation to the students they are unable to tap the job opportunities; some times they don't know the information about the Naukari.Com.Web sites and other details about the information centres with different job information's. The students must get the proper information about the job centers.

11) Non-inclusion of the commerce subjects at high school level

At high school level students must get the knowledge of commerce subjects, so that they can opt the commerce at college and university level. So inclusion of the different commerce and management subjects at high school level is must.

12) Industry –Institute Interaction

Industry needs technical and managerial manpower for sustained growth, creating demand for high quality technicians, engineers and management gradates, Institutions are expected meet this demand. A high level of interaction between institute and industry will ensure best quality in education and job enrichment in industry. Industry and Institute are mutually depends on each other.

In order to overcome the deficiencies and develop Commerce Education in tune with the present day needs, **Prof. A Shankaraiah** a very senior Professor and academician put foreword a few modest suggestions.

- 1) The Commerce Education should be injected with required professionalism and Vocationalisation.
- 2) Improvement in the quality of Commerce Education necessitates appropriate training and orientation to the teachers.
- 3) The preparation of text books and teaching material of required standards.
- 4) Like any other discipline, Commerce Education needs evaluation on continuous basis.

The vision 21st. Century need revamping at Commerce Education, now concerted efforts are required to streamline Commerce Education development of entrepreneurship should be focused.

Besides this, exposure of project reports of certain selected industries must also be given and greater importance be given to Principles and practice of foreign trade.

As far as teaching aids and methodology is concerned, L.C.D. projector, case studies, projects, role plays, group discussion and audio - video should be widely used.

If India is to become a significant economic power in twenty first century, we the leaders in commerce & Management education must think of restructuring the traditional curricula, syllabi and different subjects in higher education and change it with a mission of Education, Research and Extension. We must challenge and assumptions to weed out and irrelevant thoughts that made commerce & management, education under perform. We should not remain any teaching shops. We must become the centers for generation of new knowledge and deserve seats of learning without which "QUALITY" will not rise.

REFERENCES

1. Prof. A. Shankariah, "Commerce Education The emerging scenario." The Indian Journal of Commerce, Vol. XLVIII No.-185, Part - IV, Dec - 1995.
2. Patil M.R. & Papker T.M., (1998), Business Education - emerging challenges, Indian Journal of Commerce, Vol. 51, and No. 1.
3. D - Obul Reddy, (1998), Re - designing of Commerce Education in India in the context of changing business environment, Indian Journal of Commerce, Vol. - 51, No. 1.
4. Kochhar S.C., Methods and Techniques of teaching, sterling publishers Pvt. Ltd. (1994).
5. Knight Jane, (2006) www.abhe.ac.uk/news/ July 2006.html.
6. rama Chandra Dhir, (2004), globalization of higher education in India, University News, 42 (19) May 10-16, (2004)
7. Dr. Babasaheb Ambedkar Marathwada University, Annual general reports, (2000-20007)
8. U.G.C. Hand book 2003, Globalization of Indian higher education, 2003, vol.II and Privatization of Higher education 2003 vol –10, and society Education and Development, (2003) vol. I
9. Sharma H.D., "Internationalization of Higher Education" a model policy and strategy for India, University News-43 (02) Jan-2005.
10. U.G.C. report of the U.G.C. committee towards new education Management, New Delhi, (1986).

SOCIAL AND ECONOMIC DEVELOPMENT OF SCHEDULED TRIBES IN THANE DISTRICT

After independence Tribal studies are becoming main focal point of social scientists. This stressed out the study of major groups of Tribal people but the scholars neglect less-known Tribes. This study relates to a small group of scheduled Tribes of Maharashtra in-habited in Thane district. The Tribes have been the indigenous race of people living in India for centuries and they are the neglected people in the rural economy. They are backward, downtrodden people. The government has to realize this fact and attention has been focused for their social and economic upliftment under various schemes and projects.

India lives in villages and significant part of rural population in our Tribes who had played a pivotal role in the economic, political, social and cultural life of the country. Tribes are very peaceful people who never made hue and cry in the past for their survival. They are satisfied with material whatever they get. This state of situation resulted in slow change of social, cultural and economic life of Tribes.

India is a very vast country with the largest Tribal population in the world. **Shri. Govind Ballabh Pant** also gave more importance to the tribal peoples. In his own words, he says, "India is a vast country with a rich variety of culture and in this scene of delivery our tribal brothers occupy a very importance place."⁴

According to the census 2001, out of the rural population in Maharashtra, there are 85, 77,276 population belonging to the category of scheduled tribes and they constitute about 8.85% of the population of Maharashtra. The Tribes are the indigenous people of India because they have been settled in different part of the country before the Aryan settlements in India. The Tribal people play vital role in the Indian social set up because they belong to a weaker section of our society and are greatly most backward people of the country.

According to the 1981 census there were 650 scheduled tribes for which data have been published for various states and union territories excluding Assam. This total of 650 does not mean that there are 650 different scheduled tribes in the country. Many of them have been country more than once as they occur in different state list, The Bhil as a scheduled tribes figures in Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Tripura. Bhil has been counted seven times. Livewise Andh is scheduled tribe in Andhra Pradesh, Madhya Pradesh and Maharashtra and Adiyani in Karnataka, Kerala and Tamil Nadu, thus there have been counted 3 times each, in fact there are about 450 communities in the list of scheduled tribes. Some of them are sub- tribes of large tribes.

The population size of these tribes varies tremendously. There were nine tribes, which did not have even a single member. On the other hand there were 21 tribes whose strength was more than 5, 00,000. This quite interesting order of their strength has revealed by the 1981 census.

Broadly speaking, tribals in India are predominantly Hindu. The tribals have reported, in census altogether 59 religion in which they believe. A nine – tenth majority of the tribals are Hindu (89.39%) One – twenties (5.53%) profess Christianity. Less than 1% professes Buddhism, Islam, Jainism, Sikhism and Zoroastrianism. 4.19% of the tribals claim to have a distinct tribal religion of their own, numbering 52 and a half of these tribal religions (26) are named after the respective tribes.

The profiles of the major tribes in Maharashtra i.e. Thakur, Warli, Orku, Koli, Bhils, Pardhi, Andh, Kolam, Kathodi, or Katkari, Kokna etc.

Characteristics of scheduled Tribes:

- 1) The scheduled tribes are the original inhabitants of India and amongst them some groups are very old.
- 2) Generally, they prefer to remain in isolation and inhabiting either in forest or in case of village or towns, outside the village, by establishing their own community locality as a separate one.
- 3) They have got their own language, institutions, beliefs and customs.
- 4) They practice primitive religion and have great faith on mythology, ghosts, and witches.
- 5) Most of them are non-vegetarians and have got the nomadic habits especially of dance and drinks.
- 6) They belong to one of the three stocks. -Negroides, Astrologist, or Mongoloids.
- 7) These peoples have a common scheme of deities and common ancestors, and
- 8) They have a common dialect with a common folk-lore.

Social and Cultural life of Scheduled Tribes:

Scheduled Tribe peoples in Thane district eat dal and rice, roti of nagli (nachani) or rice flour, vegetable, fish and other non – veg. Majority of the tribes men and women both are drinks tadi and liquor. The men also enjoy smoking beedies and tobacco.

The Scheduled Tribes men wear dhoti and shirt or half pant or langoti and shirt. Some men wear Gandhi Cap to cover the head, Some tribal men's wear Mangeli Roomal instead of dhoti, and Cabana instead of shirt. Boys are wear mostly half or full pant and shirt. The Scheduled Tribes women were wear saree and blouse with different styles with their own culture. Girls wear paticote and blouse or the regular dresses like non-tribal girls up to 10 years and after that these girls wear blouse and saree. Scheduled Tribes women try to wear maximum ornaments like, in nose a silver ring which is known as nath, earnings are made by silver or white metal, they wear a silver or white metal chain, black and colored bead necklace. They also wear jodwa (rings) on the feet figures, pajjan in feet. These women's are wear green or silver bangles in hand.

Tribals have their own culture and social life. With culture they also have their own folklore, folk songs, dances, etc. Dancing is very popular among the tribals. It is a part of their daily life and medium is entertainment, - like Tarafa dance, Dol nach, Zingi nach, Gaouri nach, Tur nach, Mukhavate nach, Kamadi nach, etc. Tribals are used musical instruments like Dhol, Drum, Bansuri, Kahali, Ahuj, Ghangali, Tur, Tarafa, Topari etc. Katkari, Kokna, Mahadeo-koli, Malhar-koli, Kathodi, Warli, Thakur, Dubla, Dhor-koli, Tokara-koli these tribes are lived in Thane District.

Tribal Development in Maharashtra:

According to the census 2001 the population of India at 0.00 hours of March 2001 stood at 102 crores 70 lakh 15 thousand 247 persons, out of this the total population of Maharashtra stood at 9,68,78,627 which is 9.4% of the total population of India. The following table shows the population of India.

Table No. 9.1
State wise total Tribal Population of India. (2001)
(Rs. in Lakh).

Sr.No.	State/Union Territory	Population		%of tribal population
		Total	Tribal	
(I)	India	10,286.10	843.26	8.20
1.	Andhra Pradesh	762.10	50.24	6.59
2.	Arunachal Pradesh	10.98	7.5	64.21
3.	Assam	266.55	33.09	12.41
4.	Bihar	829.98	7.58	0.91
5.	Chhattisgarth	208.34	66.17	31.76
6.	Delhi	138.51	-----	-----
7.	Goa	13.48	0.01	0.07
8.	<i>Gujarat</i>	506.71	74.81	14.76
9.	Hariyana	211.44	-----	-----
10.	Himachal Pradesh	60.78	2.45	4.03
11.	Jammu Kashmir	101.43	11.06	10.90
12.	Jharkand	269.46	70.87	26.30
13.	Karnataka	528.51	34.64	6.55
14.	Kerala	318.41	3.64	1.14
15.	Madhya Pradesh	603.48	122.34	20.27
16.	Maharashtra	968.89	85.77	8.85
17.	Manipur	21.67	7.41	34.1
18.	Meghalaya	23.19	19.93	85.94
19.	Mizoram	8.89	8.39	94.38
20.	Nagaland	19.90	17.74	89.15
21.	Orisa	368.05	81.45	22.13
22.	Punjab	243.59	-----	-----
23.	Rajasthan	565.07	70.98	12.56
24.	Sikkim	5.41	1.11	20.52
25.	Tamilnadu	624.06	6.51	1.04
26.	Tripura	31.99	9.93	31.04
27.	UttatrPradesh	1,661.98	1.08	0.06
Sr.No.	State/Union Territory	Total	Tribal	%of tribal population
28.	Uttaranchal	84.89	2.56	3.01
29.	West Bengal	801.76	44.07	5.50
(II)	Union Territories			
1.	Andaman & nichobar	3.56	0.30	8.83

2.	Chandigarh	9.01	-----	-----
3.	Dadara&NagerHaveli	2.20	1.37	62.27
4.	Diu & Daman	1.58	0.14	8.86
5.	Lakshdweep	0.61	0.57	93.44
6.	Pondichery	9.74	-----	-----

(Source- Annual Tribal Sub-Plan 2006-07)

Maharashtra has in total 35 districts and 43,722 villages. The total geographical area of Maharashtra State is 3, 07,713 sq.kms. and the Tribal Sub-Plan area in Maharashtra is 50,757 sq.kms. This works out to about 16.5% of the geographical area of the State. According to the census 2001 the Tribal population is 85, 77,276. The percentage of total population to tribal population is 8.85%.

Tribal communities are found educationally backward /illiterate, from the last 50 years non-tribal community have got lot of information about tribal life styles. In this period tribal peoples had good communication with non-tribal peoples in Maharashtra. The majority of the tribes in this area live below the poverty line. Tribal communities are found educationally backward /illiterate. 47% peoples are literate in the state. The rate of tribal literacy is 36.77%. Tribal women literacy found 24.03%. Tribals are economically backward; there is no special occupation of Tribes in this area. Generally their main occupation is agriculture. Out of total population near about 85% people depend upon agriculture. 45% people engaged in agriculture and 40% people are working as a agriculture labour. Generally most of the tribes depend on collection of woods, Honey, grass, gum, cocom, etc. and its sale in the local market near by the village and working as house man and so on.

Achievements under different schemes integrated tribal development programmes.

Table No-9.2
Sectoral Break-up of achievements of integrated Tribal development programmes.

(Rs.lakhs)

Sr. No.	Name of the Schemes	Non Tribal Area	Tribal Area
1.	Agriculture related services	619.22	150.38

2.		790.00	450.86
	Rural Development		
3.	Irrigation and flood control	337.74	46.35
4.	Electricity Development.	409.41	208.13
5.		1,553.26	405.80
	Industry and Communication		
6.	Transport and Communication	325.00	685.00
7.	Social and Community Service	3,023.53	1,039.65
	Total	7,053.16	3,015.24

Source:- Annual Tribal Sub-Plan (2007-2008)

Since independence Government organizations, N.G.O's and social workers implement so many schemes for the tribal development, and spent crores of rupees for this purpose, but still tribals are did not improved economically.

Research Methodology

The Maharashtra state covers area of 9,558.0 square Kilometers; it had according to the 2001 census, it figures a population of 22, 81,664. Though it covers only 3% of the surface area of Maharashtra. The population accounts for 4.52% of the state population. This population of the district among twenty-four towns and 1,588 inhabited villages.^{13 (1)}

As per 2001 census the total population of Thane District is 81, 31,849, out of this 11, 99,290 is the tribal population.

Table no 1.3 shows the total Tribal population of Thane District.

TABLE NO-9.3

Talukawise tribal population of Thane District.

Sr. No.	Taluka	Total population	Tribal population	% of total popul. to the tribal popul.
1	Thane	24,86,941	48,739	1.16
2	Vasai	7,95,863	81,272	10.21
3	Palghar	4,54,635	1,40,732	30.95
4	Dahanu	3,31,829	2,15,162	64.84
5	Talasari	1,21,217	1,07,379	88.58
6	Jawhar	1,11,039	99,932	90.00
7	Mokhada	67,319	60,964	90.56
8	Wada	1,42,753	75,185	52.67
9	Bhivandi	9,45,582	73,419	7.76
10	Shahapur	2,73,304	89,997	32.93
11	Murbad	1,70,267	38,518	22.62
12	Ulhasnagar	4,73,731	3,533	2.73
13	Kalyan	12,76,614	34,894	0.75
14	Ambarnath	3,66,501	26,341	7.19
15	Vikramgad	1,14,254	1,03,223	90.35
	Total- Thane	81,31,849	11,99,290	14.74

(Sources – Annual Tribal sub plan 2007-08 Govt. Maharashtra.)

Thane district is selected for the analysis and study purpose. Total population of Thane district is 81, 31,849 with 15 different taluka places, it is not feasible to consider all of them for the study so only Wada, Vikramghad, Jawhar, and Mokhada are the leading tribal population areas are selected for the detailed analysis of the tribal schemes of schedule tribes.^{12 (363)}

Collection of Data:

To complete this study, both primary as well as secondary data is used. Primary data is collected through detailed and comprehensive questionnaires where as secondary data through, Govt. bulletins, gazettes, District statistical survey report, journals, Magazines, published books and web sites.

Taking into consideration the type and area of study, only four taluka places are selected for the study purpose i.e. Jawhar, Mokhada, Wada and Vikramgad in Thane district. It was decided that only 10 villages from each taluka places are selected for the study purpose. Hence researcher collects 400 questionnaires from 400 hamlets or families from the selected villages.

Objectives of the Study:

- I) To study the details regarding the constitutional provisions with regards to the development of Schedule Tribes.
- II) To study the social and economic conditions and developments of the schedule tribes in Thane District.
- III) To investigate the role of Govt., Social workers and NGO's in the Social and economic upliftment of the schedule tribes.
- IV) To make the detailed analysis of various tribal schemes and benefits occurred to the scheduled tribes in the study area.

Scope And Limitations Of The Study:

Considering the limitations of time and money at the disposal of researcher it has been decided to make the study of various tribal schemes and their implementation in the Thane District, for this purpose, it is proposed to make the micro applications for the various problems, conduct field investigation through sample technique / survey method. The major reliance on primary data is the base of this study, and there are inherent limitations that the respondents may not provide the necessary information, since illiteracy prevails among the tribes enlarge.

Table No. 9.4***District wise Total and Tribal Population of Maharashtra State***

(As per 2001 census) population in thousand.

Sr. No.	State/Division/District	Total Population	Tribal Population	% of Tribal Population to the total population.
*	Maharashtra State	96,879	8,577	8.85
1.	Mumbai Suburban	8,640	71	0.82
2.	Mumbai City	3,338	21	0.62
3.	Thane	8,132	1,192	14.74
4.	Raigad	2,208	269	12.18
5.	Ratnagiri	1,697	20	1.18
6.	Sindhudurg	869	5	0.58
*	Total Konkan Division	24,884	1,585	6.37
7.	Nashik	4,994	1,194	23.91
8.	Dhule	1,708	444	25.99
9.	Nandurbar	1,312	860	65.53
10.	Jalgaon	3,683	436	11.84
11.	<i>Ahmednager</i>	4,041	303	7.50
*	Total Nashik Division	15,738	3,237	20.57
12.	Pune	7,232	262	3.62
13.	Satara	2,809	22	0.78
14.	Sangali	2,584	18	0.69
15.	Solapur	3,850	69	1.79
16.	Kolhapur	3,523	21	0.60
*	<u>Total Pune Division</u>	19,998	392	1.96
17.	Aurangabad	2,897	100	3.45
18.	Jalna	1,613	32	1.98
19.	Parbhanni	1,528	35	2.29
20.	Hingoli	987	87	8.81
21.	Beed	2,161	24	1.11
22.	Nanded	2,876	254	8.83

Sr. No.	State/Division/District	Total Population	Tribal Population	% of Tribal Population to the total population.
23.	Osmanabad	1,487	28	1.88
Sr. No.	State/Division/District	Total Population	Tribal Population	% of Tribal Population to the total population.

24.	Latur	2,080	48	2.31
*	Total Aurangabad Division.	15,629	608	3.89
25.	Buldhana	2,232	115	5.15
26.	Akola	1,630	100	6.14
27.	Wasim	1,020	71	6.96
28.	<i>Amaravati</i>	2,607	357	13.69
29.	Yavatmal	2,458	473	19.24
*	Total Amravati Divisonl.	9,947	1116s	11.22

Source:-Tribal sub plan (2007-08).

It is seen from the above table, out of 29 districts 8 districts having the maximum Scheduled Tribe population which is more than 11% to the total population. The total figure of Scheduled Tribes population of 400 families of 4 taluka places of Thane district is given in the table no 1.5.

Table No. 9.5
Total number of tribal population in Thane District

Sr. No.	Name of the taluka	Total population.	ST population	% of ST popul. to total popul.
1	Jawhar	1, 11,039	99,932	90.00
2	Mokhada	67,319	60,964	90.56
3	Vikramgad	1, 14,254	1, 03,223	90.35
4	Wada	1, 42,753	75,185	52.67
	Total district	81, 31,849	11, 99,290	14.75

Source: - Statistical office thane – (2007-08)

Tribal population in selected taluka places of surveyed families has minimum 90.00% and above except Wada taluka which consist of 52.67% tribal population.

The constitution of India guarantees for the protection, of economic development of Schedule Tribes:

Article 46 - The state to promote with special care for the educational and economic interest of the weaker sections of the people, and in particular of the Scheduled Castes and the Scheduled Tribes and protect them from social injustice and all forms of exploitation.

Article 275(i) - Grant-in-aid from the consolidated fund of India each year for promoting the welfare of Scheduled Tribes and administration of Scheduled Areas.

Article 335 - The claims of the members of the Scheduled Tribes in the appointment to services and posts in connection with the affairs of the union or of a state to be taken into consideration consistent with the maintenance of efficiency of administration.

Table No. 9.6

Classification of Scheduled Tribe households according to the size of land possessed. (Area in hectorres)

Size classes of land possessed	Number of scheduled Tribes	Total land possessed	Average size of land per ST. family	% with the possessed total.
1	2	3	4	5
Landless	1,93,212	-----	-----	44.39
Below 01.00	47,202	27,000.70	0.57	10.84
01.00-02.00	58,624	76,928.40	1.31	13.47
02.00-05.00	93,232	2, 79,313.40	3.00	21.42
05.00-06.00	9,997	52,470.00	5.25	2.30
06.00-10.00	21,683	1, 59,672.60	7.36	4.98
10.00-20.00	8,566	1, 05,976.00	12.37	1.97
20.00 and above.	2,742	1, 51,804.30	55.36	0.63
	4, 35,258	8, 53,155.40	1.96	100.00

Source: - Universal Bench Mark Survey 1980. Tribal Sub-Plan 2007

It is evident from the table no 1.6 that 44.39% of the households were landless, 48.03% of the households were having less than 6 acres of land. Only 4.98% of the households had more than 6 acres less than 10 acres of land. Only 1.97% of households had more than 10 acres of land and 0.63% households had above 20 acres of land. The problem of landholding poses a serious obstacle for Scheduled Tribes.

Analysis of various Tribal Schemes:

A) Agricultural And Allied Services:

In Maharashtra, nearly 85% of the Tribal population is engaged in Agriculture. Out of this 40% are farmers and 45% are agricultural laborers. Although most of the tribal families depends on agricultural as a source of income. Moreover irrigation facilities in the tribal area are also extremely limited. Following is the sub-sector wise outlay for this scheme.

Table No. 9.7
Sub-Sector wise outlay for tribal schemes in Thane District.

(Rs. In lakh).

Sr. No.	Agricultural and Allied Services.	Out lay For TSP		
		2001-02	2003-04	2005-06
1.	Crop Husbandry	45.20	60.35	109.61
2.	Horticulture	33.00	6.00	0.00
3.	Soil and water conservation	-----	0.00	41.19
4.	Soil and water con. (R&F.D)	-----	-----	-----
5.	Soil and water con. (Rural development)	175.06	-----	-----
6.	Animal Husbandry	30.93	22.91	95.88
7.	Dairy development	0.75	0.00	0.00
8.	Fisheries	27.55	11.72	13.82
9.	Forest	15.00	47.00	12.39
10.	Marketing storage & ware housing	-----	-----	-----
11.	Co-operation	14.80	18.95	11.45
	Total	339.59	371.38	284.34

Source: Tribal Sub – Plan 2001-02, 2003-04, 2005-06 07-08.

The table number 1.7 gives the details about the total outlay, it has been provided for the agriculture and allied services i.e. Rs. 339.59 lakh for the year 2001-02. It is increased by 109.07 % in the year 2003-04. The total outlay for the year is Rs.371.38 lakh. And in the year 2007-08 outlay for TSP Rs.284.34 lakh it is decreased by 76.56%.

Tribal farmers are beneficiaries by the scheme of Agricultural and allied services (bullocks).

Table No. 9.8
Literacy rates of scheduled tribes by Gender.
(Excluding children age group 0-6)

Sr. No.	Name of Tahsil	Total	Percentage of Literacy		
			Persons	Male	Female
1	Thane	Total	62.44	73.75	49.02
		Rural	18.46	21.97	14.71
		Urban	63.40	74.82	49.81
2	Vasai	Total	33.15	44.17	22.06
		Rural	31.46	42.72	20.20
		Urban	40.96	50.83	30.80
3	Palghar	Total	25.11	36.67	13.12
		Rural	24.67	36.20	12.75
		Urban	45.44	58.33	31.25
4	Dahanu	Total	18.11	28.17	8.10
		Rural	17.14	27.07	7.28
		Urban	37.97	50.13	25.25
5	Talasari	Total	19.41	32.15	6.88
		Rural	19.41	32.15	6.88
		Urban	-----	-----	-----
6	Jawhar	Total	21.33	31.88	10.88
		Rural	20.15	30.95	10.18
		Urban	54.84	68.08	40.56
7	Mokhada	Total	22.33	31.79	12.70
		Rural	22.33	31.79	12.70
		Urban	-----	-----	-----
8	Wada	Total	30.63	43.65	17.14
		Rural	29.91	42.78	16.57
		Urban	44.98	60.78	28.48
9	Bhiwandi	Total	25.71	35.29	15.38
		Rural	24.01	33.26	14.26
		Urban	41.70	52.21	27.39
10	Shahapur	Total	24.03	35.03	12.25
		Rural	23.78	34.75	11.99
		Urban	43.80	55.90	31.64
11	Murbad	Total	27.12	39.32	14.18
		Rural	26.25	38.44	13.34
		Urban	55.79	67.95	42.48
Sr. No.	Name of Tahsil	Total			
12	Kalyan	Total	44.34	51.99	35.77
		Rural	12.70	18.70	6.40
		Urban	51.69	59.43	42.89
13	Ulhasnager	Total	29.35	37.57	20.59
		Rural	16.94	24.10	5.50
		Urban	69.75	79.41	58.66
	Total of district	Total	25.84	36.82	14.53

Rural	22.36	33.20	11.35
Urban	53.75	64.38	41.61

(Source:- Census of Thane District:-1991)

J) Individual beneficiary Schemes:

Eradication of poverty, removal of disparity in income and upliftment of the living standards of the society are the part of the twenty-point programme. Items from 11-b of this programme deals with the welfare of scheduled tribes. There are 22 individual benefit schemes implemented under the programme. During the year 1998-99 as against the target of 1, 25,000 beneficiaries, the achievement was 1, 62,395. During the year 1999-2000 as against the target of 1, 40,000 beneficiaries, the achievement was 1, 48,326. Keeping in view this achievement, the target for the year 2000-2001 has been fixed at 1, 45,000 beneficiaries. Some of the major individual beneficiary schemes are as follows-

a) Nucleus budget scheme:

The selling for financial assistance under this scheme is Rs. 10,000 per family. The schemes and Nucleus Budget are categorized in to four groups-

- i) Income generation schemes like minor irrigation, increase in agricultural production and land living. The grant – in – aid given to the beneficiary is 50% for normal tribals and 80% to primitive tribals. In respect of schemes costing below Rs.2000 full amount is given as subsidy to all tribals.
- ii) Training schemes for unemployed tribals, like –pre-recruitment training, training in radio repairing, wiring, carpentry etc.
- iii) Human research development schemes related to sports tribal arts and tribal culture.

b) Supply of electric pumps and oil engines:

The tribal cultivators are provided with electric pumps and oil engines. A tribal cultivator who has a minimum 0.6 hectares and maximum 6.4 hectares cultivable land is eligible to benefit from this scheme. However for them to be eligible there should be sufficient quantity of water at least for six months during the year, either for all or other sources for irrigating their land.

Table No. 9.9
Electric pumps and Oil Engines sanctioned and installed.

Sr. No.	Scheme	Period	Sanctioned pumps	Installed pumps
1	Electric pumps	1973-1999	43,476	38,083
2	Oil Engines.	1976-1999	13,712	10,873

(Source: <http://tribal.nic.in/chapterI.html>)

Table No. 9.10
Year wise number of electric pumps and oil engines disbursed to Tribal farmers.

Sr. No.	Year	Electric pumps	Oil engines
1	1991-92	1,980	504
2	1992-93	1,497	516
3	1993-94	1,530	490
4	1994-95	2,743	1,302
5	1995-96	2,725	1,362
6	1996-97	3,342	1,619
7	1997-98	4,218	1,934
8	1998-99	5,244	2,772
9	1999-2000	3,673	1,670
10	2000-2001	3,845	2,569
11	2001-2002	1,141	2,360
12	2002-2003	1,359	2,684
13	2003-2004	1,013	1,624
14	2004-2005	0000	5,000

Source- Tribal sub-plan (2005-06)

c) Replacement of thatched roofs with Mangalore tiles / GI sheets:

The problems of housing is acute among the tribals in the state even though some tribal families own houses, they are covered by thatched roofs, which do not give them proper protection from rain, cyclones etc. Under this scheme, assistance of Rs.4, 000 is given to each tribal family below the poverty line for replacement of thatched roofs by Mangalore tiles. For this scheme for the year 2000-01 an out- lay of Rs.13.44 lakh has been provided.

d) Backward class co-operative housing scheme:

This scheme is very useful for providing shelter to the poor tribal families. An outlay of Rs. 13.44 lakh has been provided for the year 2000-01for this scheme.

SHABARI ADIVASI FINANCE AND DEVELOPMENT CORPORATION:

It was found that TDC, which is preoccupied with its marketing activities, was not able to pay adequate attention to the task of helping tribals to start self-employment. The government has set-up in December 1998 a separate Shabari Tribal Finance and Development Corporation for the scheduled tribes for assisting them to start their own business by providing financial assistance through subsidy, seed capital loan etc.

Shabari Tribal Finance and Development Corporations head office is in Nashik and branch at Jawhar. Jawhar branch of this corporation beings started from Jan.2000 and up to 30th Sept.2008 there are 137 beneficiaries under the various schemes.

The Table No. 6.14 shows the scheme wise beneficiaries and amount spent to them.

Table No 9.10
Shabari Tribal Finance and Development Corporation Ltd.

Jawhar Branch.

Sr. No	Scheme	Beneficiaries	Total amount of loan paid
1	Shabari Fund	07	12,93,500
2	NFDE	75	95,34,199
3	Strengthening of women	42	17,65,000
4	Term loan scheme (Nationalized bank)	13	1,36,250
	Total	137	1,27,28,949

(Source: - field survey 2007-08)

Following is the details of Shabari Fund Scheme implemented by SFDC branch at Jawhar.

Table No. 9.11

Shabari Fund Schemes & Beneficiaries at Jawhar

Sr. No.	Scheme	Beneficiaries	Loan paid
1	General Stores	2	40,000
2	Tailoring and general shops	2	50,000
3	Tea and cold drink shop	1	25,000
4	Poha mill	1	7,00,000
5	Tractor and trolley	1	4,78,500
	Total	07	12,93,500

Source: - field Survey (2007-08)

Beneficiaries of Shabari Fund development scheme at Jawhar.

Consumption finance scheme: - The consumption finance scheme is being implemented in TSP areas since 1978 provides for the consumption requirements of the needy tribal families during lean employment season of every monsoon.

Table No. 9.12

The year wise disbursement of finance to Adivasis.

(Rs. in lakh)

Sr. No.	Year	Beneficiaries	Loan disbursed
1	1992-93	1,03,027	399.68
2	1993-94	50,773	211.33
3	1994-95	-----	-----
4	1995-96	42.07	168.23
5	1996-97	51.96	240.00
6	1997-98	94.24	202.68
7	1998-99	45.76	567.00
8	1999-2000	75,702	531.27
9	2000-01	1,53,677	1059.00
10	2001-02	1,72,385	1166.94
11	2002-03	37,401	284.71
12	2003-04	86,682	680.01
13	2004-05	2,00,000	6000.00

Source:-Tribal sub – plan (2007-08)

The future programmes of this corporation is to procure Moha flowers, gum, karanga seed etc., minor forest produces which are collected by them and the house hold cooking gas distribution scheme is also being implemented by the corporation.

The Table No.2.3 shows the total expenditure on programmes during different plan periods.

Table No. 9.13
Details of plan wise fund allocations

Sr. No.	Plan	Year	Total budget	Rupees in crores	% in total budget
1	I plan	1951-56	1,960.00	19.93	1.02
2	II plan	1956-61	4,600.00	49.92	1.08
3	III plan	1961-66	8,576.00	50.53	0.60
4	Annual plan	1966-69	6,756.00	32.32	0.48
5	IV plan	1969-74	15,902.00	75.00	0.47
6	V plan	1974-79	37,250.00	1,182.00	0.32
7	Annual plan	1979-80	12,176.00	855.16	7.02
8	VI plan	1980-85	97,500.00	4,193.00	4.30
9	VII plan	1985-90	1,80,000.00	6,976.76	3.86
10	VIII plan	1990-95	3,14,576.00	18,311.93	5.82
11	IX plan	1997-02	8,59,200.00	775.00	0.09

Source: Tribal development and Indian five year plans, 2007, P. 39)

The table no. 2.3 shows that, for the development of scheduled tribe people government has spent crores of rupees on various schemes. The first plan for India was of the order of Rs.

1960 Crores, out of which a lump sum provision of Rs.19.63 crore nearly 1% of the total plan allocation was made for the development of tribal area. The third five-year plan funds were allocated on education, economic upliftment, health, housing and other schemes. The total budget of this plan is 4,600 crores, out of which Rs.1.08% was made for the development of Scheduled tribe.

Problems among the scheduled tribes:

A) Problems due to education-

- I) there is a major problem of basic facilities like lack of laboratory, library and playgrounds where theoretical teaching does not fulfill the real aim of tribal education.
- II) The hostels are run in poor, ill-equipped, rented houses, managed by the social welfare department. The students live in these hostels in deplorable condition.
- III) The tiring distances encourage the children to play and waste time and energy. A shortage of attendance and heavy drop-outs are visible at this stage.
- IV) Higher education is very costly; the tribal students face a difficulty at the time of admission, paying for regular expenditure, food, clothing, ration and other stationery.
- V) The schools in rural tribal areas are primary and are mostly one teacher school, which is supposed to teach four standards.
- VII) Parents are least interested in giving education to their children. Hence due to above such problems the literacy rate is very low amongst the scheduled tribes. The following table gives information about the educational status of Tribes.

Table No. 9.14
Level of Education of Scheduled Tribes in selected taluka places

Sr. No.	Village	Illiterate	1 st to 4 th std.	5 th to 7 th std.	8 th to 10 th std	11 th & above
1	<u>Jawhar</u>	39	19	17	18	07
2	Mokahada	38	22	23	10	07
3	Wada	46	18	11	18	07
4	Vikramgad	38	18	06	28	10

Source: Field Survey (2007-08)

As seen from the above table, 161 members out of 400 households were illiterate. From that 25% of the members were illiterate. Only 17.75% had taken some (from 1st to 4th std.) education. Only 18.5% had taken education up to 10th standard and very few members had taken higher education.

B) Housing problems:

Housing is one of the basic needs of the every human being, which constitute the protecting base for any individual and his family. It is therefore, essential to consider style, shape, size, material used of the house.

- IV) Near about 50% of tribal families live in one room hut, 25% tribal families live in two room huts. The medium sized huts belong to rich tribals and only one or two houses in the village / taluka places are four or more room house.

Table No. 9.15
Families benefited under housing schemes.

Sr. No.	Taluka	Indira awas yojana	Total
1	<u>Jawhar</u>	28 (7.00)	100
2	Mokahada	47 (11.75)	100
3	Wada	57 (14.25)	100
4	Vikramgad	31 (7.75)	100
	Total	163 (40.75)	400

Source: Field Survey (2007-08)

- C) **Water problems:** Scheduled tribes don't have the regular drinking water supply. They are inhabited of using the water, which is collected in small ditches. This proves hazardous to their health.

D) Constraints in Tribal Development:

There are innumerable constraints responsible for lower pace of tribal development process than desired. Some of the major constraints are: -

- (i) **Destruction of forests**
- (ii) **Lack of awareness**
- (iii) **Protection of Tribal Rights and Concessions**

Following schemes are implemented for upliftment of scheduled tribes.

Various Tribal Schemes implemented by the Government of India.

A) Agricultural and Allied Services:

In Maharashtra, nearly 85% of the Tribal population is engaged in Agriculture. Out of this 40% are farmers and 45% are agricultural laborers. Although most of the tribal families depends on agriculture for their main source of income and occupation. Low technology and low input resources characterize tribal agriculture and therefore the nature of agricultural productivity of various crops in the tribal areas is not high. Moreover irrigation facilities in the tribal area are also extremely limited. Hence the total out lay has been provided for the agriculture and allied services Rs.339.59 lakh for the year 2001-02. It is increased by 109.07 % in the year 2003-04. The total outlay for the year is Rs.371.38 lakh. And in the year 2007-08 out-lay for TSP Rs.284.34 lakh it is decreased by 76.56%.

B) Rural Development:

In the rural development programme greater emphasis has been laid on poverty alleviation. The object of poverty alleviation is achieved by providing gainful employment on work of durable community assets in rural areas, which improve the quality of village life.

Under the rural development programme following various schemes are classified i.e. Integrated Rural Development Programme, Drought prone Area programme, Jawhar Rojgar Yojana, Assured employment programme, Ideal village scheme, Employment Guarantee Scheme, Land Reforms and Community Development Programme, Suwarnjayanti Gram Swayam Rojgar Yojana, Sampurna Grammin Rojgar Yojana, Indira Awas Yojana, Adarsha Gram Yojana etc. An out lay for TSP –Thane of Rs. 87.00 lakh for IRDP has been kept aside in 2001-02, it is increased Rs.93.00 and Rs. 95.70 lakh in 2003-04 and 2007-08 respectively.

C) Irrigation and Flood Control:

The main occupation of the tribals in the state is agriculture. Despite this the irrigation facilities existing in tribal areas continue to be inadequate. The tribals mainly reside in hilly areas and the irrigation projects mainly lie in plain areas. Therefore major benefits of these projects predominantly go to non-tribal landholders. In Thane District there is an out-lay of Rs. 505.52 lakh has been kept for this purpose under Tribal Sub-Plan in 2007-08.

D) Power Development:

The rural electrification programme consists of village / pada / hamlets electrifications.

For the work of electrification of hamlets, energisation of agricultural pump sets and release of domestic connections has been proposed for which a total outlay for the year 2001-02, 2003-04 and 2005-06 of Rs.300.00 lakh, Rs.201.00 lakh and 505.47 lakh respectively has been provided in TSP of Thane District.

Constitutional Provisions and Scheduled Tribes:

The founding father of the constitution Bharatratna Dr. Babasaheb Ambedkar was aware of the political, social and economic inequalities which existed in the country due to historical reasons. They were aware of the prevailing miserable and appalling conditions of the scheduled Tribes who had remained far behind and segregated from national life. It became imperative, therefore, to adopt a policy of protective discrimination as an equalizer to those who were too weak to compete with the advance section of the society in the race of life.

The Role of Government and NGO's in the development of Scheduled Tribes.

The Role of Government and Non-Government Organizations in the development of Scheduled Tribes is very important. The Government of Maharashtra has taken special interest in Tribal development and implements the various tribal schemes for Tribal development with the help of following institutions.

Shabari Adivashi Finance and Development Corporation, Maharashtra State Tribal development Corporation, Maharashtra State Co-operative Tribal Development Corporation, National Scheduled Caste and Scheduled Tribes Finance and Development Corporation Ltd. etc.

Non-Government Organizations also working in Thane District or having centers of activity in such areas can be of good help in tribal development programmes / schemes. The following NGO's working for Tribal development in Thane District.

Janakalyan Ashram, Mandava, Tal. Wada, Viklang Bhuwan, Kirwali, Tal. Wada, Pragati Pratishathan, Jawhar, Gram Swaraj Samiti, Jawhar, Mitra – Jawhar. Adivashi Kalyan Ashram –

Vikramgad, Don Bosco Seva Sadan- Vikramghad, Vishwa Hindu Parishad – Mokhada, Surayoday – Mokhada, Vidhayak Sansad, Shramik Mukti Sanghatana, Bhumi Sena etc.

Various Tribal Schemes and their analysis of Thane District:

The majority of the Tribes in Thane District live below the divert line. There is no special occupation of Tribal in this area. Economically Tribal community is very poor and they leading a very simple life. They are neglected people in the rural economy. The Government has to realize this fact and attention has been focused for their upliftment with the help of implementing the following schemes.

Agricultural and Allied services, Rural Development, Special Area Programmes, Irrigation & Flood control, Power Development, Industries & Minerals, Transport & Communication, General Economics Services, Social and Community Services, Sanjay Gandhi Swavlamban Yojana, Nav Sanjeevan Yojana, Jawahar Rojgar Yojana. Rojgar Hami Yojana, Sanjay Gandhi Niradhar Yojana, Indira Awas Yojana, Nucleus Budget Scheme, Sampurna Gram Samrudhi Yojana etc.

Problems of Scheduled Tribes and remedies provided by the Government:

After the independence period Government of India pinpointed the various problems of scheduled tribes with the help of reports from different committees like Backward Classes Commission headed by Acharya Kalekar, Balwantraji Mehta Committee Report, Forty-Eighth Report of the Estimates Committee of 1958-59, The Report of the Scheduled Areas and Scheduled Tribes Commission headed by Shri.U.N. Dhebar in 1961, and Report of the Multipurpose Tribal Development Blocks by Verrier Elwin.

Problems due to lack of basic facilities, problems due to education, language problems, personal and social problems, health problems, Shelter problems, proper utilization, land problems, exploitation by the outside communities, lack of knowledge about the law and rights.

These problems are pinpointed and remedies provided by the Government, like provide educational facilities to the Scheduled Tribes with the help of Ashram school and following schemes implemented for their upliftment, Agricultural development, Gharcul yojana, Sanjay Gandhi Niradhar Yojana, Gram Samrudhi Yojana etc.

References:

1. Channa S. M., Editor, Encyclopaedia of Indian Tribes and Caste, Cosmo Publications, New Delhi, P.329,330.
2. Deogaonkar S.G., Tribal Administration and Development, Concept Publishing Company, New Delhi, (1994), P.14,15.
3. <http://www.tribal.nic.in/schedule 1.html>
4. Khan Yaqub Ali, Tribal Life in India, RBSA Publishers, Jaipur, (2000), P.1.
5. Ibid-P.3.
6. Mehta Prakash Chandra, Development of Indian Tribes, Discovery Publishing House, New Delhi, (2007), P.23.
7. Mehta Prakash Chandra, Development of Indian Tribes, Discovery Publishing House, New Delhi, (2007), P.10.
8. Ibid P.4
9. Nadgonde Gurunath, Bhartiya Adivashi, Continental Pakashan, Pune, (1979), P.3.

10. Pathan K.G., Dr. Mangnale V.S., Chief Editors, "Intellectual's Sandharbh Maharashtra" (State and districts at a glance), Vol-1, Published by, Intellectual Book Bereau, Bhopal,(2004). P-94.
11. Ibid-233.
12. Ibid-363.
13. The Executive Editor and secretary, Gazetteer Department, Governement of Maharashtra, Gazetteer of India – Maharashtra State, Thane District, (1982). P.1.
14. Tribal Sub-Plan 2000-2001, Government of Maharashtra, Tribal Development Department.
15. Tribal Sub-Plan 2001-2002, Government of Maharashtra, Tribal Development Department.
16. Tribal Sub-Plan 2007-2008 Government of Maharashtra, Tribal Development Department.
17. Tribal Sub-Plan 2007-2008, Government of Maharashtra, Tribal Development Department.
18. Tumram Vinayak, "Adivashi Sahitya Swarup ani Samiksha," Vijay Prakashan, Nagpur, (1994), P.7.

CHAPTER NO-27

WORKING PERFORMANCE OF AMWAY

Introduction

This chapter deals with the historical background and the origin of Amway since 1949, vision as well as mission of Amway, international as well as national perspective of Amway, achievements and developments which it has undergone, the rules of conduct for the distributorship of Amway, in an elaborate manner. The text pertaining to these, is taken from several sources such as web sites and the literature supplied by Amway itself in the Amway Kit.

History & Origin of Amway

The history of Amway begins with the long lasting friendship of two Americans named Jay Van Andel and Richard DeVos. This friendship actually began with a business deal between them, when Richard entered into an agreement with Jay for a ride to school for 25 cents a week. Slowly they came closer to each other and became good friends. After this school friendship, they joined military service, after some time they planned to start a business together. As a result they worked together in a variety of small entrepreneurial ventures since their teen ages. From these initial experiences they learned and shared many common values, interests, and aspirations. In the year 1949, they were introduced to the Nutrilite Product Corporation and the direct selling method by Neil Maaskant, a cousin of Jay Van Andel. They were convinced that anyone who was willing to work hard could have a business of its own through direct selling method. Nutilite was a direct sales company, based in California. Nutilite was founded by Dr. Carl Rhenborg, developer of the first multivitamin, marketed in the United States. Nutilite Products Corporation had organized a seminar, with an aim to introduce new distributors. Jay and Richard had attended this seminar along with Neil Maaskant, and after the seminar Jay and Richard entered into a contract with Nutilite and signed up to become distributors for Nutilite food supplements

in August, 1949. Immediately after becoming distributors they purchased a box of food products and sold it the next day for \$19.50, and kept quite for the next two weeks. Neil Maaskant, who had introduced them to Nutrilite as sponsor, immediately noticed that they are losing interests in the new business and so started motivating them by showing the range of profits/commission. Meanwhile, one more seminar was organized by Nutrilite at Chicago, which was also attended by Jay and Richard. After seeing promotional videos and listening to talks by company representatives and successful distributors, they once again decided to resume the Nutrilite business with fresh zeal & enthusiasm and rapidly proceeded to develop their new business further. They had adopted key concepts of Nutrilite sales plan which states a low risk business opportunity open virtually to anyone, no territorial or income limits, low initial investment and the potential for new distributors to surpass the earnings of the individual who introduced them into business, depending on their capabilities and on the time & efforts they are willing to spend on their business. In 1949 only, Jay & Richard established a new company **Ja-Ri** Corporation, abbreviated from their respective first names, for importing woolen goods from South American countries. But after some time, they decided to drop this business too, and Ja-Ri Corporation became their Nutrilite distributorship. In addition to profits on each product sold, Nutrilite also offered commission on the sales of products by new distributors introduced to the company. Today, this system of introducing new distributors by existing distributors is known as multi-level marketing or network marketing.

By 1958, Jay and Richard had increased the number of distributors to 5,000 and with an aim to add few more products of other companies too, in April 1959 Jay & Richard, with some of their up line distributors, formed 'the American Way Association'. Under this name, their first product was 'Frisk', a concentrated organic cleaner, which was designed by a scientist named Ohio. Jay Van Andel and Richard DeVos purchased the patents rights to manufacture and distribute Frisk, and changed the name of it to LOC (Liquid Organic Concentrate). After the establishment of American Way Association, they established Amway Sales Corporation to manufacture their own products and maintain sufficient stock of products to handle the sales and marketing plan. Later, Amway Service Corporation was also established to handle insurance and other benefits for distributors. In 1960, Jay & Richard purchased 50% shares of Atco Manufacturing Corporation, which was the original manufacturer of LOC, and changed its name to Amway Manufacturing Corporation. The year 1964 is a very significant year in the history of Amway, why because in 1964 only, Amway Sales Corporation, Amway Services Corporation, and Amway Manufacturing Corporation merged to form a single entity named "Amway Corporation". Amway is an abbreviation for "American Way" Amway bought control of Nutrilite in 1972 and full ownership in 1994. Amway is a direct selling company that uses multi-level marketing or network marketing to promote its products.¹

Vision and Mission

Amway is a global leader in direct selling. It has a wide spectrum with over three million distributors that are called as Independent Business Owners (IBOs) in more than 80 countries and territories around the world. No other direct selling company has such a wide spread network of independent business owners. People join this business for a variety of reasons. Some become independent business owners simply to be able to buy products for their own personal use at a reduced cost. Others join in order to sell the products directly to the consumers, thereby earning a profit on each sale and additional financial benefits based on their sales volume. Business builders not only sell products but they also sponsor others to join the business. They are

compensated for their own sales as well as the sales of those they sponsor, receiving incentive bonuses that increase as their own sales force increases. All the distributors have the identical opportunity to grow a successful business. Each distributor is rewarded in monetary terms in the proportion of their efforts.

Its global vision is “to help or inspire people live better lives”. It also shares a commitment with independent business owners (distributors) to succeed in building better businesses that support better lives. Regarding its vision, Amway says “ours is a unique global community and we take great pride in the principles, people, and products that support our international work, enabling us to play an important and positive role in so many people’s lives around the world. At the heart of this global commitment is the One by One Campaign for Children that help disadvantaged children from around the world.

The IT vision of Amway is “Networked Century”. Amway’s long-time IT vision and the development of relevant information system to make communication real-time, has enabled it to implement business model. Efficient information system is the heart of Amway operations. The objective of IT initiatives is to ensure that it has a strong heart to support other organs providing real-time information any time, any place. Because of this IT vision, Amway India is using state-of-the-art technologies to ensure that all bus information is available in real-time and all Amway offices and distributors connected anytime, all the time. Information technology has played an integral part in making Amway one of the biggest success stories in the direct marketing space in the country. With 45 offices and 3.10 lakh active distributors, and third party contract manufacturers spread across the country, contemplating operations without an effective automated system was an unthinkable task for the company’s management.

Amway’s mission is “to provide the best business Opportunity” and Quality products at an affordable price. It is the American way to deliver the goods to meet the market demand, but find a way to do it better and cheaper than its competitors. The philosophy of Amway is to produce a quality product and deliver it through an inexpensive distribution channel, saving consumers millions of dollars every year. Amway attributes its success to the basic philosophy of delivering more for less. A major factor in keeping costs low is the fact that Amway makes its own containers for each product it sells. And like any manufacturing operation, maximizing both the production and quality of its containers is a critical variable in the low-cost equation.

International Perspective

A lot has changed since Amway’s founding in 1959. From a small, family-run US business, the company has grown into an international group with activities across the Atlantic. Amway Deutschiand GmbH is the largest of the European subsidiaries, through the management of Amway’s Europe & South Africa region is spread across various countries. The commercial manager works in the UK. Despite the distances involved, Amway’s management team used to hold meetings once in a month to ensure optimal collaboration. Amway started by developing and selling its own product line of high quality, highly concentrated home care products. In 1960s, Amway sales reached an impressive \$500. While the business continued to grow rapidly in the United States, Jay and Richard decided, in 1962, to expand it to Canada. Till the end of 1970, i.e. during a decade’s time, Amway US and Canada operations had a distributor network of one lakh and turnover of 8.5 million dollars. Some 200 products were manufactured at Amway’s extensive complex in Ada, Michigan where more than 700 people were employed.

Amway expanded to Australia in 1971, to Europe in 1973, to parts of asia in 1974, and to Japan in 1977. By 1979 Ada World Headquarters had expanded to an amazing 2.5 million sq.ft.

(I.e. 230 thousand square meters) incorporating R & D, manufacturing, distribution, and administration. By the end of 1980, Amway sales increased nearly ten times billion dollar mark in 1981. It was further extended to Latin America in 1985. In 1989, it was recognized as a corporate leader in promoting environmental awareness and education when it received the prestigious United Nations Environmental Program Achievement Award. It is ranked by Forbes as one of the largest private companies in the United States² and by Deloitte as one of the largest retailers in the world.³ 1990s saw dramatic international expansion, which includes China & Africa. In just first half of the decade, it doubled the number of its international affiliates. Annual sales tripled during the same period. By the end of 2000, more than three million sales people in some 80 countries and territories were involved in the Amway business worldwide and the estimated retail sales volumes reached five billion US dollars. Around the world, Amway's regional and country affiliates continued to support their distributors with the launch of e-commerce sites that extended the Amway opportunities into cyberspace. The web based Amway businesses around the globe, supported by local distribution and warehousing facilities, has assured timely and accurate order processing and product delivery. Russia and Vietnam received Amway affiliations in 2005 and 2008 respectively. In 2008, two-thirds of Amway's 58 markets reported sales increases, including strong growth in Russia and China. It has reported sales growth of 15%, reaching US 8.4 billion dollars for the year ending December 31, and 2008.⁴

Indian Perspective

India got Amway's affiliation in the year 1995 under the name 'Amway India'. Amway India is wholly owned subsidiary of Amway Corporation. Amway India commenced its commercial operations in May 1998. The company is headquartered at New Delhi. Amway has invested in excess of 35 million US dollars i.e. Rs. 151 crore. Amway India has 400 full time employees. The company has provided income generating opportunities to over 4.5 lakh active independents. It provides free and unlimited training to all its distributors. It has recorded a sales turnover of over Rs. 800 crore by the end of 2007. It is a member of **Indian Direct Selling Association (IDSA)**. It is also a member of the **Confederation of Indian Industries (CII)**. The World Blind Union presented an award and citation. In just ten years of commercial operations, Amway India has established a nation-wide presence in regional warehouses. The distribution and home delivery network is set up across over three thousand locations. In India Amway has 45 offices and 3.10 lakh active distributor, apart from other distributors. It also has third party manufacturers spread across the country.

Achievements and Developments

As a corporate leader in promoting environment awareness and education, Amway received the prestigious United Nations Environment Programme Achievement Award in 1989. It has also received a Corporate Citizenship Award on November 8, 2005, the United States Chamber of Commerce award Alticor with the Corporate Citizenship Award in the category of International Community Service for the One by One Campaign for children.

In 1970s it reached the sales of more than \$100 million at estimated retail and kept going strong. The 1980s will be remembered for the first Billion Dollar year at estimated retail in 1980. Building expansion at Amway world Headquarters continued at a fast speed. It has opened its new cosmetics plant in Ada, Michigan.

As carefully planned by Rich and Jay, the second generation Van Andal and DeVos families took the charge during the 1990s. The Policy Board was formed and Steve Van Andal and Dick DeVos succeeded their fathers as chairman and president. Distributors witnessed a similar trend, with the second generation of many distributor families taking an important leadership roles.

Almost 50 years after Amway began, the Devos and Van Andal families created a new century. A parent company, Alticor, was established with subsidiaries Amway. Since its inception in 1959, Amway has gone 180+ billion dollar enterprise that produces everything from household detergents to cookware and vitamins. With over 450 products and a global presence, Amway has truly become the perfect embodiment American business.

From five offices and a reach of 150 locations in May 1998, Amway India now has 45 offices catering to around 400 cities and towns across the country. It plans to increase the number of offices as well as cities and towns. Such a large magnitude of Amway's operations required an efficient information system. All Amway warehouses, pick-up centers and offices are connected online so that inventory planners have access to real time sales and inventory data. Amway is now focusing on integrating the back-end operations of its supply chain into the overall process. The vision is to have a fully integrated and seamless supply chain, whereby a product sale at one end generates an order for raw material at the other end. The ERP system of Amway India was developed in house. This system has been adequately customized to suit Indian requirements. The main modules of the system include order management, inventory management, financial management and bonus calculation, purchase and sales management, and payroll system. Some of the modules are integrated with the global ERP system in order to track the Indian part of the global entity. This system takes care of its distributor accounting in freight and logistics issues too. Once a distributor acquires a customer, he has to ship the required products to the customer's location, which is tracked by the system. For instance, if the order needs to be delivered on Patna, the system's inventory management control ensures that stocks are always available. In the event of a sale, the system does all the tracking and automatically disburses the cheques to the recipients down the supply chain. It even credits money to their individual accounts. The complete HR process, from recruitment to salaries, is online. The full HR and payroll system, is a browser-friendly solution, which runs on ASP.

Its other systems include Complaint Management System (CMS), Interactive Voice Response System (IVRS), Short Message System (SMS), and Disaster Recovery Management.

Interactive Voice Response System(IVRS), round the clock searches and provides complete business information such as product information and promotions, addresses and contract information and importantly tracks Amway's reward points system. This service is used as telephone system for any Amway distributor in India. However, currently national capital region can access it as a local call. But the overwhelming response that the company has received, has prompted it to soon extend the service to other locations through a service provider.

Rules of Conduct

The Amway rules of conduct define and establish certain principles to be followed in the development and maintenance of an Amway distributorship and the rights, duties, and responsibilities of each Amway distributor. The company Amway and its distributors have a binding contractual relationship. The terms & conditions of this relationship are set forth in the Amway distributor application form(i.e. SA-88-ID). The code of conduct and rules of distributorship are precisely written and printed in the form of a booklet which is called as an

‘Official Document’. This official document is handed over to each Amway distributor at the time of entering into a contractual relationship as a ready reckner. These rules are amendable, from time to time, as and when required. The proposed amendments are first kept before the Amway Leadership for an open discussion, evaluation, and recommendations. But final decision making authority with respect to any amendment rests with Amway. Amway, after finalizing the amendments, notifies all such amendments to the distributors by publication in Amway’s in-house news magazines such as AMAGRAM, NEWSGRAM, and Leadership Update.

Words & Phrases used in Rules of Conduct

1. Definitions of words & phrases used in rules of conduct for distributorship:

Amway means Amway India Enterprises a company registered under the Companies Act , 1956 having its registered office at No. 5,DDA Local Shopping Complex, Okhla Commercial Complex, Phase II, New Delhi – 110020.

Amway Corporation means Amway Corporation, 7575 Fulton Street East, Ada, Michigan 49355, USA.

Amway Business means the aggregated rights, duties, and privileges of a distributor to conduct business with Amway, other distributors and third parties as provided in the Amway Business Kit, including but not limited to the rules of conduct.

Amway Products means all goods and services, including literature and other support or auxiliary materials, made available by Amway to distributors.

Amway sales & Marketing Plan means the plan provided in the Amway Business Kit detailing Amway’s performance incentive systems, sponsoring procedures and guidelines, requirements systems, procedures and policies regarding the presentation of Amway products, the Amway business and the management of an Amway organization, as amended from time to time by Amway and of which the rules are a part.

Amway Business Kit means the literature provided with the distributor application.

Business Support Materials (BSM) refers to any privately produced materials, in both written and recorded form, and meetings which may be developed, produced, and distributed by distributors in their business group, as well as for the purpose of attracting prospects in becoming Amway distributors, which is regulated.

Business Group refers to that distributor and all his personally sponsored distributors, all those distributors sponsored by his personally sponsored distributors and so on down to and including those who have not sponsored anyone, but excluding any direct distributors in the organization under him or any distributors in the business group of such direct distributors.

Business Year means a period beginning from September 1 and ending on August 31 of the following calendar year.

Corporate Authorization Form means the form required to be filled in by proprietorship concern, partnership or a company desiring to become a distributor, which provide information about the business entity and the authorized signatories thereof.

Cross Group Selling means that a distributor selling products to a distributor in other lines of sponsorship.

Direct Distributor means a distributor who has achieved a certain level of business activity as prescribed by the Amway Sales and Marketing Plan.

Distributor means a person or entity that is introduced to the Amway business and is accepted by Amway as a distributor. The term distributor includes the term Sponsor and Direct Distributor except when the context requires otherwise. Distributor is independent business persons,

operating their own independent businesses, and have no employment, agency or similar relationship with Amway.

Distributor Application means Form SA-880ID application detailing the terms and conditions of distributorship that is required to be filled in and submitted by person desiring to become an Amway distributor.

Foster Sponsor means a distributor who agrees to assist, train, and motivate an internationally sponsored distributor as a member of his business group.

Internationally Sponsored Distributor refers to any distributor introduced to Amway by another distributor who resides outside of India, who is then sponsored into Amway and assigned to a Foster Sponsor in India.

Line of Sponsorship shall include in an ascending manner the sponsor of a distributor, the sponsor's sponsor, and so forth and shall end at Amway.

Market means the territory of India and such additional territories as may be added by Amway from time to time.

Membership Year is a calendar year commencing from January 1 and ending on December 31. All distributorships, unless renewed during the renewal period, expire at the end of the year from date of joining except for distributorship availed during September to December 31 of a calendar year which expire on December 31 of the following year.

Renewal Period refers to the period September to December of each calendar year during which the distributor is required to renew his distributorship with Amway for the following membership year upon payment of normal fees. Provided however Amway shall be entitled at its discretion to extend the renewal period to March of the following calendar year on such terms as it may deem fit.

Rules of conduct shall mean these rules of conduct for distributors which can be changed or modified by Amway from time to time, as provided in these rules.

Sponsor means a distributor who introduces to Amway an applicant for authorization as a distributor who in turn becomes a distributor by virtue of Amway's acceptance of his distributor application.

2. Rules of becoming a distributor

Distributorship may be taken up in individual capacity, as sole proprietorship concerns or partnership firms and companies. Distributor Application Form (SA-88-ID), supplied in the Amway Business Kit, must be sent to the Amway's offices as soon as it has been filled out together with Corporate Authorization Form for proprietorship concern, partnership firm and companies, if applicable. The opportunity to become a distributor is given to anyone irrespective of race, sex, nationality, and religious or political beliefs. Following is the eligibility criteria for becoming a distributor.

- A candidate willing to become a distributor must be at least 18 years of age.
- He/She must be of sound mind and must not be unable to manage business due to any legal reasons.
- He/She must not have been suspended from his/her current profession or business by any professional association, society, or institution.
- He/She must not be in jail and/or confined to any correctional institution of any kind.

Amway reserves the right to accept or reject any application to be a distributor without having to give any explanation whatsoever. An application shall be accepted when Amway enters the personal details of a distributor on its records and communicates its acceptance to

the distributor in any manner whatsoever whether by issue of an identification card or by sending an Amagram or any other literature.

Distributor authorization shall expire at the end of 12 months from the date of joining, with the exception of initial applications accepted between September 1 and December 31, in which case initial authorization shall expire at the end of the subsequent calendar year i.e. December 31 of the following calendar year. In order to remain a distributor of Amway products, beyond the membership period a distributor must annually renew his/her Amway distributorship during the renewal period. If a distributor does not renew his/her Amway business within the time limit established, i.e. during the renewal period or if Amway does not accept his/her renewal application, his/her Amway business shall automatically expire.

Amway reserves the right to refuse any renewal request and can revoke any distributor's renewal application, if in its opinion, the distributor's activities have not been in accordance with the interests of Amway and/or the Amway distribution organization, or if the distributor did not comply with any of the Amway rules of conduct during the 12 months preceding the period for which renewal is sought.

A distributor can cancel his/her Amway business at any time sending a letter to Amway with a copy to his/her sponsor and direct distributor. Similarly, a former distributor can request to be authorized as a new distributor. In case of an internal partnership, the Amway distributorship shall be only under the names of the individual partners and not under a business name that the partnership might use for other transactions. A distributor may own and operate his or her distributorship as a proprietary concern or registered partnership firm or limited liability company, provided it complies with certain requirements and conditions.

One of the advantages of building an Amway distributorship is that the owner may pass it on to his or her heirs as part of his or her estate. In order to accomplish that objective, he or she may wish to transfer the distributorship to a trust during his or her lifetime or arrange for it to be transferred to a testamentary trust after his or her death. The later may be particularly desirable where his or her surviving heirs may be minors who are disqualified by law from operating the distributorship until they reach their majority. The trustee must be an individual, and the trustee may also be an Amway distributor at the time the trust is created or takes effect. In order to assure that the transfer of a distributorship to a trust may not result in unfavourable consequences, Amway needs the following conditions to be fulfilled.

- The creator of the trust must have been a duly qualified and authorized distributor at the time that the distributorship is transferred to the trust.
- Frequently the beneficiary of the trust will be the spouse, child, grandchild, parent, or sibling of the Amway distributor or deceased distributor, whose distributorship is to be transferred. However, the beneficiary of the trust may be any individual who is eligible to become an authorized Amway distributor. A beneficiary cannot be a business entity, existing corporation, charitable organization, non-profit organization, a foundation, or any similar entity.
- The trust instrument must not permit the beneficiaries to assign any beneficial interest in the trust.
- The trustee must sign and file an application and receive an Amway Distributorship Authorization.
- An original signed copy of trust instrument must accompany the application, and the trustee must promptly file with Amway any amendments or any documents which may vary the terms of the trust.

- All trustees must execute on its behalf an irrevocable guarantee that the trustee will perform all the obligations and responsibilities of a distributor.
- The term of the trust must not be perpetual and shall not continue beyond the date necessary to protect the interests of those trust beneficiaried who are unable to act for themselves legally, that is minor children or incompetent persons, or who, because of age or inexperience, require assistance in the conduct of business affairs.
- The trust will conduct only the business of an Amway Distributorship and no other.

Husband and Wife Distributorship

In Amway business, husband and wife always have to be together, even if one of them has not signed as an applicant both are deemed to be Amway distributors. If both husband and wife wish to become distributors, they must be sponsored together for a single distributorship. Husbands and Wives may not sponsor each other. If one spouse is already a distributor, the other spouse, upon electing to become a distributor, must join the same distributorship as his or her spouse. A husband and wife shall operate their distributorship as a single entity irrespective of whether both names are on the distributorship. Therefore, each is held accountable for the actions of the other so far as the rules of conduct are concerned.

If two distributors, each of whom owns and operates a distributorship in different lines of sponsorship (neither of which is a direct distributorship), get married to each other, one of these distributors must also elect to surrender (by sale, transfer, or abandonment) his or her distributorship and become a partner in his or her spouse's distributorship.

If either member of the newly married couple has attained direct distributor status, then the newly married couple may operate both distributorships, each of which will, however, be operated in its original line of sponsorship. If the spouse surrendering a distributorship does so by way of sale, such sale must be made in accordance with the provisions of these rules of conduct. If the spouse surrendering a distributorship does so by simple abandoning it, the sponsorship of the abandoned distributorship shall pass up the line of sponsorship to the next sponsorship.

3. Responsibilities of all distributors

At all times, distributors must adhere strictly to the guidelines, systems, procedures and policies mentioned in the literature accompanying the Amway business kit of which these rules of conduct and Amway sales and marketing plan are a part and any amendment thereto affected by Amway from time to time, provided or in any other means of communication prior to their going into effect.

Cross Group Selling

A distributor in one line of sponsorship must buy all the products either directly from Amway or from his/her sponsor. No distributor shall engage in cross group selling. In order to be eligible for the various monetary and non-monetary benefits available through the Amway sales and marketing plan, a distributor in one line of sponsorship must buy all of his/her Amway products and literature supplies directly from Amway (or from his or her spouse). Amway expressly forbids distributors to buy Amway products from distributors who are not their sponsors.

Retail Stores

Amway does not permit distributors to display or sell its products or literature through retail stores. No distributor shall permit Amway products or services to be sold or displayed in retail stores, schools, fairs, ships, or military stores; nor shall he or she permit any Amway product to appear in such locations even if the Amway product or services themselves are not for sale. No Amway literature shall be displayed in retail establishments. A distributor who works in or owns a retail store must operate his or her Amway business separate and apart from the retail store. Such distributors must secure customers and deliver products to them in the same manner as Amway distributors who have no connection with a store. Other types of retail or professional offices, etc. likewise may not be used to display Amway products, information about Amway services, or Amway literature. Further, distributors may not use mass communication methods such as television merchandising channels, computer networks, national or international advertising, etc. to secure Amway customers.

Truthful and Accurate Claims

No distributor shall make false or exaggerated claims about quality, price, uses, content, grade, etc. of Amway products or promote products that do not belong to Amway as if they did. No distributor shall make any offer to sell any Amway product which is not accurate and truthful as to price, grade, quality performance, and availability. Distributors are required to abide the following conditions, in this connection.

- Distributors cannot make exaggerated product claims or non-guaranteed claims with regard to Amway products or products distributed by Amway.
- Distributors cannot, in any way whatsoever, represent incorrectly with regard to prices, quality, standards, grades, contents, style or model, place of origin or availability of Amway products or products distributed by Amway.
- Distributors cannot, state that Amway products or products distributed by Amway back, approve, or present any features as regards yield, accessories, uses or benefits that they do not have.
- Distributors cannot, in any way whatsoever act or present Amway, its products or the products Amway distributes in a fraudulent manner or promote products that do not belong to Amway as if they did or sell Amway products at a price below the purchase price.

Repackaging or Relabelling

Distributors are not allowed to repackage, or otherwise change or alter any of the packaging labels of Amway products.

Written Sales Report

A distributor shall deliver to the customer at the time of sale a written and dated order or receipt which shall:

- Describe the product or products sold,
- State the price charged,
- Give the name, address, and telephone number of the selling distributor, and
- Include Amway's Customer Product Refund Policy

Customer Product Refunds

Distributors shall advise Amway of any customer complaint and provide copies of all correspondence and details of all conversations regarding the complaint. Distributors are not authorized to make any type of offer or compromise or render Amway liable for any complaint or product return. Whenever a customer requests product refund service within the stated period, the distributor shall immediately offer the customer the choice of refund of money paid, as per Amway's then current product refund policy, or exchange for a like product or full credit for exchange with another item. Distributors are required to indemnify Amway for any claim, legal actions, suit, etc.(including Amway legal fees) which are filed or which originate because of any failure by the distributor to observe this rule.

Compliance with Applicable Laws, Regulations and Codes

Distributors shall comply with all laws, regulations and codes that apply to the operation of their Amway business wherever said Amway business may be conducted within the market, and they must not conduct any activity that could jeopardize the reputation of the distributor and/or Amway. Applicable laws, regulations and codes vary from one country to the next, and from state to state in India, and over time, and Amway does not ensure or make representations with respect to the quantity or extent of effort or expense required to comply with such laws, regulations and/or codes.

Deceptive or Unlawful Trade Practices

No distributor shall engage in any deceptive or unlawful trade practice. A deceptive or unlawful trade practice is one, which has been defined as such by any central, state, or local law or regulation.

Unlawful Business Enterprise or Activities

Distributor must not engage in any deceptive or unlawful trade practice as defined by any central, state, or local law or regulation. No distributor may operate any illegal or unlawful business enterprise, engage or participate in any illegal or unlawful business activity or be convicted of any illegal or unlawful activity. An illegal or unlawful enterprise or activity is one which is prohibited by central, state, or local law or regulation.

If an initial or renewal application for an Amway distributorship is presented to Amway by a person who operates, or is engaging or participating in, any illegal or unlawful enterprise or activity, Amway may hold such application in abeyance and contact the applicant to determine whether he or she is so engaged and, if so, what his or her intentions are concerning such enterprise or activity. Refusal or failure on the part of the applicant to produce proof that he or she has terminated his or her relationship with such unlawful enterprise or activity shall disqualify him or her for such distributorship, and his or her application shall be denied.

If, subsequent to approval of his initial or reauthorization application, an Amway distributor is determined by Amway to be operating in, an illegal or unlawful enterprise or activity, and if, upon notification and request by Amway, such distributor refuses or fails to terminate his or her relationship with such illegal or unlawful enterprise or activity, then Amway shall terminate such distributorship, whereupon the distributor shall lose all the rights and privileges of an Amway distributor.

Professionalism

An Amway distributor must not engage in any high pressure selling, must be courteous to the customer and must, at all times, make fair presentation of Amway products. An Amway distributor shall at all times conduct himself or herself in a courteous and considerate manner and shall not engage in any high pressure selling, but shall make a fair presentation of Amway products including, when and where appropriate, demonstrations of such products. An Amway distributor never imposes himself or herself upon his or her prospective customer. At all times he or she is courteous and considerate of the customer and, if the customer indicates a desire to terminate the interview, the Amway distributor immediately does so and leaves the premises of the customer. The Amway distributor at all times makes a fair presentation of Amway products. The Amway distributor will also direct his or her customer's attention to the use, direction and cautions, which may be included on the label for products.

Employment Relationship

Amway distributors are independent distributors operating their own business and are not employees or agents of Amway or its affiliated companies. No distributor shall represent that he or she has any employment relationship with Amway or any of its affiliated companies and/or other distributors. Distributors shall not give a false representation as to the nature of the relationship between Amway and its distributors, or make any representation except in accordance with the explanation in the Amway business kit or other Amway literature. A distributor is required to indemnify Amway for the cost of any damage or prejudice stemming from such false representation, including any legal fees Amway may have incurred. Amway distributors are independent distributors operating their own businesses. They shall not imply that they are employees of Amway, nor shall they refer to themselves as agents, managers, or company representatives, nor shall they use such terminology or descriptive phrases on their stationery or other printed material. Distributors may not use the Amway distributor identification card to create the impression that there is a subordinate relationship with Amway. This identification card issued to a distributor by Amway is to be used exclusively when the distributor wants to purchase products from Amway.

Franchises and Territories

No distributor shall represent that he or she, or anyone else has the authority to grant, sell, assign, or transfer such franchise or to assign or designate territories. No distributor or sponsor may state or imply that he or she has a given territory, nor that any other distributor is operating outside his territory.

Non-Amway Selling Activities

An Amway distributor can engage in other business/professional activity, but he or she must not use Amway distributors/activities/events to promote his non Amway business/profession and must not hard sell the same on other Amway distributors. No Amway distributor who personally sells products other than Amway products, who personally participates in any non-Amway selling activity and/or sells literature or sales aids not produced by Amway except those allowed by the rules of conduct or who sells services will sell such products or services to another Amway distributor or will induce another Amway distributor to participate in any other non Amway selling activity and/or to sell such products, literature, sales

aids, or services to any Amway distributor. Induce means to motivate another distributor to sell any product or service whether or not this is done to obtain revenues or for any other reason.

This principle also applies to business aids developed privately by distributors in compliance with the rules of conduct. Amway distributors may engage in selling activities related to non-Amway approved or non-Amway produced products and services if they personally desire so, but they may not take advantage of an activity organized especially to promote Amway products or Amway, or any other distributor's efforts or resources, or of their knowledge of, or association with, other Amway distributors to promote and expand their non-Amway businesses. To do so constitutes an unwarranted and unreasonable interference in the business of other Amway distributors. This does not mean, however, that a distributor regularly engaged in the operation of a petrol pump, repair garage, retail establishment, barber or beauty shop, or a professional service (law, medicine, dentistry, or accounting) may not serve clients or customers who are Amway distributors and have sought them out, but it does mean that such distributor may not actively solicit the patronage of other Amway distributors.

A husband and wife are deemed to operate their distributorship as a single entity regardless of whether both names are on the distributorship. Therefore, each is held accountable for the actions of the other so far as the rules are concerned. Amway reserves the right to terminate the remaining distributor's authorization as a distributor in the event that one partner of husband-wife partnership elects to resign his or her authorization as a distributor and subsequently take advantage of his or her knowledge of, or association with, other Amway distributors to promote and expand his or her non-Amway business.

Enticement to change line of Sponsorship

No distributor must, directly or indirectly, induce or entice other Amway distributor to change their line of sponsorship. That is, including an Amway distributor to start a new business in their parents name under a different sponsor and then advising them to resign their existing distributorship and build their parents Amway business without complying with six month inactivity rule. Under no circumstances, direct or indirect, nor for purpose of helping another person, shall a distributor solicit, interfere or attempt to induce another distributor to leave his or her line of sponsorship or change his or her line of sponsorship.

Exporting Amway Products

Amway distributors must sell Amway products and/or sponsor prospective Amway distributors within India only. No distributor may export, or knowingly sell to others who exports, Amway products from India, or from any other country in which Amway has established operations, into any country regardless of whether or not Amway is doing business in that country. For important legal reasons, including trade names and trademark protections, local laws on product registration, packaging, labeling, ingredient content and formulation, product liability, customs and tax laws and literature content or language requirements. Amway must limit the resale of Amway products by distributors to only other distributors or retail customers located within country in which the distributor legitimately buys the Amway products and is authorized to do business. The term products includes, without limitation, all literature, sales aids, and any other items obtained by a distributor from Amway or from his or her sponsor or direct distributor.

Sound Business Practices

An Amway distributor must operate his or her distributor ship in a financially responsible, solvent, and businesslike manner. While signing a distributor application or while renewing his or her membership, a distributor undertakes to Amway that there is no legal bar or limitation on his or her ability to meet the legal obligations of an Amway distributor, whether such obligations are to Amway itself, to customers, or to other distributors. If there is an obstacle or limitation, the distributor must declare it.

For example, if an un-discharged bankrupt or an underage person applies for a distributorship, Amway may reject the application, or if Amway discovers the disability, alter the distributorship. If a distributor or any member partner in his or her distributorship files a petition in bankruptcy or has bankruptcy or widening up proceedings commenced against him or her, or has any assets seized by court order or taken in execution of an unsatisfied judgment debt, the distributor must immediately inform Amway. In such cases Amway reserves the right to terminate the distributorship, or alter its terms of trading with the distributor, or to negotiate with the trusty in bankruptcy or responsible court official concerning arrangements for the disposal of any products belonging to Amway which are in the possession of the distributor.

4. Sponsorship Responsibilities

Following are the responsibilities of the sponsorship:

Provide all distributors that he or she sponsors with an unaltered Amway Business Kit. Be an Amway distributor in good standing and meet all distributor requirements as set forth in these rules. In the event a sponsor ceases to be a qualified distributor, the rights to any distributors whom he or she may have sponsored shall pass up to the next

Overall Conclusions

The history & origin of Amway shows how two common citizens of America have established such a big venture. This was made possible by Jay Van Andel and Richard DeVos only due to their consistent efforts in the right direction and while passing through several stepping stones they have never lost the courage and have never allowed any deviations in their set vision and mission. These two founders of Amway came to know the concept of direct selling only after joining the Nutrilite Product Corporation. Here they work for some time and were convinced that anyone who was willing to work hard could have a business of its own through direct selling method.

According to the rules of conduct, framed by Amway, the company Amway and its distributors have a binding contractual relationship. The terms and conditions of this relationship are in the form of an 'official document' which is handed over to each Amway distributor at the time of entering into a contractual relationship as a ready reckner. These rules are obligatory, on the part of distributors, to follow. It is observed that, while framing the rules of conduct, each and every possible aspect of day to working is covered, no area of distributorship is left.

References

- 1) Daniel Alexander. *Organic Bazaar- An Operations Manual*, 2006.
- 2) Institute for Integrated Rural Development (IIRD). *A Feasibility Study*, (2008)

3) IFOAM- *The World of Organic Agriculture Statistics and Emerging Trends* (Helga Willer and Minou Yussef eds), 1 - 167 (2007)

4) P.BHATTACHARYVA and G. CHAKRABORTY. *Current Status of Organic Farming in India and other Countries*, Indian Journal of Fertilizers., Vol. 1 (9). December 2008. PP.111-123

5) Daniel Alexander. *Asian Organic and Green Certification Scenario*, UNESCAP, 2008