**Introduction**

In order to live successful life education has helped man to know his internal power knowledge given man power. Therefore it has been stated in Vedic period that knowledge is the third eye of man. The existence of every country, its development, its future planning and its success, is mainly depended on its educational system. Hence it is very important for each country to think seriously about the education of the people in the country. Because of education each country, person, society become developed therefore education is a means of development and change of society. The needs of the people, their ambition, the administrative system and culture have impact on education and thereafter the education system is made. Each country has to change the educational system according to the change of time, and according to needs of community and society. The changes in the educational system is very important and inevitable for every country

In the planning and development of country, the role of education is like backbone and therefore social economic and political field had demanded the improvement in education system. Our country could not achieve its goal through the 1968 educational policy. In 1985, the contemporary Prime Minister Mr. Rajiv Gandhi made a new educational policy to regain our lost cultural heritage and according to the demand to make our nation developed as well as to solve the educational problems in which we can take participation and cooperation of the people according to the need.

In order to increase confidence of the students who has stopped education or left school, the grade system instead of marks, the continuous and collective evaluation concept and for that skill-based test, co-curriculum test evaluation all these will be helpful to the students.
There are two main problems in the education system that are students stop education and they leave the school. There are many reasons behind these problems. But if we study there problems from children’s psychologically the main reason is children have fear of examination. Most of the students fear to give exam, most students leave the school just because of fear of exam and most students are absent from school most students try suicide just because they got insufficient marks or failed in the exam. All the results have only one reason and that is the exam system. We give more importance to the marks obtained by students. Opportunities are given according to the marks obtained in interviews. The candidates are judged according to their mark lists and not on qualification he possess. And therefore students give more importance to marks and so in order to obtain higher marks he uses illicit ways and therefore we have to face there problems because of this educational system.

So in order to order to solve there problems, to decrease the number of suicide cases and decrease the use of illicit ways in the exam hall, we need a substitute exam system to rootout this problem. Therefore thish is the need of the time to change the so called exam system giving substitute of open-book exam in secondary school. Thus to sort out their problems and to make out positive changes in the open- book exam, the comparative study between so called exam system and open-book exam system is to be studied is very important. So the open-book exam is the only good substitute to the so called exam system. Because if we start open-book exam the fear of examination in students mind will be vanished. In the same way the serious problem in the secondary school will be solved permanently. In the same way it will be useful to remove the problem of illicit ways in the exam and its bad effects on the education system. So open-book exam is the best way to make education system better.