

Process of business in the country

The country's business is carried out on some important folds, which are described as the backbone of the country's business principles. The business as such is carried out through financial institutions such as banks, private financial banks and government controlled financial institutions. The process of business is mainly money based and generating high incomes in business is the first criteria. The low money based business means everything is bought cheap and sold cheap whereas high money based business means everything is bought costly and sold costly. There is as such no meaning to both of this economic fold. The low money based economy suffers from growth processes in the economic arena while high money based economy suffers from lack of participation by the masses. There are few land mark achievements in Indian economy which are described as the optimum folds to satisfy everybody's need. So the process of business in India should be carried out on prescribed formats of achievements such that good business views can be carried out in the country.

The backbone of all businesses in the country is the centralize system of banking. There are banks in every city and villages where money transactions are carried out. As the whole system of banking is centralized there is total accountability of money. As the business demands more money this money is sought to be borrowed from the banks. The bank has a fixed interest rate on which the money is lend to the businessman and this money is sought to be recovered in some fixed time period. If the interest rate is low the businessman will agree to buy money. So the business in the country will grow if the interest rates are low while business in the country will be curtailed to few hands if the interest rates are high. When interest rates are low more people will agree to join business. More business people in the arena will curtail the income margins to the people. This effect will curtail the spirit of investments in the economic arena and borrowings from the banks will be hampered. When interest rates are high few people will be willing to join business. There will be low competitions in the market and income margins will be high. There is as such two views generated at once what is the purpose of low money based economy if it do not satisfy our basic needs and also what is the purpose of low money based economy if it cannot serve the people in true postures of growth by defining new formats of business to personal folds. Same principles hold for high interest rate system. When interest rates are high there is lack of participation in the economic activity and growth procedures are widely hampered by lack of mass participation. Thus although growth oriented units could be established under high interest rate system but their viability is threatened by lack of mass participation. Thus there should be a optimum interest rate where people can boast of growth orientations by working for causes in simple attributes and optimum features are realised in the economic arenas without hampering the vital purposes of the populations. Thus all such debate is to know the true picture of the country's economy. Under the cover of the optimum picture the incomes generated with the public is satisfactory and it serves the public as well in terms of employment opportunities.

The optimum picture of the country's economy has various folds attached to its picture. The resource pool of the industrial sector is central to the optimum picture of the country's economy. The resource pool of the industrial sector is banks, share markets and private banking systems. The share markets boom in low interest rate banking as money can be bought cheap and sold costly thus generating profits while risks involved are also on low profiles. If the share markets boom than industrial sector can boast of money to its personal fold. When interest rates are low and low money economy is forecasted than divestment of shares takes place and as such industrial security is threatened. When interest rates are low industrial sector shares run on low profile as mainly large

business houses benefit and small business houses suffer due to lack of money pool to their personal fold while the income generation with the public is also of low categories. When interest rates are high large business houses prosper and small business houses also prosper as there is good pool of money to their personal fold and with the public. Thus the purpose of generating money pool to the industrial sector can be satisfied only by high interest rate system but interest rate cannot be too high as it will hamper public purposes. Public in general is prone to only basic necessities and industrial growth may hamper their prospects by associating high prices in their livings. Thus there is one optimum interest rate which is beneficial to all people, public as well as business houses.

Reserve bank of India is the central authority of all financial banks in the country. It prescribes guidelines to all banks for maintenance of financial sector. There are various prospects of achievements based with the banks and as such it has various guidelines on these folds. It issues money to banks on demand and charges a fixed rate of interest from the banks. When money demand in the markets is high interest rates are also fixed to be high. When money demand in the market is low interest rates are also charged to be low. When money demand is low currency runs on low profile as such dollar, pound etc all fall down and money demand in the market is low. Reserve bank of India prescribes various guidelines for channelizing money in the country. When money demand in the country is low there is political unrest in the country and personal folds tend to dominate. When money demand in the country is high interest rates are high and public is also paid high interest rates on their money.

There is a provision of savings in everybody's life. The savings are necessary for building houses, shops and for carrying out family works. If the savings of the person are paid adequately than all such works will be accomplished smoothly. Low interest rate system will be a curse if the market value of these folds is high and money cannot meet these demands. So high interest rate should be an option for satisfying the various demand of family's. The various demands are long terms processes such that high interest should be paid for long duration of times.

The low interest economy generates less income to personal folds. As such various industrial houses suffer from lack of money pool such that employment opportunities with the industrial houses are hampered. The low interest system generally has low incomes generated as money demand in the markets is low. Thus the system of high interest rates provides good views of money pool such that employment demand can be easily satisfied. The employment is the whole and sole landmark for public as such these should be adequately honoured by high interests. The low interest rate system expands business easily but generates low incomes because of high competition. The low interest rate system thus cannot serve employment needs thus public interests are hampered. The high interest rate system is necessary for satisfying employment needs.

When high incomes are generated in the economy then there is more safety than when low incomes are generated. Business can be easily expanded if high money is based with the people. But businesses cannot be allowed to be expanded on high speed as it will not generate enough incomes. Thus to see high incomes are generated in high interest rate systems and henceforth there is an optimum interest rate system which suffices everybody's need. Thus for total safety of monetary folds there should be a optimum interest rate system such that adequate incomes are generated and employment opportunities are also served adequately. Thus total safety of monetary folds demands that interest rates be devised in such a fashion that everybody's need is adequately served.

The generation of business in the country is a high profile process. When interest rates are low public can easily borrow money from the banks and as such growth of the business at the middle class

family level expands easily. When interest rates are low not enough incomes are generated as such monetary folds are unsafe and expansion of the business as such lose its meaning. When interest rates are high people will not borrow money from the banks as such growth of business at the middle class family level will not take place easily. Thus there should be an optimum interest rate system in the country such that people who are capable of expanding into business can easily be accommodated. When interest rates are high good incomes will be generated, good money to the personal purse will be provided and there will be good employment opportunities. When interest rates are high everybody will be involved with money and business process will be expanded at the fast rate hence in the end same ends will be met as of low interest rates. Thus it is to be seen that there should be an optimum interest rate such that everybody's needs would be satisfied very easily. In this whole exercise it is presumed that there are minor changes in the pricing system during one interest rate system.