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Organises
One Day International Multi-Disciplinary Conference on 10th August 2019

**“BUSINESS MODELS IN BANKING AND FINANCE- THE GAME
CHANGER FOR ECONOMIC GROWTH & DEVELOPMENT”**

(PEER REVIEWED)

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Thakur College of Science & Commerce, affiliated to the University of Mumbai was established in 1997. The founding members aimed to provide an avenue of learning within easy reach, to the growing young population of Kandivali and its vicinity. Our college has accomplished a spectacular growth over the last two decades of its journey towards excellence in Education and emerged as a leading Higher Educational Institution in Mumbai. At present the total strength of our College (Science & Commerce) is more than 14000 students, 225 teaching staff, and 150 non-teaching staff. The College has consistently attained outstanding results in academics at both Degree & Junior levels. We sincerely believe that innovation, passion and the right technique can make learning effective and fun. The numerous feats and triumphs of our students in Academics, Co-Curricular, Extra-Curricular and Sports activities etc. attests to our commitment towards their overall development and welfare. Our team of experienced and dedicated educators and state of the art infrastructure aids learners to fulfil their potential and cultivate talents in various fields. The College, in a short span has a record of ground breaking achievements in every field and has a goal of setting international standards in area of education. Skill Development, Entrepreneurial Expertise, Industry Alliance and Collaboration with Foreign Universities are just a few examples of our efforts for providing the best opportunities to the learners.

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6 st August 2019

MESSAGE

I am happy to know that Thakur College of Science and Commerce Kandivali, Mumbai is organising International Conference on Business Model in Banking and Finance; the game changer for economic growth and development.

To achieve the dream of our visionary Prime Minister Narendra Modiji to make the Indian Economy GDP to 5 trillion dollars in 2024-25, the State Government has also taken various reforms in Government machinery to boost the economic growth of the State. Banking and Finance has also been included in the top champion sectors by the Government that will have the power to boost the economy of the country and state as well.

On this backdrop, it is praiseworthy that Thakur College is making effort to create a platform for research on this front at international level.

I wish all the best for the success of the conference and welcome all the delegates who are coming across the globe to the attend the conference.

(Devendra Fadnavis)

MESSAGE



Mr. Vinod Tawade

Minister of Higher & Technical Education Marathi Bhasha

Banking sector gives of financial wings to economy of country to go higher. Business models in banking and finance have changed for economic growth and development. The international conference organised by Thakur College of Science and Commerce is a noteworthy initiative, as its aim is to give the financial wings to the economy of our country. This conference comes as a gentle reminder that we have a long way to excel and to leave imprint in realm of banking and finance around the world.

Organising international conference on business models in banking and finance is also a sign of indomitable.

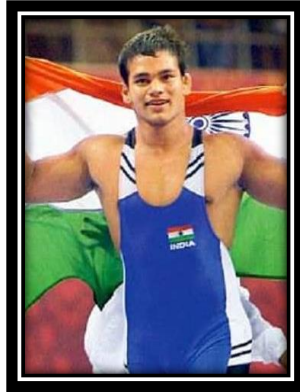
I wish conference 2019 to be a milestone event in the field of banking and finance and extend my whole hearted support.

All the best wishes for the endeavour of the college.

Mr. Vinod Tawade

Minister of Higher & Technical Education Marathi Bhasha

MESSAGE



Mr. Narsingh Pancham Yadav
Olympic Athlete (Wrestler)

I am pleased to note that the Thakur College of Science & Commerce is organising the International Conference entitled “Business Models in Banking and Finance – The Game Changer for Economic Growth and Development”.

I hope that this conference would aim to provide a platform for researchers, academicians and Industrialists across the globe to exchange, discuss the state-of-the-art research and development and identify the future demands and needs in the field of banking and finance.

I would like to appreciate all the members of the organizing committee, steering committee, and program committee who have been working with creative efforts to make this conference a grand success.



Mr. Narsingh Pancham Yadav
Olympic Athlete (Wrestler)

MESSAGE FROM CORPORATOR



Mr. Sagar Singh
Corporator, Kandivali East (Mumbai)

The conferences are necessary to bring in culture of information exchange and feedback on developing trends in banking and finance sector. I am delighted to note that the Thakur College of Science & Commerce is organizing the International Conference entitled “Business Models in Banking and Finance – The Game Changer for Economic Growth and Development”.

Certainly, this type of conference not only brings all the researchers, students at one platform, but it also inculcates the research culture among the entire fraternity of Education in the country, thereby, contributing to the development of nation.

I hope that this conference would certainly induce innovative ideas among the participants.

I congratulate the organizers and wish the conference a great success.

A handwritten signature in black ink, appearing to be 'Sagar Singh', written in a cursive style.

Mr. Sagar Singh
Corporator, Kandivali East (Mumbai)

MANAGEMENT'S MESSAGE



Shri. Jitendra Singh
Secretary, Thakur Educational Trusts

Sir Isaac Newton's immortal quote: *"If I have seen further than others, it is by standing upon the shoulders of giants"* stands true to the legacy of the Thakur Educational Trusts. Our founding fathers and their investment in the field of education has led to the expanding group of institutions and nurturing thousands of minds to the ultimate goal of nation building. Our institutions have always been at the forefront to take upon the matters concerning national and international issues through various platforms like Conferences, Seminars, and Workshops etc. Because we firmly believe that such platforms promote an intellectual impetus the country needs today than ever.

The One day International Multi-disciplinary Conference on, "Business Models in Banking And Finance- The Game Changer for Economic Growth and Development" by the Department of B.Com (Banking & Insurance), Department of B.Com (Financial Markets) and Internal Quality Assurance Cell (IQAC) of Thakur College of Science & Commerce aims to promote a dialogue in the rapidly growing field of Banking, Financial Services and Insurance (BFSI). I hope the Conference channelize the best minds and help us in serving the purpose of this academic endeavour.

I appreciate the efforts put in by the organising committee, to put up such a research congregation which aims to diversify, promote and spread of knowledge. My best wishes to the Principal, Organising Committee as well as all the delegates for the success of the conference and in their future endeavours.

I acknowledge the efforts put forward by the Principal, Organising Committee for the Conference. And to all the stake holders associated with Conference: Dream Big. Sparkle More. Shine Bright.

Shri. Jitendra Singh
Secretary, Thakur Educational Trusts

MESSAGE FROM THE PRINCIPAL



Dr. (Mrs.) C.T. Chakraborty,

Principal, Thakur College of Science & Commerce and Chairperson, International Conference

2019 stands as a landmark year for the Banking Sector as Nationalisation of Banks completes 50 years. A debate over the landmark event has sparked a debate whether it is a Half-Century or Work Half-Done? And such many questions have grappled the academic community to find quick, long-term and sustainable solutions for issues concerning the finance sector in general.

The Financial Sector in general faced a major setback in the form of global financial crisis which has lead to demonstrating the fact that there is a misaligned growth pattern in real sector with respect to financial sectors. Post the crisis, a wave of review mechanism kick-started reform process especially in banking sector. It high time even we review our banking structure enabling to cater to wider audience as well as need of a growing, globalised and financially inclusive economy.

With this motive, we at Thakur College of Science & Commerce are pleased to organize A One-Day International Multi-disciplinary Conference on, “Business Models in Banking and Finance- the Game Changer for Economic Growth and Development” which plans to assess the changing business models of banking sector and how these newer trends are leading to wider impact on micro and macro economic variables in the economy. Because today we need to reassess the growth as these steps would be foundations for tomorrow and in this dynamism it’s important to take right strides forward.

The Organising Committee constituting of Department of B.Com (Banking & Insurance), Department of B.Com (Financial Markets) and Internal Quality Assurance Cell (IQAC) have taken the step forward to organise this academic convention and initiate the said dialogue. As the Chairperson, I would like to appreciate the contributions of all the researchers who have speared their time and research towards the success of the conference and I sincerely believe that the inputs would aid not only the participants but the nation as a whole.

This publication of research undertakings is testament of the work done and I sincerely hope we will take this initiative forward so that it reaches its due pinnacle. Lastly, I wish for an academic euphoria at the conference and express sincere gratitude to every stakeholder associated with the conference for the support and contribution in every means.

A handwritten signature in black ink, appearing to read 'Chakraborty'.

Dr. (Mrs.) C.T. Chakraborty,

Principal, Thakur College of Science & Commerce and Chairperson, International Conference

ABOUT THE CONFERENCE



Mr. Nirav Goda
Convenor, International Conference



Mrs. Rashmi Shetty
Co-Convenor, International Conference

The Honourable Prime Minister laid down the vision of India becoming a \$5trillion economy by 2025 (#Economy@5trillion) and has inspired every citizen to contribute their bit to the cause. This strategic blueprint for the vision requires us to assess the financial sector in general as finances drive the economy.

The Financial Sector has had multitude of changes over the years. The growing BFSI (Banking, Financial Services and Insurance) Sector stands as the lifeline of the economy needs no specific introduction today. Post 1991, the banking reforms played a decisive role with mobilising savings and promoting economic development and financial soundness of the economy has always been a concern for the economy. The size of the economy has been rising, the old business models are perishing and newer business models are arising, jurisdictions are being reviewed, economy is diversifying and a lot is underway. So in this fast growing economy with rising competition, financing higher growth with inclusion and vibrancy of services has become difficult.

We, as the conference convenors, are obliged to provide this research undertaking on the grounds of “Business Models in Banking and Finance- the Game Changer for Economic Growth and Development” which aims to assess this dynamic sector and how we can bring about a difference at various levels.

We hope the conference with the dignitaries from the field of banking and finance, fellow researchers and participants would contribute with their inputs for the success of this venture.

Thus, presenting this volume of research proceedings of the conference which is an amalgamation of vibrant researchers submitted for the conference.

Happy Reading.

Thank you.

Nirav R. Goda.

Mr. Nirav Goda
Convenor, International Conference

Rashmi V. Shetty

Mrs. Rashmi Shetty
Co-Convenor, International Conference

MESSAGE



Mr. Sachin Kambli

Vice Principal - Degree Commerce and Secretary, International Conference

Warren buffet in one of his classic quotes on investment dwells into the nature of investment and how it has to be done. Over the past few decades, it has been seen that financial prowess of a country determines into geo-political importance on global platform and media has shown monumental growth in the field of BFSI sector and its time the academic fraternity acknowledges and carefully scrutinises the changing patterns of business, investment and economy.

Taking this broad theme into consideration, Thakur college is hosting a One-Day International Conference on "Business Models in Banking and finance" Which tries to study the changing paradigm of business and how changes in banking and finance has had an impact on Indian economy.

We acknowledge the contribution of researchers across the country for the research convention and i appreciate the efforts put by the organising committee for the conference. Here is wishing everyone fruitful academic returns from all such investments.

A handwritten signature in black ink that reads "Sachin" with a stylized flourish underneath.

Mr. Sachin Kambli

Vice Principal - Degree Commerce and Secretary, International Conference

MESSAGE



DR. ARVIND LUHAR

Chairman, IAA Thane Chapter

It gives me immense pleasure to acknowledge and announce that Thakur College of Science & Commerce, IQAC, Department of BBI, BFM in association with University of Mumbai organising One Day International Conference on “Business Models in Banking and Finance – The Game Changer for Economic Growth and Development” which provides a platform to Researchers, Scholars, Professionals of diverse disciplines to discuss the various aspects of business models in banking and finance.

Hearty congratulations to Thakur College of Science & Commerce, for this laudable effort and all the best wishes to all the research delegates. I am sure that there will be high level of deliberation and panel discussion on the theme and there will be learning for all who are part of this conference.

I extend my support and well wishes for the success of this conference which is ready to ignite the minds for a better tomorrow.

Dr. Arvind Luhar

Chairman, IAA Thane Chapter

MESSAGE



Dr. Nishikant Jha
(Secretary, IAA Thane Chapter)

It is a matter of delight to start off a new academic year with enthusiasm, zeal and determination. I am pleased to welcome you all for the International Conference on “Business Models in Banking and Finance – The Game Changer for Economic Growth and Development” being organized by Thakur College of Science & Commerce on 10th August 2019.

I hope that the conference serves as a locus for multi-disciplinary, a space for discourse and collaboration. I would like to express my appreciation to the organizing committee for their dedicated efforts to materialize the conference.

I hope that this conference would provide valuable, useful and informative ideas to the participant students, researchers and other experts. I also appreciate the efforts taken by all the researchers and wish them best of luck for their future success.

I convey my best wishes for the success of the event.

A handwritten signature in black ink, appearing to be 'N. Jha', with a stylized flourish at the end.

(Dr. Nishikant Jha)
Secretary, IAA Thane Chapter

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A STUDY ON CAUSES AND PREVENTION OF FRAUD IN BANKING INDUSTRY IN INDIA

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ABSTRACT

Banks are considered as necessary apparatus for the Indian economy. The Indian banking sector has been tremendously experienced significant growth and fluctuations since liberalization of economy in 1991. Banking industry is generally well regulated and supervised, the sector suffers from its own set of challenges when it comes to ethical practices, financial distress and corporate governance. Due to the nature of their daily activities of dealing with money, even after having such a supervised and well-regulated system it is very tempting for those who are either associated the system or outside to find faults in the system and to make personal gains by fraud. These frauds, unlike ordinary crimes, the amount misappropriated in these crimes runs into lakhs and crores of rupees. Bank fraud is a federal crime in many countries, defined as planning to obtain property or money from any federally insured financial institution. It is something considered a white-collar crime. This study endeavors to cover issues such as banking frauds and mounting credit card debt, with a detailed analysis using secondary data (literature review and case approach) as well as an interview-based approach, spanning across all players involved in reporting financial misconduct. The report touches upon the case of rising NPAs in the past few years across various scheduled commercial banks, especially public sector banks. The study finally proposes some recommendations to reduce future occurrence of frauds in Indian banking sector. The frauds may be primarily due to lack of adequate supervision of top management, faulty incentive mechanism in place for employees; collusion between the staff, corporate borrowers and third party agencies; weak regulatory system; lack of appropriate tools and technologies in place to detect early warning signals of a fraud; lack of awareness of bank employees and customers; and lack of coordination among different banks across India and abroad. The delays in legal procedures for reporting, and various loopholes in system have been considered some of the major reasons of frauds and NPAs. , To understand the concept of Bank Fraud, we need to understand the concept of fraud and the various types of frauds and the ways to detect the same and the prevention of the same.

Keywords: Non-performing assets, Stressed assets, Banking frauds

INTRODUCTION

Banking sector frauds have been in existence for centuries, with the earliest known frauds pertaining to insider trading, stock manipulation, accounting irregularity/ inflated assets etc. Over the years, frauds in the sector have become more sophisticated and have extended to technology-based services offered to customers. The Indian banking sector too is experiencing the pain due to increase in fraud incidents.

The banking industry is yet in its formative stage in India. No country whether developed or developing can afford to overlook the directions its banking institution live in their development especially when we consider the unique position of the industry in the pace and direction of economic growth of the nation. Basically, it is noted that fraud and loss are expected phenomenon of any business activity the scope and gravity are what create concern in the economy. The study identifies various forms and nature of bank fraud clearing fraud forgeries and falsification of account were the most common forms of fraud identified with banking institution in the economy respectively factors that facilitate fraudulent practices were also identified. These range from the socio-economic factors to weak internal control system. This in effect undermines the operation and performance of banks and could be disastrous if there are not curbed.

BACKGROUND OF THE STUDY

Fraud is a social evil it affects the entire sector of the economy which banking system is inclusive although fraud and loss is an expected part of any business activity the scope and gravity is what creates concern in a developing economy like ours. Fraud in banking sector is generally looked at as acts that involve the loss of asset through deceitful and dishonest means. It certainly constitutes one of the most serious threat to the practice and spread of banking in India fraud and forgeries involved professional crooks that are seek to enlist the support and co-operation of the dishonest members of the bank staff.¹ In pursuit of the objective of the study a systematic approach will be followed. The study is divided into four chapters. Chapter one takes a look at its introduction background of the study the statement of problems purpose objective of the study significance of study limitation of study and definition of terms chapter two deals with the literature review "general view" types of fraud causes of fraud element that facilitates fraud. chapter three concentrates on design and methodology sources of data location of data and tools of analysis chapter four comment on findings of the

effect and the recommendation against fraud action to be taken to ameliorate the harm done to the bank summary and conclusion will mark the end of their study.

STATEMENT OF PROBLEM

Generally speaking, professional fraud is new not just because it exposes the societies anemone and raise important questions of public interest which follows this Fraud is banks nearly leads to lose of money ordinarily belongs to someone other than the bank. In every bad condition where fraud occurs with crippling frequency and in wholesale sizes the bank may be forced to liquidate consequently and drastic reduction of patronage in the banking sectors. The effect of fraud equally dastards management policy to encompass cheek and control system which are by them costly to maintain. Bankers as a matter of urgency are expected to be very careful in the detection for costing and prevention of fraud to help cub and cushion the effect of the menace4.

REVIEW OF LITERATURE

According to Albrecht (1996), the symptoms of poor internal controls increase the likelihood of frauds. Internal control symptoms include a poor control environment, lack of segregation of duties, lack of physical safeguards, lack of independent checks, lack of proper authorizations, lack of proper documents and records, the overriding of existing controls, and an inadequate accounting system.

Calderon and Green (1994), made an analysis of actual cases of corporate fraud published in the Internal Auditor between 1986 and November 1990. They found that limited separation of duties, false documentation, and inadequate or nonexistent control account for 60 percent of the fraud cases. Moreover, the study found that professional and managerial employees were involved in 45 percent of the cases. They recommended the following:

- To deter fraud, internal auditors should ensure that strong prevention systems based on the fundamental principles of good internal control be established and used.
- To detect and investigate fraud, organizations must ensure the existence of strong internal audit departments with sufficient resources to pursue the increased responsibilities faced by internal auditors.

Bhasin (2007), examined the reasons for cheques frauds, the magnitude of frauds in Indian banks, and the manner, in which the expertise of internal auditors can be integrated, in order to detect and prevent frauds in banks. He emphasized that though the head of the branch holds the responsibility for ensuring adherence to prescribed systems and procedures, the bank's internal auditors also occupy a special position in the detection and prevention of frauds. In addition to considering the common types of fraud signals auditors can take several proactive steps to combat frauds. Checking frauds requires training, account screening, signature verification and information sharing with regulators and local authorities. One important challenge for banks, therefore, is the examination of new technology applications for control and security issues.

Ziegenfuss (1996), performed a study to determine the amount and type of fraud occurring in state and local government. The study revealed that the most frequently occurring types of fraud are misappropriation of assets, theft, false representation; and false invoice. The reasons for the increased fraud in state and local governments are poor management practice; economic pressure; weakened society values; people being not held responsible for their actions; and inadequate training for those responsible for fraud prevention/detection. The most often reported "red flags" are weaknesses in internal control; ignoring audit reports; inventory losses; non reliance on internal/external audit reports; not paying attention to employee comments; and actual expenses exceed those budgeted.

According to findings of Deloitte (2015), number and sophistication of frauds in banking sector have increased over the last two years. Around 93 percent of respondents suggested an increase in fraud incidents and more than half said that they had witnessed it in their own organizations. Retail banking was identified as the major contributor to fraud incidents, with many respondents saying that they had experienced close to 50 fraudulent incidents in the last 24 months and had lost, on an average of Rupees ten lakhs per fraud. In contrast, survey respondents indicated that the non-retail segment saw an average of 10 fraud incidents with an approximate loss of Rupees two crore per incident. Many respondents could not recover more than 25 percent of the loss.

OBJECTIVE OF THE STUDY

- To establish the cause of fraud and event that facilitates this act.
- To find out the various forms and nature of commercial fraud that provide the system.
- To keep the general public aware of the hazardous effects of fraud in the banking industry.

- To keep the management and its subordinate alert in a way to fight against fraud among back employee they are customer shareholders and the general public.
- To find possible solution and control means of fraud in the banking system in a bid to save the economy raise the profitability of bank and to save the image of banking sector.

SIGNIFICATION OF STUDY

The banking institution as an engine for economic development is specially designed to carry out contains duties which eventually benefits the following interest groups are

- Industrial sector • Agricultural sector • Individual customers • Government or public sector

INDUSTRIAL SECTOR: Industrial seek loan and advance form commercial bank to meet their business financial revilements. The bank accommodates them by providing permanent financial in the form of loans the working capital needs are met through bank overdraft facilities. The funds are however made available to loan seeker who met the lending condition laities of the banks.

AGRICULTURAL SECTOR: Development banks are needed to finance specific project particularly the types which private institution cannot easily be induced to finance specially when they are largely experimental in nether taking the high risk that surrounds the agriculturist into consideration such as gestation period nature disaster pest & disease.

INDIVIDUAL CUSTOMERS: Banks as custodian of high liquidity keeps safe the customers deposits which are payable on demand grants overdraft especially to current account holder discounts the customers commercial papas and pays their customers a sum entire in money as ordered by their debtor.

GOVERNMENT OR PUBLIC SECTOR: Bank is an avenue through which government controls the economic activities of the country through the use of C.B.N as the apex bank that implements the monetary policy measures on banks and other non-bank financial institution in the country

TERMS RELATED TO FRAUD

There are many different types of bank fraud. Some of the most common types of fraud tend to be check fraud, debit and credit card fraud, safe deposit box fraud, and ACH fraud, but there are many additional types of bank fraud both within and beyond these basic categories. Here's a closer look at some of the more unusual types/terms of bank fraud faced.

FRAUD: Generally, Bank fraud is the use of potentially illegal means to obtain money, assets, or other property owned or held by a financial institution, or to obtain money from depositors by fraudulently posing as a bank or other financial institution. In many instances, bank fraud is a criminal offence.

COROLLARY FRAUD: It is fraudulent act that involves no monetary assets like securities shares etc. with respect to individuals that have capital invest and desire to make money.

INTIMIDATION: The role of banks in the economy by channeling or mobilization of excess fund form surplus unit for viable investment.

MISREPRESENTATION: A misrepresentation is a false statement of a material fact made by one party which affects the other party's decision in agreeing to a contract. In another words, Unfruitful statement made by customers or employee either in writing or orally in orally to gain business advantage.

MACHINIST/ OPERATOR: a person who operates a machine, or any other automated ro unallocated machine in the bank.

FIDELITY

A statement of true fats in relation of the risk involved in the business venture. International Journal of Pure and Applied Mathematics Special Issue 3

CHEQUE KITTING

cheque kiting is a form of check fraud, involving taking advantage of the float to make use of non-existent funds in a checking or other bank account. In this way, instead of being used as a negotiable instrument, checks are misused as a form of unauthorized credit.

MONEY TRANSFER FRAUD

Money transfer services are means of moving financial resources to or from a bank to beneficiary account at any bank point worldwide. Some common means of money transfer are mail, telephone, over-the-counter,

electronic process and telex. Fraudulent money transfer may result from a request created solely for the purpose of committing a fraud or altered by changing the beneficiary's name or account number or changing the amount of the transfer.

CLEARING FRAUD

Most clearing frauds hinge on suppression of payment instrument so that at the expiration of the clearing period applicable to the instrument the collecting bank will give value as though the paying bank had confirmed the instrument good for payment. Clearing cheques can also be substituted to enable the fraudster divert the fund to a wrong beneficiary. Mis-routing of clearing cheques can also assist fraudsters to complete a clearing fraud. In other words, a local clearing item can be routed to an up-country branch. In the process of re-routing the instrument to the proper branch, the delay entailed will give the collecting bank the impression that the paying bank had paid the instrument.

COMPUTER FRAUD

The rapid development in information technology and globalization has had serious impact on banking practice in the country. Those factors are expected to continue to drive the way banking businesses are conducted in the country as more and more banks move to automate their back office and client's services. Also, with the advent of the Internet, E-commerce, E-banking, etc., it is no longer news that somebody could stay in the comfort of his home and move millions around the globe.

ATM FRAUD: ATM fraud includes everything from reprogramming the machine to installing a skimmer to steal card details. However, it can also include making fraudulent deposits by depositing empty envelopes — an envelope-free ATM is usually the easiest way to avoid that.

BILL DISCOUNTING FRAUD

Although this type of bank fraud is relatively rare, you should still understand the risk. Generally, with bill discounting fraud, the fraudster opens a business account at the bank. Then, the "business owner" convinces the bank to start collecting bills from the business's clients. The so-called clients are part of the scam, so they always pay the bills. After a while, the financial institution gets lulled into a false sense of security about this customer. Eventually, the customer asks the bank to credit the bills in advance. When the bank does that, the fraudster takes all the money and runs, and the bank never gets those funds back.

DEMAND DRAFT FRAUD

Like rogue trading, demand draft fraud happens internally. One of the bankers simply generates a demand draft payable at another branch or even at another bank. Then, they leverage what they know about the system to avoid detection, they cash the demand draft, and they keep the funds.

ACCOUNTING FRAUD

Accounting fraud primarily affects business lending. Businesses who commit accounting fraud "cook the books" so they look more profitable on paper than they really are. Based on these fraudulent statements, banks grant loans to these businesses, but ultimately, because the businesses are insolvent, they can't repay the loans. Then, the banks get left with a loss. The classic example is the Enron scandal.

UNKNOWN/INSIDERS FRAUD This involves a collaboration of bank staff and outsiders for the purpose of defrauding the bank. For bank's outsider fraud to succeed, more often than not, there must be an insider who is providing information and other logistic support to the outsiders.²

CONCLUSION

Fraud is not a subject that any bank wants to deal with, the reality is that most organizations experience fraud to some degree. It should be recognized that the dynamics of any organization (why only bank) requires an ongoing reassessment of fraud exposures and responses in light of the changing environment an organization encounter. Especially given the unrelenting pace of regulatory change within the banking sector, these stricter regulatory requirements are demanding more attention from management, affecting the profitability of different lines of business, and increasing costs of compliance.

- The frauds may be primarily due to lack of adequate supervision of top management, faulty incentive mechanism in place for employees, collusion between the staff, corporate borrowers and third party agencies, weak regulatory system, lack of appropriate tools and technologies in place to detect early warning signals of a fraud, lack of awareness of bank employees and customers; and lack of coordination among different banks across India and abroad.

- The minds of officers cannot be read during the time of recruitment. Mindset of some private and some public sector bank employees shall be to intentionally defraud the organization. What the organisations can do is to establish and recheck systems which shall raise the timely alert on deviations.
- Online banking is the new trend and it is here to stay. Banks must realize that the customers who use online banking services is a very powerful group capable of launching scathing attacks using the social media, which can irreparably tarnish the reputation of banks. Banks would need to constantly monitor the typology of the fraudulent activities in such transactions and regularly review and update the existing security features to prevent easy manipulation by hackers, skimmers, phishes, etc. Banks have traditionally planned for resilience against physical attacks and natural disasters; cyber resilience can be treated in the same way. Banks should consider their overall cyber resilience capabilities across several dimensions.
- Society and media should demand stringent action against the perpetrators of financial frauds.
- As new regulations such as the Companies Act, 2013, place greater emphasis on the presence of a vigil mechanism to mitigate fraud risks, banks must ensure that their employees are aware of their organization's whistleblower policy and should socially ostracize them. They could be borrowers, lenders, staff or any other stakeholder in the scheme of frauds.

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AN EMPIRICAL STUDY ON ROLE OF FOREIGN INSTITUTIONAL INVESTORS AND ITS IMPACT ON INDIAN STOCK MARKET

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ABSTRACT

A foreign institutional investor (FII) is an investor or investment fund registered in a country outside of the one in which it is investing. Institutional investors most notably include hedge funds, insurance companies, pension funds, and mutual funds. The term is used most commonly in India and refers to outside companies investing in the financial markets of India.

Countries with the highest volume of foreign institutional investments are those that have developing economies. These types of economies provide investors with higher growth potential than in mature economies. Therefore, these investors are most commonly found in India, all of which must register with the Securities and Exchange Board of India to participate in the market.

This study intends to evaluate the trends and patterns of FII inflows into India. It also studies the relationship between the selected macroeconomic variables and the FII inflows of India. Period of the study restricted and bounded for 6 Years which start from January 2009 to December 2014 as it gives initiative regarding impact in both the bullish and bearish trend. Favourable measures should be taken by the policy makers to improve these variables under study which will result in increased foreign institutional investment inflows.

INTRODUCTION

Foreign investment refers to the investments made by the residents of a country in the financial assets and production process of another country. The foreign investment is necessary for all developing nations as well as developed nations, but the reasons and the importance may differ from country to country. The developing economies need these foreign investments for boosting up the entire development of the nation and for more intensive economic growth. The developed economies need foreign investments to support sustainable development.

India is one of the fastest growing economies since last few years and it has witnessed a large amount of foreign investment in various sectors. The government has formulated its policy aiming towards attracting more and more funds considering the domestic business concerns simultaneously.

According to SEBI "Foreign Institutional Investor" means an institution established or incorporated outside India, registered under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995; which proposes to make investment in India in securities.

Since 1992, foreign institutional investors have been allowed to invest in all the securities traded on the new issue market and stock exchanges in India. Foreign Institutional Investors (FII) has initiated active participation in Indian stock market from 1997 and time to time their dominance has been increased.

In Indian markets, FII are perceived to be very large and sophisticated investors with very high impact on stock market returns. Many investors and market participants tend to make their stock market strategy based on investment pattern of FII and base their stock market analysis on their perception about factors considered by FII in their investment decision. Therefore, this paper aims to study the behaviour of FII investment in India. Study of determinants of FII investment may help to understand their behaviour in better way.

LITERATURE REVIEW

1. **Manjinder Kaur Sharanjit S. Dhillon (2010), "Determinants of Foreign Institutional Investors' Investment in India"**, the study aims at exploring the determinants of Foreign Institutional Investors' (FIIs) investment in India. Results reveal that the returns on Indian stock market have positive impact whereas US stock market returns have no significant influence on FIIs investment to India. Stock market risk has negative influence on FIIs inflows to India. Market capitalization and stock market turnover of India have significant positive influence only in short-run. Among macroeconomic determinants, economic growth of India has positive impact on FII investment both in long-run and short run. But all other macroeconomic factors have significant influence only in long-run like inflation in US has positive influence whereas inflation in India has negative influence on FIIs investment. Further, US interest rate has adverse impact on FIIs investment while liberalization policies of India exhibited significant contribution to FIIs inflows.

2. **Srinivasan P, Kalaivani M (2013), “Determinants of Foreign Institutional Investment in India: An Empirical Analysis”**, the intention of the researchers is to explore the determinants of foreign institutional investments in India. Moreover, the Indian equity market returns has negative short-run and positive long-run effects on FII inflows to India. This confirms the evidence of positive and negative feedback trading hypothesis in the short-run and long-run, respectively. The US equity market returns has positive and significant influence on FII flows in the long-run but positive and insignificant influence on FII flows in the short-run. It is concluded that FII inflows to India are essentially determined by exchange rate, domestic inflation, domestic equity market returns, returns and risk associated with US equity market.
3. **Gordon and Gupta (2003)** found causation running from FII inflows to return in BSE. They observed that FII act as market makers and book profits by investing when prices are low and selling when they are high. Hence, there are contradictory findings by various researchers regarding the causal relationship between FII net inflows and stock market capitalization and returns of BSE/ NSE. Therefore, there is a need to investigate whether FII are the cause or effect of stock market fluctuations in India.
4. **P. K. Prasanna (2008)** examined the relationship between foreign institutional investment and firm specific characteristics in terms of ownership structure, financial performance and stock performance. He observed that foreign investors invested more in companies with a higher volume of shares owned by the public. Among the financial performance variables, the share returns and earnings per share are significant factors influencing their investment decision.
5. **Stanley Morgan (2002)** has examined that FIIs have compete an awfully vital role in increase India's foreign exchange reserves, that have enabled a bunch of economic reforms. The study notes that FII powerfully influence short term market movements throughout bear markets. However, the correlation between returns and flows reduces throughout bull markets as alternative market participants raise their involvement reducing the influences of FIIs. The study shows that the correlation between foreign inflows and market returns is high throughout bear and weakens with strengthening equity costs because of augmented participation by alternative players.

OBJECTIVE OF THE STUDY

1. To study the trend and pattern of Foreign Institutional Investment inflows into India.
2. To study perception of Indian investors towards impact of Foreign Institutional Investors (FII) on Indian Stock Market
3. To find the relationship between the FIIs equity investment and Stock Market price of BSE SENSEX companies.
4. To analyse the impact of FIIs equity investment on BSE SENSEX Companies.

RESEARCH METHODOLOGY

Research methodology is the conceptual structure within research is conducted. It constitutes the blueprint for the collection measurement and analysis of the data. The present research study has used the following research methodology.

- Research problem and Research title.
- Research design
- Variables of the Study
- Sampling design
- Sampling technique
- Data collection method

➤ Research Problem

This research studies have revealed the relationship between FIIs investments and stock index of Bombay Stock Exchange. Major 30 companies of BSE were selected to further observe the effect of FII on SENSEX. There may be many other such factors on which a stock index may depend i.e. Government policies, budgets, bullion market, inflation, economic and political condition of the country, FDI, Re./Dollar exchange rate etc. But for this study we have selected only one independent variable i.e. FII.

➤ Research Title

This research study has the following title:

“AN EMPIRICAL STUDY ON ROLE OF FOREIGN INSTITUTIONAL INVESTORS AND ITS IMPACT ON INDIAN STOCK MARKET.”

➤ Research Design**A) Null Hypothesis (Ho):**

There would be no significant difference in FII flow in India, reference to stock market price of BSE SENSEX companies during the period of study.

B) Alternate Hypothesis (H1)

There would be significant difference in FII flow in India, reference to stock market price of BSE SENSEX companies during the period of study.

➤ Variables of the Study

In the present study research study following variables were used,

1. Dependent Variables

Dependent variables are Bombay Stock Exchange and BSE SENSEX companies. These BSE SENSEX companies employed as dependent variables to come across causes of volatility attributable to FIIs investment in BSE.

2. Independent Variables

FIIs investments consider as independent variables to find significance relationship for performance of dependent variables BSE SENSEX companies. Foreign Institutional Investors’ investments are volatile in nature, and they invest their fund in growing markets.

➤ Sampling Design and Technique

As this research study revolves around the foreign institutional investment and Bombay Stock Exchange, so that the sampling unit is limited to only the Bombay Stock Exchange.

Convenient Sampling: Study conducted based on availability of the Data and requirement of the research thesis. Study has required the events that have impact on the Bombay Stock Exchange Companies.

FACTORS AFFECTING/DETERMINANTS OF FII INVESTMENT

- 1) Risk: - Whenever risk in domestic market will increase, the foreign investors would begin to tug out their money to their home country thereby making a deficiency of funds in domestic market, thus to draw in the foreign investment domestic rate would increase there by to confirm that the on top of equality is remodelled.
- 2) Interest Rates: For the business, value of borrowing raises this includes a negative result on their profit margins. As a result, they may even delay any investment activity which can be funded by borrowing to later amount once the interest rates square measure lower so on scale back their investment prices. Over the past year run battled in has multiplied the repo rate, reverse repo rate, CRR and SLR.
- 3) Each has additional or less direct relationship; the rationale is amendment in capital account. Once interest rates were high in India was attracting ton of investments that the credit balance was high for that amount. It unbroken on increasing kind 2003-04 to 2007-08 and interest rates conjointly unbroken on increasing from 2003-04 to 2007-08. Besides their square measure varied different factors like rules and regulation, taxation, govt. policies etc. Impact of FII on Economic Indicators in India FII flow affects the economy of country.
- 4) Balance of Payment: An Investment of FII positive swing in invisibles (due to extend in package exports and remittances sent by Indians operating abroad) and increase in investments (both FDI and FII), has been up the Balance of Payment (BOP) of the Indian economy and increasing the demand of rupee within the international currency market. See able of this the run battled in had been following a policy of shopping for bucks (by merchandising rupee) within the international market, thereby avoiding associate degree appreciation of rupee viz-a-viz the dollar.
- 5) Currency Fluctuation: FIIs convert bucks to Rupees to take a position in Indian Markets- FII money comes in India at high dollar rates. FII money would withdraw once dollar dips to low values. Thereby the new language for this FII bucks let is sensible money that finds extra money.

- 6) Inflation: vast amounts of FII fund influx into the country creates plenty of demand for rupee, and therefore the rupee pumps the quantity of Rupee within the market because of demand created, this case results in excess liquidity thereby resulting in inflation wherever an excessive amount of money chases too few merchandises.



Fig: FII Investments Activity in India from 2000-2015

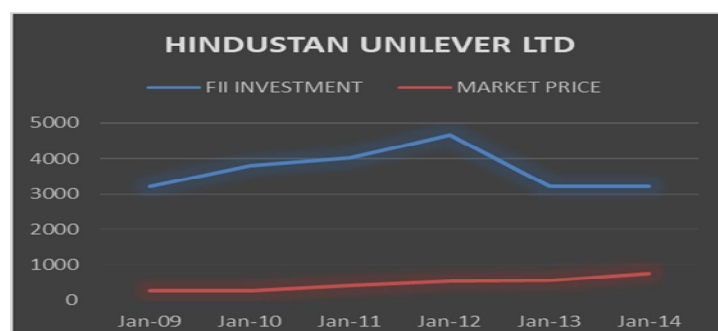
Trends Analysis of FIIs Investments and BSE Sensex Companies



Sources: www.bseindia.com



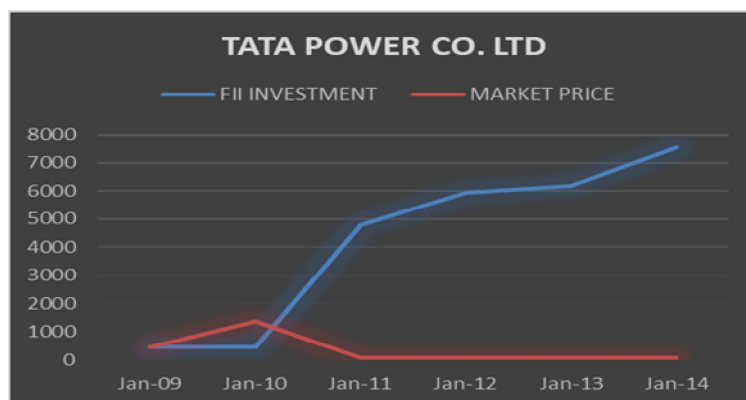
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Sources: www.bseindia.com



Sources: www.bseindia.com

SUMMARY ANALYSIS

From the Statistics and analysis, the following result has been obtained: -

Null Hypothesis i.e. there would be no significant difference in FII flow, reference to stock Market Price of BSE Sensex companies during the period of 2009 to 2014 has been rejected in the following companies. ACC Ltd, Tata Power Ltd, Wipro LTD.

While in the following companies Null Hypothesis i.e. there would be no significant difference in FII flow, reference to stock Market Price of BSE SENSEX companies during the period of 2009 to 2014 has been accepted. Hindustan Unilever Ltd, Larsen & Toubro Ltd, Reliance Communication Ltd.

SUGGESTIONS

1. Exchange rate of INR is found to influence the FII inflows, therefore the policy makers should bring about policy changes to appreciate the INR which will lead to increased FII inflows.
2. The FII inflows into India are very inconsistent and this will affect the Indian economy, therefore factors influencing the FII inflows must be kept in mind and measures should be taken to curb the volatility in the FII inflows.

3. Government of India should increase its foreign exchange reserves to build confidence and attract more foreign institutional investors investing in India.
4. The policy makers should consider improving the index of industrial production by providing incentives and attractive benefits for the lacking industries in the economy because IIP has a bearing on the foreign capital inflows.
5. The volatility of Indian stock markets will affect the investors' returns and confidence as a result the capital formation will be affected. Therefore, the government must take measures to accelerate the indices of stock exchanges.
6. The government should be prudent while pursuing policies and it should exercise stringent control over inefficient bureaucracy, red-tapism, and the widespread corruption, so that India can gain the investor's confidence and attract more foreign capital inflows to India.

CONCLUSION

From the research study, it can be concluded that FIIs has not significant impact on Sensex. The null hypothesis of research study has been accepted more in the research carried by Researcher. Researcher has examined that there is a proportionate effect of FIIs Investment on BSE Sensex Companies that means there would be no significant difference in FII flow in India during the period of study. There would be no significant relationship in BSE Sensex Companies market price and FII flow during the period of study. The Regression Residual Model, F-test and T-test statistics have been used to measure effect between FII Investment and Sensex Companies performance. Points are concluded by regression analysis model that there is no significant relationship exists between FII Investment and Sensex. T- Test has given adequate idea regarding an effect of FIIs Investments, which provides that FIIs Investments do not have any Impact on volatility or market price of Companies. 333 Such result would more proper if the data is taken for week basis which gives clear picture regarding FII Investment and Sensex relation. There are many other factors are affecting BSE Sensex other than FII Investment. No doubt inflow of foreign capital brings foreign currency (\$) into the country which contributes towards increase in wealth of shareholder but large portion of capital in stock market comes through domestic route. Thus, it is important for the country to encourage the investment with in the country along with the foreign investment because FII look for income if the economy grows they entered into the stock market of the concerned economy but exit from the market in the same speed as they entered. Also, global and domestic activities are responsible for change in the FII investment pattern.

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**A STUDY ON FINANCIAL PERFORMANCE OF INDIAN PHARMACEUTICAL COMPANIES
WITH REFERENCE TO CIPLA, AUROBINDO AND DR. REDDY LABORATORIES**

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ABSTRACT

The field of equity research is very vast, and one has to look into various aspects of the functioning of the corporate to urge to any conclusion concerning the doable performance of the corporate within the market. Investors like warren buffet created a fortune out of investments within the stock exchange, which is quiet impossible without proper research about the companies. The field of equity analysis is choked with challenges. It is your door to fame, fortune and, above all, professional challenge.

The impact of the annual performance on the value of the companies' shares continues to be a very important analysis issue in finance. Some firms take pleasure in the high ratio of earnings to magnitude, however the value of the shares shows negligible movements. Conversely, some firms show abnormal worth movement despite traditional performance. Investors ought to think about whether or not the company's share may be a sensible worth, it is not always that the stock should always be purchased of good performance of companies and sold on bad performance. Financial statements are an important source of information for the evaluating the performance and prospects of a firm. Financial analysis may be done for many purposes which may range from a single analysis of a short-term liquidity portion of the firm to comprehensive assignment of strengths and the weakness of the firm in varied areas. Researcher has gathered the data from published financial statements of three pharmaceutical company and had tries to get insights of the data with the help of ratio analysis tool.

Keywords: Ratio analysis, Equity, Financial Performance

A. INTRODUCTION

The Pharmaceutical industry which is one of the unique industries in terms of the working and the operations. But in the recent years there have be tremendous fluctuation in this sector in terms of share market.

In recent years there has been tremendous progress in the terms of development technology and the production. It is the third largest industry in terms of volume and revenue.

The prescription drugs business is one among the core industries in India and is posting smart sates from last few years. Pharmaceutical industry which is the part of healthcare sector are the top most players in the health sector. The investment in shares and development of pharmaceutical companies seems to be in profit.

Investment refers to the method of putting our savings for the returns which includes time value of money. This money or money's worth is the excess after expenditure, i.e., savings. It is chiefly exhausted order to confirm safety and additionally protection against inflation. Investment in numerous styles of assets is a noteworthy activity that draws individuals from all walks of life regardless of their occupation, economic status, education and family background. Since in the stocks the returns are potentially bigger and they have a history of being a wise way to invest our money.

Investment in securities is profitable as well as exciting. It is so gratifying, but involves great deal of risk and calls for scientific knowledge (Fundamental) as well as artistic (Technical) skill. In such investments, both rational and emotional responses are involved.

Investment in financial securities is one of the riskiest as well as best avenues of investment. Investors have an excessiveness of choices accessible to them starting from mutual funds, equities to fixed income instruments like bonds and bank deposits. Choosing the proper one depends upon the risks and come characteristics of the securities. So, before creating investments associate degree capitalist ought to analyse the danger and come related to the actual investment and the way well it's activity. Risk is always and it can be reduced by analysis and security analysis gain a lot of importance beneath these circumstances. In order to understand the optimum portfolio in which the investment is to be made in pharma sector, there are many important issues to be analysed. Which helps for decision taking for the investors and also helps to predict the trend of the particular stock.

INDIA AND PHARMACEUTICAL INDUSTRY

India does have quite a few advantages, but the pharmaceutical industry needs a proper marketing strategy to be put in place before banking on the government for concessions.

The advantages India has been

- Cost – effective chemical synthesis: Implementation of value engineering in chemical synthesis of various drug molecules drastically improves cost benefit. Fast development track record
- Provides bulk drugs: Provides a vast variety of bulk drugs and enhances exports of sophisticated bulk drugs.
- Competent workforce: India has a pool of easily available professional expertise with high managerial and technical competence and these professionals are proficient in English and other international languages, which facilitates international trading.
- Legal and financial framework: A successful 60-year-old democracy of India supports a strong legal framework and financial markets. Established international industry and business community also provide development framework.
- Globalization: India has a free market economy and supports globalization.
- Consolidation: India is now generating great opportunities from international pharmaceutical industries.

B. OBJECTIVES OF THE STUDY

The study has conducted with the following objectives:

- To Study the equity analysis and obtain the knowledge of equity market.
- To understand the concept of investing in equity shares.
- To analyze the performance of Cipla, Aurobindo Pharma and Dr. Reddy Labs through

C. REVIEW OF LITERATURE

(Pathak, 2017): This study stated a fundamental comparative analysis of ratios of sun pharma, Auropharma, Ranbaxy, lupin and Cipla. It indicates that return on net worth was good for these companies. Fundamental analysis indicated that investing for a long term in pharma sector gives the idea to invest in company which gives high return. It shows the all financial analysis, ration analysis to analyse the companies before investing in that, it imply the risk capital

(Grego, 2017) By today, in our business setting, mostly based on innovation, the potential opportunities in the pharmaceutical sector and impact of these to the national economic trends has a determining significance. National and international importance of the pharmaceutical trade outlined by not solely the outstanding role of application of the organic chemistry tutorial analysis, but the humanitarian concerns which increasingly appreciating in the global context.

(Gupta, 2016) Promotion of Healthcare Services In recent years, the healthcare sector has become very competitive and is changing rapidly. The rise of the patient as a shopper, the introduction of innovative technologies and a new breed of entrepreneurial managers are the main factors behind this industrial metamorphosis. Today's healthcare market has become consumer driven. Patients are higher up on and that they recognize additional regarding health and medical services. It is against this background that the author has developed this book.

(A.S, 2013) Explanations of fundamental analysis and technical analysis are the two main approaches to security analysis. Fundamental analysis examines the business environment, industry performance and company performance before making an investment decision. At the corporate level, fundamental analysis can examine financial data, management, business concept and competition. At the industry level, there may be an examination of the supply and demand forces of products. Technical analysis, the price of a stock depends on the supply and demand in the market. It has little correlation with intrinsic value. The technician tries to capture changes in trends and take advantage of them.

(Dodd, 2012) The origin of the elementary analysis for the evaluation of the value of the stock goes back to Graham and Dodd (2012) during which the authors supported the importance of the basic factors in the valuation of the share price. In theory, the value of a company, therefore, its share price, is the sum of the current value of future cash flows discounted by the discount rate appropriate to the risk.

D. RESEARCH METHODOLOGY

Types of Research Design

Explanatory research design is used by the researcher to understand financial performance of the top players from the pharmaceutical industry with help of various ratio analysis .

Sources of Data

The source of data used in the research is secondary data since the data is taken from secondary or published sources i.e. Company's website, Software and Financial Books. The required data is collected from the company sites past available annual report i.e. Balance sheet and P&L statement prospectus and transcript.

Sample Size

Sample size used is of five financial years of the selected pharmaceutical companies

E. Analysis and interpretation

Financial analysis is the method of finding or identifying the financial strength of the company. It has become one of the main instruments used.

RATIO ANALYSIS

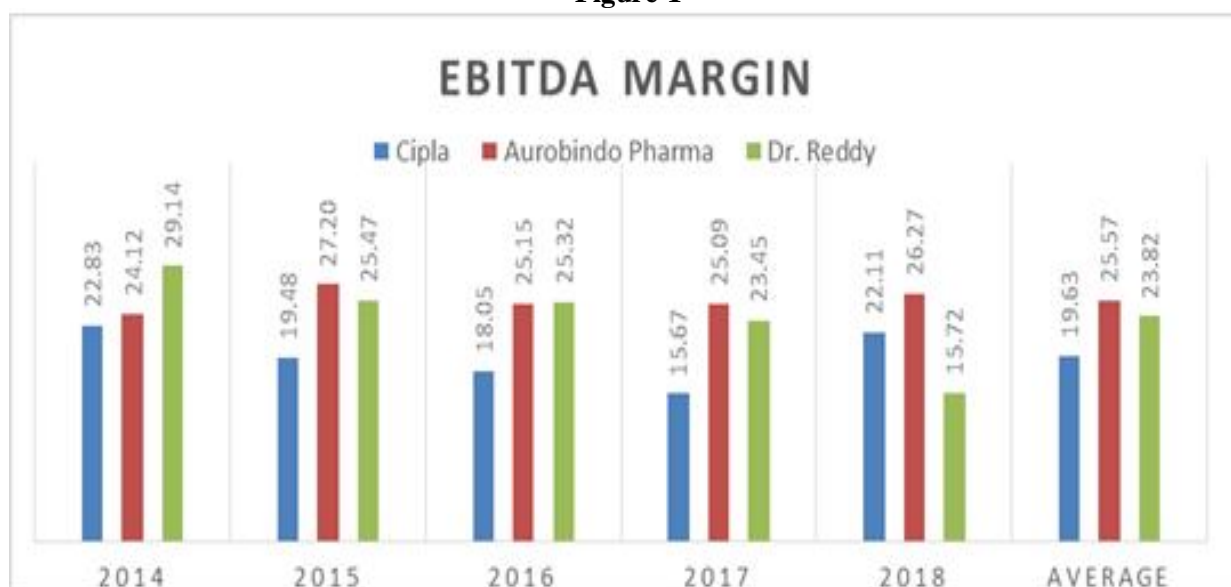
Profitability ratios

It is the category of ratios which helps to find the profit generation of the company.

EBITDA Margin: Earnings before Interest, Taxes, Depreciation and Amortization. This ratio is used to identify the profit from the operations and direct cost.

$$\text{EBITDA Margin} = \text{EBITDA} / \text{Net Sales}$$

Figure-1



From the data above EBITDA Cipla is 19.63%, Aurobindo 25.57% and Dr. Reddy 23.82%. From the last 5 years data it can be concluded that Aurobindo has highest EBITDA Margin.

PAT Margin: This ratio helps to identify how much business is generated by the company using all means.

$$\text{PAT Margin} = \text{PAT} / \text{Net Sales}$$

Table-1

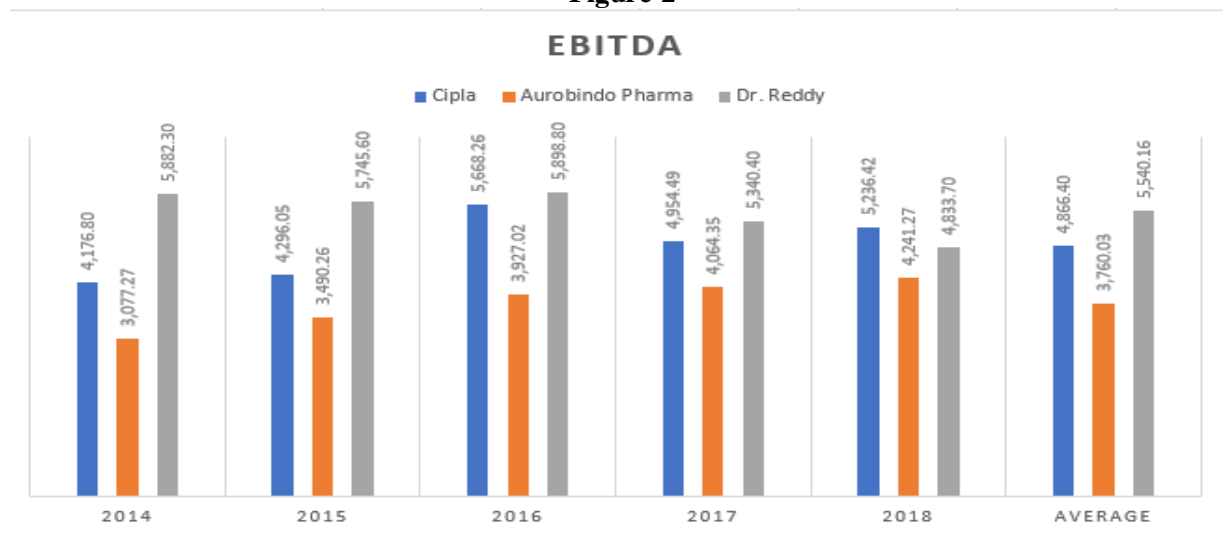
PAT Margin						
	2014	2015	2016	2017	2018	Average
Cipla	14.80	11.66	12.07	9.05	12.89	12.09
Aurobindo Pharma	16.48	18.73	17.75	17.77	17.65	17.68
Dr. Reddy	19.87	16.78	13.27	14.24	6.06	14.04

From the above graph it's found that Cipla has 12.09% Aurobindo has 17.68% and Dr. Reddy has 14.04%. From the above data it is found that Aurobindo has highest PAT margin.

EBITDA: Earnings before Interest, Taxes, Depreciation and Amortization. It stated the company's Operating performance.

$$\text{EBITDA} = \text{Net Sales} - \text{Direct Cost}$$

Figure-2



From the above graph it's found that Cipla has 4866.40 Aurobindo has 3760.03 and Dr. Reddy has 5540.16 . From the above data it is found that Dr. Reddy has highest EBITDA.

ROCE : Return on capital employed it measures the efficiency of the company to generate profits from the capital employed.

Return of capital employed = Net Operating Profit/ Total asset- Current Liabilities

Table-2

Return on capital employed						
	2014	2015	2016	2017	2018	Average
Cipla	48.90	28.04	39.77	37.91	63.02	43.53
Aurobindo Pharma	20.73	25.21	21.61	28.49	24.74	24.15
Dr. Reddy	31.29	23.02	21.42	21.45	8.84	21.21

From the above graph it's found that Cipla has 43.53% Aurobindo has 24.15% and Dr. Reddy has 21.21%. From the above data it is found that CIPLA has highest ROCE.

Return on Asset: It measures the net income produced by all asset in the specific period.

Return of asset= Net income/ Average Total asset.

Table 3

Return on Asset						
	2014	2015	2016	2017	2018	Average
Cipla	11.88	8.78	10.62	6.60	8.82	9.34
Aurobindo Pharma	10.62	16.30	14.86	13.60	11.95	13.46
Dr. Reddy	14.00	10.70	8.24	8.81	3.75	9.10

From the above graph it's found that Cipla has 9.34% Aurobindo has 13.46% and Dr. Reddy has 9.10%. From the above data it is found that Aurobindo has highest ROA.

Return on Sales: This ratio helps to identify company's operational ratio. It states that how much profit is produced per unit of sales. This ratio is divided into two parts Gross Profit Margin and Operating Profit Margin.

Gross Profit Margin: It states the amount of money left in the company from sales by deducting COGS.

Gross Profit Margin= Net sales-COGS/ Net sales

Table 4

Gross Profit Margin						
	2014	2015	2016	2017	2018	Average
Cipla	44.53	42.40	46.78	46.01	45.97	45.14
Aurobindo Pharma	43.28	43.12	42.84	42.31	41.30	42.57
Dr. Reddy	60.47	57.39	57.79	54.94	51.65	56.45

From the above graph it's found that Cipla has 45.14% Aurobindo has 42.57% and Dr. Reddy has 56.45%. From the above data it is found that Dr. Reddy has highest Gross Profit Margin.

Interest coverage ratio: It is the profitability ratio which helps to determine that weather the company can pay the interest of the debt. This ratio is used to determine the risk factor of the company relative to its current debt or future borrowing.

Interest coverage ratio= PBIT+ Finance cost/ Finance cost

Table 5

Interest Coverage Ratios						
	2014	2015	2016	2017	2018	Average
Cipla	1691.48	1404.92	1597.9	1148.74	1978.02	1564.21
Aurobindo Pharma	1241.47	1825.64	1813.82	2080.11	2291.05	1850.42
Dr. Reddy	2377.1	1997.1	1873.1	1488.3	635.2	1674.16

From the above graph it's found that Cipla has 1564.2 Aurobindo has 1850.41 and Dr. Reddy has 1674.16 From the above data it is found that Aurobindo has highest Interest coverage Ratio.

F. CONCLUSION

The main purpose is to identify the basic statics of the company and predict the future behavior of the stock market. Ratio analysis helps the investor to analyze the company while buying or investing in that particular share. It tells about the financial health of the company. Also tells about the company reserve and surplus, Debt, profit on asset, liquidity ratios , profitability ratios, share capital, current assets, inventory , trade payable and trade receivable. It gives the knowledge to analyze any firm even if company is not listed. From this project I have come to know the analysis of financial statements of Dr. Reddy, Cipla, Aurobindo.

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TO STUDY THE LEVEL OF AWARENESS OF GREEN BANKING AMONG BANKING CUSTOMERS AND PUBLIC IN GENERAL

Akash Manoj SinghThakur College of Science and Commerce

INTRODUCTION

A Green Bank (sometimes referred to as green investment bank, clean energy finance authority, or clean energy finance corporation is a financial institution, typically public or quasi-public, that uses innovative financing techniques and market development tools in partnership with the private sector to accelerate deployment of clean energy technologies.¹ Green banks use public funds to leverage private investment in clean energy technologies that, despite being commercially viable, have struggled to establish a widespread presence in consumer markets. Green banks seek to reduce energy costs for ratepayers, stimulate private sector investment and economic activity, and expedite the transition to a low-carbon economy.

Green banking refers to the banking business managed in such a manner that helps for overall reduction of external carbon emission and internal carbon footprint. It is also called as an 'Ethical Bank' or a 'Sustainable Bank' and they are controlled by the same authorities but with an additional agenda toward taking care of the Earth's environment/ habitats/ resources. Its purpose is to perform banking activities but with an additional plan towards taking care of earth's ecology, environment, and natural resources including biodiversity.

GREEN BANKING PRODUCTS

- Online Banking
- Mobile Banking
- Green Saving Account
- Green loan
- Green Mortgage
- Use Green Credit Card

REVIEW OF LITERATURE

- According to **Pravakar Sahoo and Bihoo Prasad Nayak** (2008) there has not been much initiative in this regard by the banks and other financial institutions in India though they play an active role in India's emerging economy, so it is suggested to initiate to promote green banking in India.
- **Ravi Meena** (2013) covered the various aspects of green banking such as benefits of green banking, methods adopting green banking, initiatives taken by Indian banks and finally make suggestions for banks to encourage green banking.
- **D. Kandavel** (2013) reviewed the banks those are successfully implementing green banking practices. Green banking in rural branches, financing for green projects, organizing seminars, green loans etc. Some of the suggestions are given by the Researcher.
- **Saleena T. A.** (2014) compared green banking initiatives by SBI and ICICI bank also emphasize on opportunities and challenges of green banking in India and (**Jaggi Geetika**) (2014) evaluated the green banking initiatives taken by SBI and ICICI bank.

OBJECTIVES

- To study the importance of green banking for banks and economy.
- To understand the use of Green Banking Products in banking sector
- To check the level of awareness about green banking among banking customers and public.
- To create awareness about green banking among the general public and consumers and bank employees.

RESEARCH METHODOLOGY

The research methodology used in this research is through use of both primary and secondary data collection method.

Primary data was collected by preparing the questionnaire through Google forms and it was circulated to the respondents through social media platforms and Secondary data was collected from various published sources like reports, articles, magazines, journals, internet by surfing on multiple sites.

ANNEXURE-QUESTIONNAIRE

Q1- Are you aware about the concept of Green Banking/Sustainable Banking?

A) Yes B) No C) May Be

Q2- Do you think bank should adopt Green Banking as a business model for Sustainable Banking?

A) Yes B) No C) May Be

Q3- According to you, should the bank shift its motive from "Profit" to "Planet, People and Profit"?

A) Yes B) No C) May Be

Q4-Do you think adopting green banking technique will be Eco-Friendly?

A) Yes B) No C) May Be

Q5- Are you aware about any Green Banking Products?

A) Yes B) No C) May Be

Q6- According to you, should the green banking financial products like "Green Mortgage." and "Green Loans" be promoted?

A) Yes B) No C) May Be

Q7- As a CSR activity of a bank can green banking form a part of it?

A) Yes B) No C) May Be

Q8- Do you think banks must reward its customers who carry out their transactions in an Eco-friendly manner?

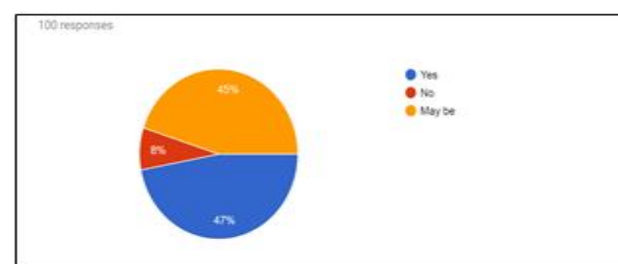
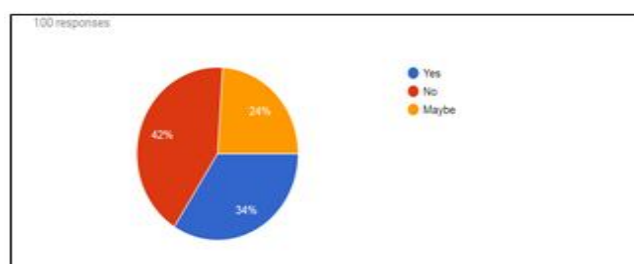
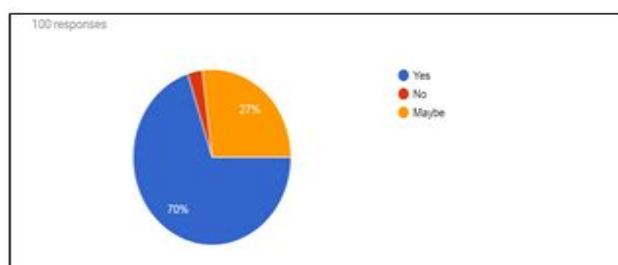
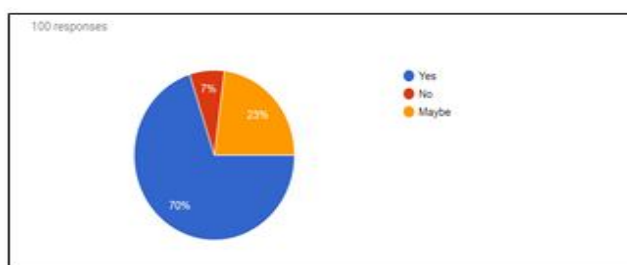
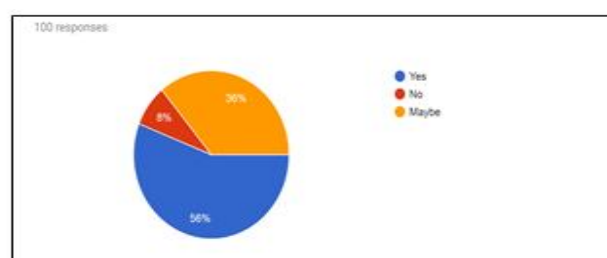
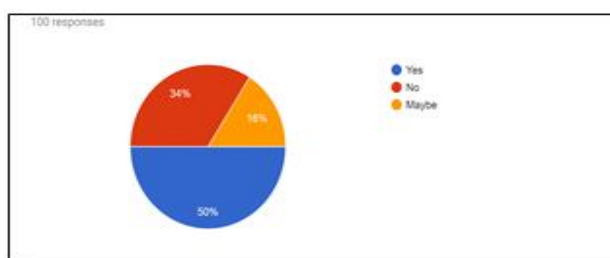
A) Yes B) No C) May Be

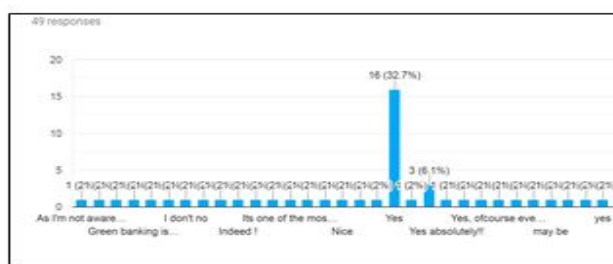
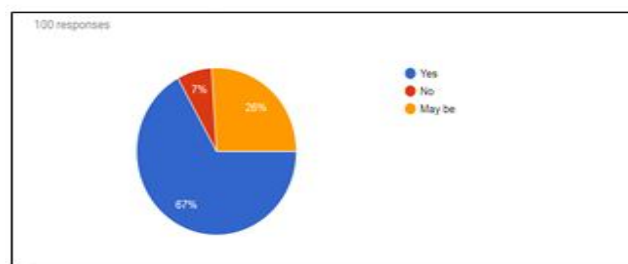
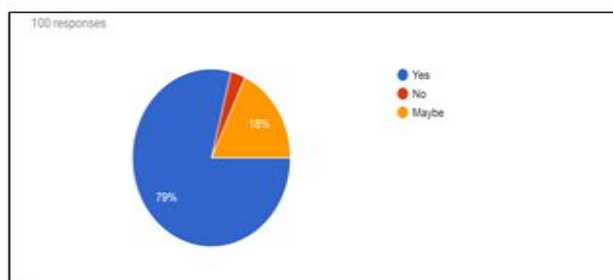
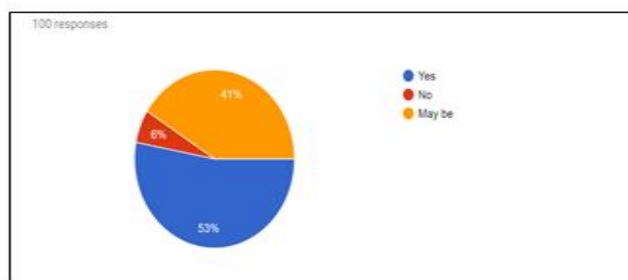
Q9- Is there a requirement of framing strict rules and regulations by RBI to promote Green Banking?

A) Yes B) No C) May Be

Q10- Is practice of green banking an important aspect of today's world?

DATA ANALYSIS





INTERPRETATION

1. We observed that 50 respondents selected the option “Yes”, 34 selected “No” and 16 opted for “May be” when asked about whether they are aware about the concept of Green Banking.
2. The second question put forth was to understand whether the banks should adopt Green Banking as a business model for sustainable banking and 56% choose the option “Yes”, 8% selected “No” and 36% choose the option “May be”.
3. We analyzed that majority of the respondents i.e. 70% agreed that banks should shift their motive of making profit with Planet, People and Profit whereas 7% choose the option “No” and 23% selected the option “May Be”.
4. 70% selected “Yes”, 3% went with “No” and 27% opted for “May be”, when asked about whether adopting Green Banking technique is Eco-Friendly.
5. We analyzed that 34 respondents selected “Yes”, “42” selected No and 24 choose the option May be when checked their awareness regarding the Green Banking Products
6. The sixth question gave the following responses; 47% for “Yes”, 8% for “No” and 45% for “May be” which was regarding the promotion of Green Banking financial products like Green loan and Green Mortgage.
7. We observed that 53 respondents selected the option “Yes”, 6 selected “No” and 41 opted for “May be” when asked about whether Green Banking can form a part of banks as a CSR activity.
8. The eighth question put forth was to understand whether the banks should reward its customers who carry out their transactions in an Eco-friendly manner and 79% choose the option “Yes”, 3% selected “No” and 18% choose the option “May be”.
9. We analyzed that majority of the respondents which amounts to 67%, agreed that there is a requirement of framing strict rules and regulations by RBI to promote Green Banking.
10. The following Bar Graph shows the responses of the respondents and some of the suggestions are mentioned in the pie chart.

SUGGESTIONS

RECOMMENDATIONS FOR BANKS

- Concept of LEED certified green buildings should be adopted by banking sector
- The bank should start investment in low carbon producing technology and should develop new sustainable development programs to reduce the carbon footprint from the environment.
- Banks must organize training program on environment sustainable development program to their employees.
- Bank should adopt go green mantra by this method bank could reduce the carbon footprint from the environment

- Banks should offer incentives such as special benefits for frequent users, loyalty rewards etc.
- Communicate Green banking policy execution through press,
- Construct websites and spread the news of Green banking initiatives
- Impart education through E-learning programs
- Make green banking activities as part of Annual Environment Reports

CONCLUSION

Banks are responsible corporate citizens. Banks believe that every small 'GREEN' step taken today would go a long way in building a greener future and that each one of them can work towards to better global environment. 'Go Green' is an organization wide initiative that moving banks, their processes and their customers to cost efficient automated channels to build awareness and consciousness of environment.

Overall Green banking is really a good way for people to get more awareness about global warming; each businessman will contribute a lot to the environment and make this earth a better place to live. Thanks to green banking. Until a few years ago, most traditional banks did not practice green banking or actively seek investment opportunities in environmentally friendly sectors or businesses. Only recently have these strategies become more prevalent, not only among smaller alternative and cooperative banks, but also among diversified financial service providers, asset management firms and insurance companies. Although these companies may differ with regard to their stated motivations for increasing green products and services (e.g. to enhance long-term growth prospects, or sustainability principles on which a firm is based), the growth, variation and innovation behind such developments indicate that we are in the midst of a promising drive towards integrating green financial products into mainstream banking. This concept of "Green Banking" will be mutually beneficial to the banks, industries and the economy. Not only "Green Banking" will ensure the greening of the industries but it will also facilitate in improving the asset quality of the banks in future.

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TO STUDY THE PERCEPTION OF BANKING CUSTOMERS TOWARDS VARIOUS INVESTMENT AVENUES

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EXECUTIVE SUMMARY

This study deals with the perception of the banking customers towards various investment avenues. The main aim of this research is to understand the awareness level of respondents towards various investment avenues and to also see their behavior towards various investment avenues. Many of us do not even try to opt for any other investment avenues because most of the time we do not have interest to know various avenues available in the market and the other reason could be lack of proper knowledge which act as a barrier for investing.

This research focuses on various investment options available to us like Equities, Debentures, Banks, Insurance, PPF, Real Estates, Gold, Government Securities and Post Office etc. This avenues help me to understand about the general notion of investment around Mumbai Region. Along with the study of various investment avenues, this research also highlights the behavioral factors that affect the decision making of respondents. The factors considered are Gender, Occupation, Annual Income, Educational Qualification and Marital Status etc.

Furthermore it's important to have an investment strategy, which is created to guide an investor to choose the most appropriate investment portfolio that will help them to achieve their financial goals within a particular period of time. By increasing personal wealth, investing can contribute to higher, overall economic growth and prosperity. The process of investing helps the investors where they can invest in financial markets also. Specific types of investments provide other benefits for the investor, corporate as well as the society. The mantra of the investment is "Prevention is better than Cure" which is expected with more income but less risk.

Keywords: Investment Strategy, Investment Portfolio, Risk and Return.

INTRODUCTION**Meaning**

Investment refers to the concept of deferred consumption, which involves purchasing an asset, giving a loan or keeping funds in a bank account with the aim of generating future returns. Various investment options are available, offering differing risk-reward trade-offs. An understanding of the core concepts and a thorough analysis of the options can help an investor create a portfolio that maximizes returns while minimizing risk exposure.

Definition of investment

"An investment is a commitment of funds made in the expectation of some positive return. If the investment is properly undertaken, the returns will be commensurate with the risk the investor assumes"– (Donald Fischer and Ronald Jordon).

Investment Objective

The main investment objectives are increasing the rate and reducing the risk. Other objectives like safety, liquidity and hedge against inflation can be considered as subsidiary objectives. Investors always expect a good rate of return from their investments.

FINANCIAL INSTRUMENTS

Different avenues and alternatives of investment include share market, debentures or bonds, money market instruments, mutual funds, life insurance, real estate, precious objects, derivatives, non-marketable securities. All are differentiated based on their different features in terms of risk, return, term etc. all this instruments help every individual to plan to invest according to their goals in life. Its very important to understand how market functions and how individual can be part of it. There are plenty of investments avenues available for investments and growing the hard earned money. Every investors should have specific objectives in mind with which he/she can effectively make investments as per the desires. Through my project I am trying to explain that individuals only focus on investing in few avenues which restricts their scope of earning more. Through various investment avenues investors will have insight into market and then can effectively frame their objectives in such a way that they also have investments wide spread.

REVIEW OF LITERATURE

1. (Ms.M.Kothai Nayaki & Mrs.P.Prema, a Study on Indian Individual Investors' Behavior.) have studied that Indian investor today have to endure a sluggish economy, the steep market declines prompted by deteriorating revenues, alarming reports of scandals ranging from illegal corporate accounting practices like that of Satyam to insider trading to make investment decisions. Stock market's performance is not simply the result of intelligible characteristics but also due to the emotions that are still baffling to the analysts.
2. (V. Shanmugasundaram and V. Balakrishnan, 2011, Investment decision-making – A Behavioural Approach). Investments are made with an avowed objective of maximizing wealth. Investors need to make rational decisions for maximizing their returns based on the information available by taking judgments free from emotions. Empirical evidence suggests that demographic factors influence the investors' investment decisions. This research article also investigates how investor interprets and acts on various capital market information to make informed investment decisions.

AIMS AND OBJECTIVE, PURPOSE OF THE STUDY**✓ Aims and Objectives**

1. To study the factor that influences the behavior of respondent.
2. To study alternatives of investment which are available in the market.
3. To identify the popular perception of respondents have towards various investment avenues.

✓ Purpose of the study

The basic purpose of the study is to have an insight into different investment avenues available for an investment. To study the factor that influence the investment behavior of the respondents. There could be various factors that can play an influencer role such as Age, Gender, Income, Employment, education and marital status etc. To understand the preferred investment avenues among the respondents. To understand the awareness level of the people on various investment opportunities, factors considered for investment. In today's competitive environment a lot of investment avenues are being provided by various Public and private financial organizations, people are totally confused to decide where to make an investment.

RESEARCH METHODOLOGY**RESEARCH METHODOLOGY****Primary Data**

The primary data was collected to study the perception banking customers towards various investment avenues. The primary data was collected by means of preparing questionnaires with the help of Google forms and analysis was done on the basis of response received from the customers. The 10 questionnaire have been designed in such a manner that the customer's behavior towards investment can be analysed and customers can give response easily.

Secondary Data

The purpose of collecting secondary data was to achieve the objective of studying the perception of banking customers towards various investment avenues and to also understand their pattern of allocation of funds into various avenues available.

Sample Size

100 customers were selected.

Sampling unit

Mumbai Region.

Sampling Techniques

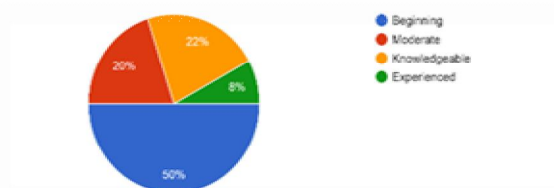
Convenient sampling

Analysis and interpretation

After the collection, it was compiled classified and tabulated manually and with the help of laptop. Then the task of drawing interferences was accomplished with the help of percentage and graphic method.

❖ ATA ANALYSIS AND INTERPRETATION OF DATA**Q1. What best describes your investment experience?**

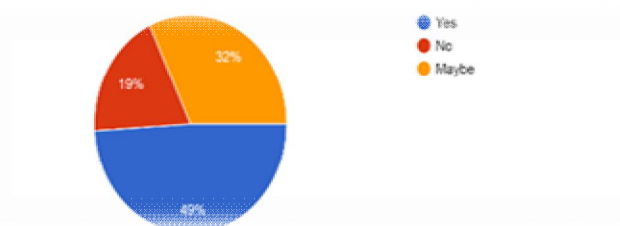
A) Beginning B) Moderate C) Knowledgeable D) Experienced



INTERPRETATION:- From the above graph it is clear that around 50% (max.) of the respondents have just begun to invest into various investment avenues; 20% have moderate investment experience; 22% have knowledgeable experience and the rest 8% (min.) are only the one who are experienced in investing.

Q2. Are you aware about various investment avenues available in India?

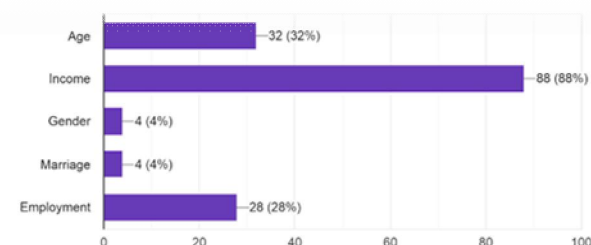
A) Yes B) No C) May Be



INTERPRETATION:- From the above graph it is clear that 49% (max.) of respondents are aware about various investment avenues available in India; 19% (min.) are unaware and rest 32% of respondents are not sure about proper knowledge in regards to investment avenues.

Q3. Which factors influence your behavior towards investment?

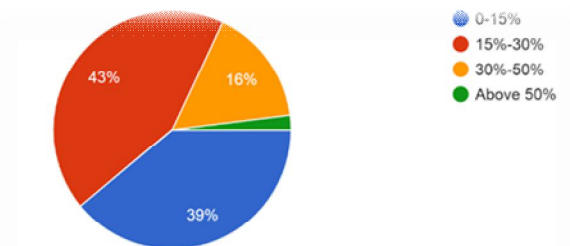
A) Age B) Income C) Gender D) Marriage E) Employment



INTERPRETATION:- From the above graph it is clear that 32% respondent's behavior is influenced by Age; 88% (max.) Respondents influential factor is Income; 4% (min.) For both Gender and Marriage; 28% respondents believe Employment to be one of the factor for investment.

Q4. What % of your income do you prefer to invest?

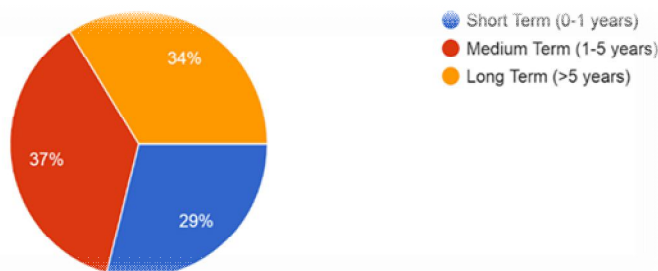
A) 0-15% B) 15-30% C) 30-50%



INTERPRETATION:- From the above graph it is clear that 39% respondents prefer to invest 0-15% of their income into various investments; 43% (max.) Respondents prefer to investment between 15-30% of their income; 16% between 30%-50% and rest 2% prefer above 50% .

Q5. What is the time period you prefer to invest?

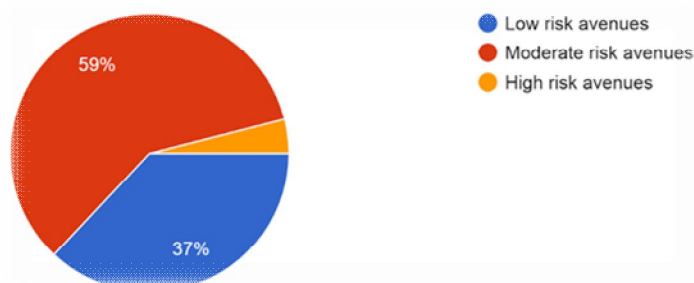
A) Short Term (0-1yr) B) Medium Term (1yr-5yrs) C) Long Term (>5yrs)



INTERPRETATION:- From the above graph it is clear that 29%(min.) Respondents prefer to invest within short term duration; 37%(max.) Prefer medium term duration; 34% go with long term duration.

Q6. What do you think are the best options for investing your money i

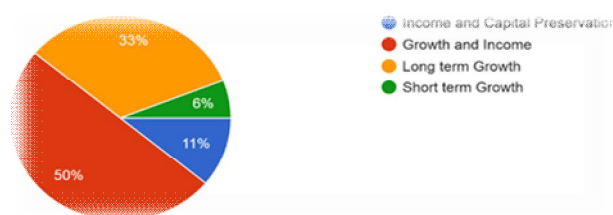
A) Low Risk Avenues B) Moderate Risk Avenues C) High Risk Avenues



INTERPRETATION:- From the above graph it is clear that 37% respondents believe to invest their money in low risk avenues; 59%(max.) Respondents think for moderate risk avenues; 4% prefer to invest their money in high risk avenues.

Q7. What is your investment objective?

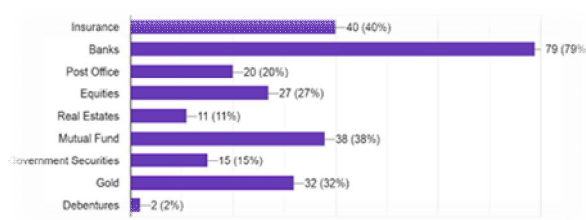
A) Income and Capital Preservation B) Growth and Income C) Long term Growth D) Short term Growth



INTERPRETATION:- From the above graph it is clear that 11% respondents investment objective is to earn income and capital preservation from their investment; 50%(max.) Want to earn growth and income; 33% want long term growth form their investment; 6%(min.) Believe in short term growth form investment.

Q8. Which of the following avenues have you opted for?

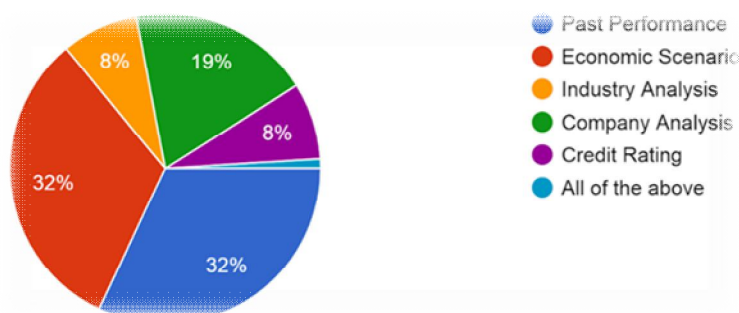
A) Insurance B) Banks C) Post office D) Equities E) Real Estates F) Mutual Fund G) Government Securities H) Gold I) Others



INTERPRETATION:- From the above graph it is clear that 40% respondents have investments in Insurance; 79% (max) in Banks; 20% have opted for post office savings; 27% of t have shown a good amount of increase in equities; 11% have Real Estates as part of their investments; 38% have their investments in Mutual Fund; 15% are the risk averse investors; 32% have investors in gold and rest 2% (min) have opted for debentures as an investment option.

Q9. Your decision to invest depends upon?

A) Past Performance B) Economic Scenario C) Industry Analysis D) Company Analysis E) Credit Rating F) All of the above



INTERPRETATION:- From the above graph it is clear that 32% (max.) Of the respondents there investment decision is based on the Past Performance and Economic Scenario; 8% look for the credit rating and prefer Industry analysis of that particular investment before taking any decision; 19% upon Company Analysis; 1% (min.) Prefer to research on the above all the parameters of decision making.

Q10. Do you think investment apart from banks should also be taken into consideration?



INTERPRETATION:- Many of the respondents agree to the fact that investments apart from banks should also be taken into consideration and many of them also have stated the importance of various investment avenues in today's era.

SUGGESTIONS AND RECOMMENDATIONS

- ✓ Investors should make the investment with proper planning keeping in mind their investment objectives.
- ✓ The investors should select a particular investment option on basis of their need and risk tolerance.
- ✓ The investors should also go through the various investment avenues before opting for any of them.
- ✓ The investors should diversify their investment portfolio in order to reduce the risk.
- ✓ The investors should continuously monitor their investments.

CONCLUSION

One of the most important factor which stands to be most important for all the respondents is the income. Income of an individual plays a very important role to decide upon selecting the best investment option. One should always spread their investment across various investment avenues so that the money so invested is earned back in real terms. At the same time awareness in regards to investment should be given prime importance by the various investment companies. Until they make an eye catching advertisements in print and media the common people will not able to know about them and will only focus on one particular mode of investment. There is the need to also indulge into other kinds to offer more exposure to the hard earned money earned by each one of us.

Just like going on trip in your car, it is important that investors have a plan and a destination in mind before investing their money. Your goals whether planning for retirement or buying a home dictate your time horizon, which dictates your tolerance for risk. Additionally, you want to make sure that you diversify your investments so that some do well when the rest of your portfolio might not. Planning and framing the right strategy at right time helps the investor to let the investments grow and prosper.

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DETERMINANTS OF FINANCIAL PLANNING FOR RETIREMENT – A THEORETICAL PERSPECTIVE

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ABSTRACT

India has highly fragmented pension structure and it varies based on an individual's occupation and type of employer. Due to recent reforms, the number of subscribers to pension schemes has increased considerably but still large proportion of population is not covered under any pension scheme. Considering the inflation rate and rise in medical expenses, it is essential for individuals to plan for their retirement. So the present study was undertaken to get a deep understanding of factors affecting individual's financial planning for retirement. Selected articles on the determinants of retirement savings and planning are collected, compiled, and reviewed. These articles are sourced from several electronic databases. Based on the review articles, an attempt is made to group the determinants into different categories.

Keywords: Pension System, Retirement, Retirement Planning, Retirement Savings.

INTRODUCTION

Compared to some of the other Asian markets, India has a much younger population. In 2015, the median age stood at 26.7 years, compared to 46.3 years in Japan or 37 years in mainland China. India is currently becoming a nation where a majority of the population is of working age. That is a phase where the economy generally grows faster with supporting government policies. However, the shift from a younger to an older population will come quickly, and it will result into higher dependency of the elderly on the working-age population. Other social and economic changes could further aggravate the challenges related to retirement funding. With the greater economic growth, more and more of the younger population is likely to relocate to urban areas. But, with more and more urbanization, the average size of households would continue to shrink and the elderly could possibly be left alone to manage for themselves. So there needs to be a comprehensive, adequate, and sustainable retirement and pension system. (Spotlight on Retirement-India (2018) Survey by Society of Actuaries (SOA) and LIMRA)

In the Indian context the situation is scary, the non-existent social security and majority of workforce lacking employer provided retirement benefits, the onus on individuals on personal retirement planning increases. (Shendekar Dinesh, 2016). Retirement Planning should be an important area in an individual's overall financial planning. But the fact seems to alarming. Only 13% of Indian households are actively saving for retirement and 53% of households are dependent on their children during retired life.(RBI Report on Indian Households Finance, July 2017). So there is a serious need for large number of households actively saving for retirement.

A number of studies have analysed the determinants of retirement savings specially on private retirement investments. Financial Planning for retirement is a complex task for most of the people. This paper investigated some of the determinants of retirement savings reported in articles pertaining to retirement savings and retirement planning. Selective articles and reports on retirement savings were collected, and analysed to get an insight into the factors affecting financial planning for retirement. These articles and reports were collected from web-based resources.

FINANCIAL PLANNING FOR RETIREMENT – CONCEPT

Retirement planning is the process of estimating the expenses to live at retirement and preparing a plan to distribute assets to meet the shortfall in income if any. Retirement planning includes taking into consideration the prevailing tax benefits of government allowed structures to manage tax liability. It involves the knowledge of different types of pension plans, profit sharing, flexible benefit plan, and other deferred compensation plans. (Shendekar Dinesh, 2016).

Retirement planning means setting aside of money or assets for the purpose of deriving some income during old age. This is to be done before reaching retirement age.(SEBI – Investment Planning for Retirement Booklet)

Retirement Planning Behaviour is a process of retirement planning which requires general assessment, setting of goals and how to achieve them in the future.(Sani Dauda, Habibah Tolas, Yusnidah Ibrahim, 2017)

A unique attribute of saving for retirement is that it involves making a decision about purchasing savings or investment products and services in the present, the benefits of which will only be realized in the distant future. In making that decision, a person must simultaneously choose to forego purchasing other goods or services that

will provide more immediate rewards. (Catherine M, Rickwood, Lester Johnson, Steve Worthington, Lesley White, 2017)

FACTORS AFFECTING FINANCIAL PLANNING FOR RETIREMENT

There is an extensive theoretical and empirical literature related to determinants of retirement savings.

Many have discussed varying factors or determinants regarding retirement Savings. It includes early studies which are more focused on demographic and economic factors to psychological factors in recent times. The summary of studies is as follows:

1. Douglas A. Hershey, Joy M. Jacobs, John J. McArcle, Fumiaki Hemagami (2008), examined the influence of psychological factors – future time perspective, goal Clarity, financial Planning Knowledge, planning activity level along with demographics factors like age, income and gender on financial planning for retirement of American working adults in the age group of 25-45 yrs. The study emphasized the need for integrated approach to study the retirement savings.
2. Debra Grace, Scott Weaven(2010), explored the variety of thoughts and feelings that females and males consumers holds towards financial planning for retirement. In-depth semi-structured interview method was used to collect data from 11 females and 10 males respondents. It was observed that the way in which males and females think about retirement planning is fundamentally different
3. Shendkar Dinesh Bansilal(2011) studied the financial planning for retirement among individuals in select age group of 25years to 46 years in Pune city. He examined the impact of demographic factors, occupational factors and investor profiling on retirement planning. It was observed that income, spouse employment, financial literacy, saving-spending habit influence the financial planning for retirement.
4. M.KrishnaMoorthy(2012) studied the retirement planning behavior of working individuals in Malaysia. The research highlighted the relationship between demographic factors – age, gender, education and income and psychological factors – goal clarity, potential conflict in retirement, attitude with retirement planning behavior. It was observed that income, education and attitude have positive impact on retirement planning behaviour. Financial goal of children education conflict with the retirement saving goal.
5. Gloria Peh(2012) studied the factors influencing the retirement planning of working individuals in kotakinabalu. Study concluded that factors like lower occupational and educational attainment, limited access to retirement planning programs play an important role in retirement planning.
6. Prabha, Singla, SrivastvaAnju(2014) studied the knowledge and practice of personal finance among working women in Bihar. They Analyzed the personal finance in 4 areas- Saving Plan, Tax Approach, Financial Emergency and Retirement Plan. They concluded that 82% of respondents have medium score of practice index and 40% are depending on pension plan of employer and PF for retirement. Most of them rely on their children for retirement
7. Janet L. Koposko, Douglas A. Hershey, and Helen Kiso (2015), investigated the influence of individuals perception of others savings practices on one's saving behaviour. The data was collected from 224 Americans in the age group of 24 to 46 years. It was found that individuals with higher income and those who expect to live longer in retirement were saving more. Older respondents were having more retirement saving rates than younger individuals. Future oriented individuals consistently save more. Social comparisons do influence the savings for retirement.
8. Janet Koposko, Douglas Hershey(2015), investigated the contribution of financial knowledge, retirement goal clarity, future time perspective, early financial learning experiences in success of retirement planning of students studying in mid-western state university in USA. It was observed that early financial influences do indeed have an effect on individuals motives to save for retirement.
9. Adi Meir, Yevgeny Mugerma, Orly Sade (2016) examined the two aspects of financial literacy – financial knowledge and financial decision making behaviour on retirement planning of Israelis in the age group of 46-61 years. It was found that there is significant positive co-relation between the age of the respondents and his/her retirement literacy. The closer one gets to retirement age, the more one demonstrates proficiency and involvement in one's retirement savings. There is positive relationship between education with financial literacy.
10. Shailesh Singh Thakur(2017) studied the perception of individuals towards retirement planning. He examined the impact of financial advice on investment towards retirement goals. It was concluded that financial advice and years left for retirement influence retirement savings.

11. Rui Yao and Guopeng Cheng (2017) examined the economic characteristics of respondents households – annual income, assets, liabilities, home ownership, job tenure, use of financial planners and respondents expectations – saving motives, expectations about future USA economy, expectations of receiving inheritance property, risk tolerance, health conditions of 986 millennials in USA. It was concluded that age, education, total household assets, using financial planners , having retirement saving motive were significantly and positively related to millennials retirement account ownership. Self-employment, home ownership and overspending had negative effect for retirement account ownership. Only 37.2% of working millennials had a retirement account. Race and Marital status did not affect retirement account ownership.
12. Fatemeh Kimiyaghalam Shaheen Mansori, Meysan Safari and Stanlay Yap (2017), studied various environmental factors, individual factors and psychological factors affecting Malaysian employees readiness and ability to save. It was concluded that parent's influence has significant effect on retirement planning behaviour. Financial behaviour of the parents influenced their children's attitude towards savings and saving attitude influenced retirement planning behaviour.
13. Sani Dauda, Habibah Tolos, Yusnidah Ibrahim (2017), studied influence of attitude towards retirement and subjective norms (social and environmental pressure) on retirement planning behaviour of Nigerian workers. It was found that attitude towards retirement planning and subjective norms have a significant positive impact on retirement planning behaviour.
14. Francisco, Palaci, Irene Jimenez, Gabriela Topa (2017) explored how parental economic socialization both directly and indirectly affect financial planning for retirement through the mediation of financial literacy, financial planning decisions and financial management. The data was collected from 280 workers working in small and medium size enterprises in Spain. The findings justifies that what we learn from our parents and what they teach us about economic issues and savings has an impact on the decisions to plan the financial aspects of retirement.
15. Nurul Shahnaz Mahdzan, Amrul Asraf Mohd. & Mun-Kit Chan (2017), explored the role of behavioural factors-risk attitudes and expectations along with financial literacy on long term financial planning for retirement. It was found that income, age and future expectations are significantly related to the likelihood of having retirement plan. Individuals with higher levels of financial literacy and risk aversion as well as males and married individuals have higher likelihood of holding longer proportions of risky assets in their portfolio. Those who are more positive about future in terms of economy are more likely to plan for retirement. Financial literacy impacts the retirement portfolio allocation.
16. Ritu Gupta and Sandeep Pradhan(2017), analysed the extent and method of retirement advertisements in the Indian context using 40 television advertisements of financial institutions focusing on retirement plan. It was concluded that retirement advertisements need greater focus in India due to expansive retiring population and the changing family structure. Financial institutions should promote their product appropriately and focus on this segment. Financial planning anxiety can be reduced with the help of right information.
17. Catherine M. Rickwood Lester Johnson, Steve Worthington, and Lesley White (2017), investigated the factors that determine the intention to save for retirement using a professional financial services planner. The study was conducted on 289 Australian workers in the age group of 30-65 years. It was found that self-efficacy and attitudes are the main factors that cause a consumer to save for retirement. Goal clarity, subjective knowledge and perceived risk did not have a direct impact on behavioural intension to use a financial planner to assist with the process to save for retirement.
18. TehLian Tai, Noraina Mazuin Sapuan (2018) explored the issues and challenges faced by Malaysian workers to achieve sustainable lifestyle after retirement. It was concluded that increasing aging population, lower income, higher household debts, lack of formal social protection programme, and low financial literacy are greatly affecting retired income of Malaysian workers. They emphasized the need for financial literacy, Govt. support, introduction of Public, Pension Plan, and Incentives for Private Retirement Schemes.
19. Francisco Palaci, Irene Jimenez, Gabriela (2018) analysed the relationship between financial literacy, confidence in retirement and economic well being and financial planning for retirement. The data was collected from 269 Spanish workers between the age group 45-62 years. It was found that Financial Knowledge, Retirement Confidence and Financial well-being is positively related to Financial Planning for Retirement

On the basis of above research reviews factors affecting financial planning for retirement can be broadly classified as follows:

Sr. No.	Category	Factors
1	Demographic Factors	Age, Gender, Education, Occupation, Marital Status, No. of dependents, Spouse Employment, Family size, Family life cycle.
2	Psychological Factors	Attitude, Perception, Financial risk aversion, Future Time Perspective, Goal clarity, Perceived risk, General Self-efficacy
3	Social Factors	Influence of parents, non-family early learning experiences,
4.	Occupational Factors	Financial literacy workshops
5.	Behavioural Factors	Saving –spending habits
6.	Financial Literacy	Financial Literacy

CONCLUSION

There are numerous factors that influence an individual's retirement savings. The reviewed articles prominently highlight the issue of insufficient retirement savings. There are many reasons contributing to it and these reasons need to be understood by policy makers and financial institutions selling retirement planning investment products. Individuals have to realize that dependability of government sponsored pension schemes is insufficient to meet their retirement income need. Thus moving to private retirement schemes is unavoidable.

Demographic and psychological factors play very important role in determining the success of retirement savings. While understanding retirement planning, it is imperative to consider the heterogeneity of participants. Many type of research have shown that psychological and behavioural intensions significantly affect the planning and savings for retirement. A person's view of future, risk tolerance, attitudes, perception and perceived risk greatly determine the financial planning for retirement. Different studies have also emphasized the need for active role to be played by financial planner and employers in creating awareness about importance of saving for retirement. Lack of financial literacy or financial knowledge also directly affect the retirement savings. All the factors examined in the reviewed articles give detailed understanding of retirement planning behaviour and are useful for future studies in the areas of retirement savings.

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PROBLEMS OF WOMEN ENTREPRENEURSHIP IN INDIA

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ABSTRACT

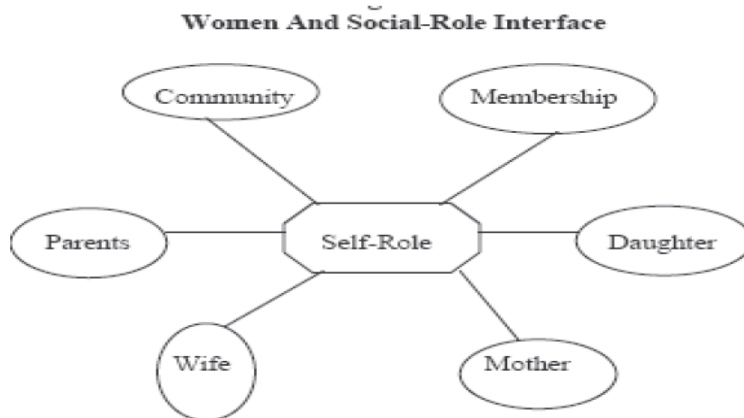
In traditional ridden Indian society women are generally accorded in inferior social status. It is only unconstitutional and gross social injustice to nearby half of the country's total population but also a mark of the illusory development of human resources. This is particularly noticeable in the case of village where women leadership at grassroot level needed most. Women entrepreneurs face a series of problems right from the beginning till the enterprise functions. Being a woman itself poses various problems to a woman entrepreneur, The problems of Indian women pertains to her responsibility towards family, society and lion work. There is greater need of bringing women to the main stream of economic development of out country when they prove themselves successful in all fields, if they are given an opportunity.

Keywords: Empowerment, participation, entrepreneurs, congenial environment.

INTRODUCTION

Government of India has defined women entrepreneur is “ an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women”.

In most countries, regions and sectors, the majority of business owner/managers are male (from 65% to 75%). However, there is increasing evidence that more and more women are becoming interested in small business ownership and/or actually starting up in business. In addition, rates of self employment among women are increasing in several EU countries. Although there are no official statistics relating businesses to the gender of their owner/manager, there is a good deal of evidence to suggest a significant increase in female entrepreneurship.



REVIEW OF LITERATURE

1. Women entrepreneurs wing of National Alliance of Young Entrepreneurs (NAYE)

It is a matter of pride that over 45000 Entrepreneurs in different parts of the country are women.

2. Association of women Entrepreneurs of Karnataka(AWAKE)

The women Entrepreneurs of Karnataka have formed an organisation which promotes skills among women in setting up industries. The association has 45 members representing different industries.

3. FICCI –LADIES WING

FICCI is the oldest and the strongest association of business community operating in India since 1928.its membership has increased from 400 in 1980 to 1600 in 1984.

4. Ms. Nalini Contractor of EDII who along with Mr. Ajit khandekar have carried out a study of achievement of 45 women entrepreneurs engaged in 44 industrial enterprises from nine states and one union territory..

This was a study of struggles and difficulties faced by women within their homes and outside to establish their identity as a person and in showing capability of setting up their own business. The sample of the study is generally taken from middle income group with monthly income ranging from Rs 500 to Rs 1500. The average

age of women is from 35 to 45. Economic necessity was the push factor in most of the cases but the grit and determination shown by most of them is a commendable comment. Now the annual turnover of these entrepreneurs ranges from Rs 10 lakhs to Rs. 2 Cr.

RESEARCH OBJECTIVE

- Explain women entrepreneurship.
- Discuss the conditions of women entrepreneurs.
- Basic problems of women entrepreneurship
- Suggestion for the problems faced by the women entrepreneurs.

RESEARCH METHODOLOGY

Data Collection

Research is common parlance refers to a search for knowledge. This paper is based on secondary data. Data collection always depends upon experiences, observations, or experiment or a set of premises.

Data Source:

Secondary Data: It is collected from different reference books, journals, and government surveys and studies, etc.

RESULT OF DATA COLLECTION

BARRIERS FACED BY WOMEN ENTREPRENEURS

Some of the challenges and problems faced by women entrepreneurs are discussed below.

1. Family restriction

Women are expected to spend more time with their family members. They do not encourage women to travel extensively for exploiting business opportunities.

2. Lack of Finance

Family members do not encourage women entrepreneurs. They hesitate to invest money in the business venture initiated by women entrepreneurs. Bank and other Financial Institutions do not consider Middle Class Women Entrepreneurs as proper applicants for setting up their projects and they are hesitant to provide financial assistance to unmarried women or girls as they are unsure as to who will repay the loan — Either their parents or in-laws after their marriage. This humiliates unmarried women and they generally leave the idea of setting up their ventures.

3. Lack of Education

Women are generally denied of higher education, especially in rural areas and under developed countries. Women are not allowed to enrich their knowledge in technical and research areas to introduce new products.

4. Role Conflict

Marriage and family life are given more importance than career and social life in Indian society.

5. Unfavorable Environment

The society is dominated by males. Many business men are not interested to have business relationship with women entrepreneurs. Male generally do not encourage women entrepreneurs.

6. Stiff Competition

Women face lot of competition from men. Due to limited mobility they find difficult to compete with men.

7. Lack Of Training

Women become part of industry just to satisfy her financial need and they never try for expansion and diversification neither they are properly train to run a business and make it successful.

Remedial Measures

Some of the remedial measures that can be undertaken to promote women entrepreneurship in India, are as follows.

1. Promotional Help

Government and NGOs must provide assistance to entrepreneurs, both in financial and non financial areas.

2. Training

Women entrepreneurs must be given training to operate and run a business successfully. Training has to be given to women who are still reluctant to take up the entrepreneurial task.

3. Selection of Machinery and Technology

Women require assistance in selection of machinery and technology. Assistance must be provided to them in technical areas so that the business unit become successful.

4. Finance

Finance is one of the major problems faced by women entrepreneurs. Both family and government organizations should be liberal in providing financial assistance to them.

5. Marketing Assistance

Due to limited mobility, women are unable to market their goods. Assistance must be provided to help them to market their goods successfully in the economic environment.

6. Family support

Family should support women entrepreneurs and encourage them to establish and run business successfully.

CONCLUSION

Women should be encouraged and assisted in all respects to become entrepreneurs for the prosperity of our country. If they are neglected their interest would be stagnated as they constitutes 50% of the society. So, an integrated approach is necessary to make women entrepreneurship success by the government and non – government agencies. Women should be properly trained, educated and facilitated to become a successful entrepreneur. This leads to prosperity of any country. This realisation must be clear in the minds of women.

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FOREIGN DIRECT INVESTMENT IN INDIA: A CRITICAL ANALYSIS AND IMPACT ON MAKE IN INDIA

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ABSTRACT

India is one of the fastest growing economies of the world. India is emerging in the field manufacturing sector. At present, industrial sector contributes about 16% to India's GDP which is expected to be increase to 25% in the next five years. Keeping in view this idea our beloved Prime Minister Shri Narendra Modi has launched 'Make in India' on 25th September 2014 by encouraging to industrialists to manufacture their products in India. This ambitious campaign aims at converting our country into a global manufacturing hub. But the main drawback of our country is capital deficiency. The success of 'Make in India' programme depend upon the adequate inflow of FDI. Therefore, liberal FDI policy in the entire manufacturing sector is the need of the hour. In August 2014 the cabinet of India allowed 49% Foreign Direct Investment (FDI) in the defense sector and 100% in railways.

Keywords: Manufacturing factor, make in India, GDP, Industry, Production, Encourage, Infrastructure, Campaign.

INTRODUCTION

Make in India is a novel idea launched by the present NDA Government headed by Shri Narendra Modi on 25th September 2014 with an intension to give the Indian economy global recognition by lifting manufacturing sector and transform India into a global manufacturing hub. The mission statement while launching the make in India concept was "Promoting foreign investment in India in a focused, comprehensive and structural manner while acting as a first entrance point to provide quality input and support services to the prospective foreign investors". It was stated as the mission to attract FDI in Indian economy "in order to accelerate the economic growth. To quote the Managing Director of IMF Christine Lagarde in the cloudy global horizon India is a bright spot". This statement shows potentiality of our market for investments. Mr. Ratan Tata, the Chairman, Emirates of Tata Sons is of the opinion that "there is a great deal of hope in the inspirational leadership and we are all optimistic that the country will move forward. There is a positive sentiment of the people, a belief in new India". His statement reveals the trust of Indian people and Indian society at large in the present Union Government. Therefore, the government of India is planning to tap the best human resources available in the nation and to harness the same for the rapid economic growth. Many areas in India are still ignored or neglected in the growth process due to lack of capital. The recent liberal FDI policy of India would be an edifice for the success of 'Make in India Campaign'. With this back drop the researcher is interested to study the comparative analysis of FDI inflow into India before and after the enunciation of the 'Make in India' programme.

OBJECTIVES OF THE STUDY

The present study aims at tracing the following objectives:

1. To analyze the need of FDI for make in India campaign.
2. To compare FDI inflow into India before and after the enunciation of make in India campaign.
3. To estimate the requirement of FDI for the success of make in India programme.
4. To study country wise and sector wise FDI flow into India.
5. To find out the effect of FDI on economic development of India after the introduction of 'Make in India Campaign'.

METHODOLOGY

The study is purely based on secondary data. Information and data related to FDI are collected from the various published sources like Books, Magazines, Journals, Research Articles and different websites. The facts and figures collected are analyzed in the form of tables and graphs to derive the conclusion. Statistical tools like trend projection and least square methods are also used to draw the inferences.

SIGNIFICANCE OF THE STUDY

The challenging initiative of 'Make in India' of the present Union Government is to change the very phase of growth rate of our economy. About two decades of economic liberalization, huge young work force, unsatisfied

middle class, increasing internal demand and expected high rate of return on investment etc. make India an incredible investment destination. FDI flow in the project of make in India stimulates the economic growth rate by strengthening the industrial base. The conducive environment for the investors creates huge employment opportunities. It enables exchange of knowledge, new skill and resource transfer among the different countries. The equipment and facilities provided by the investors under 'Make in India' scheme can increase the productivity of the workforce in our economy.

REVIEW OF LITERATURE

- Dr. V. K. Ramana – the article entitles “Make in India Illusion or Possible Reality Project?” (2015) has studied some positive aspect of make in India along with some criticisms. The study also covers some major challenges to be faced in the campaign.
- Seema Sangwan - the article titled with “Make in India realism: Role of FDI” has studied the challenges in FDI flow after introduction of make in India. The study reveals that there is positive correlation between industrial product or and FDI flows.
- S. Soundharia (2015) in the article titled with “Make in India – Scheme for Transforming India” explained about Opportunities, Challenges and Need with some examples investors on make in India campaign. The findings of the study are that make in India campaign surely makes India an attractive spot of investment and global hub for manufacturing.
- Ms. Rosy (2016) in her article “Make in India Prospects and Challenges” has analyzed the sector wise effects of make in India policy with the major limitations.
- Dr. Rajeshwari Shetter (2017) in her research article “Impact of Make in India Campaign: A Global Perspective” has examined area wise, year wise inflow of FDI. The major findings of the study is that India will bring drastic changes in the core sector like automobiles, aviation, biotechnology, defence, media, thermal power, etc.

The Major Sectors Allowed in Make in India Programme

The focus of make in India campaign is on job creation and skill development in the selected 25 core sector industries.

- | | |
|---------------------------------------------|---------------------------|
| ➤ Automobiles | ➤ Food Processing |
| ➤ Biotechnology | ➤ Media and Entertainment |
| ➤ Pharmaceuticals | ➤ Defence Manufacturing |
| ➤ Textile & Garments | ➤ Renewable Energy |
| ➤ Automobile Components | ➤ Ports |
| ➤ Chemicals | ➤ Electronics |
| ➤ Electrical | ➤ Construction |
| ➤ IT & Business process Manufacturing (BPM) | ➤ Leather |
| ➤ Oil & Gas | ➤ Entertainment |
| ➤ Machinery | ➤ Space |
| ➤ Roads & Railways | ➤ Tourism |
| ➤ Thermal Power | ➤ Mining |
| ➤ Aviation | |

RECENT INVESTMENT PROPOSAL UNDER MAKE IN INDIA

- ❖ In January 2015, the Spice Group said that it would start a mobile phone manufacturing unit in U.P. with an investment of Rs. 500 crore.
- ❖ In January 2015, Hyun Chil Hong, the President and CEO of Samsung – South West Asia met with Kalraj Mishra, the union minister for MSME to discuss a joint initiative under which ten 'MSME-Samsung Technical Schools' will be established in India.
- ❖ In February 2015, Hitachi Committed to the initiative of increasing its employees in India from 10,000 to 13,000 and tries to increase its revenue from ₹ 100 billion to ₹210 billion.

- ❖ In February 2015, Huawei opened a New Research & Development (R&D) campus in Bangalore and invested \$ 170 million to establish R & D centre.
- ❖ In April 2015, Airbus Company said that it will manufacture its products in India and invested 2 billion US dollars.
- ❖ In February 2015, Marine Products Export Development Authority invested in supplying Shrimp eggs to Shrimp farming in India under the initiatives.
- ❖ In May 2015 TATA JLR (Jaguar Land Rover) announced that it will move its production of Land Rover Defender to its Pune facility in India.

Table-1: Year wise FDI inflow (in US \$ billion)

Financial Year	Total FDI Inflow (in US \$ billion)	Growth (%)
2012-13	34.30	--
2013-14	36.05	5.10
2014-15	45.15	25.24
2015-16	55.46	22.83

Source: RBI Annual Report

This table reveals increasing trend in there total FDI flow and the yearly over the years, more particularly after the starting of Make in India Campaign.

Table-2: Highest FDI inflows in Top 5 sectors (April 2015 – March 2016)

S.L	Sector	Amount in Million US Dollars	Growth (%)
1	Service Sector	6889	55.05
2	Computer Software & Hardware	5904	157.14
3	Trading	3845	40.95
4	Automobile	2527	-7.3
5	Chemicals	1470	92.66

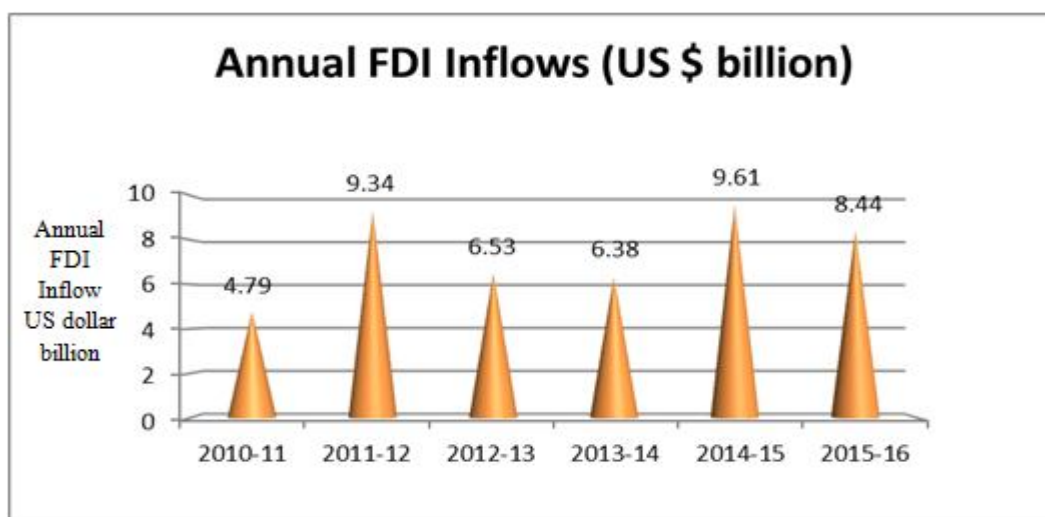
Source: RBI Annual Report

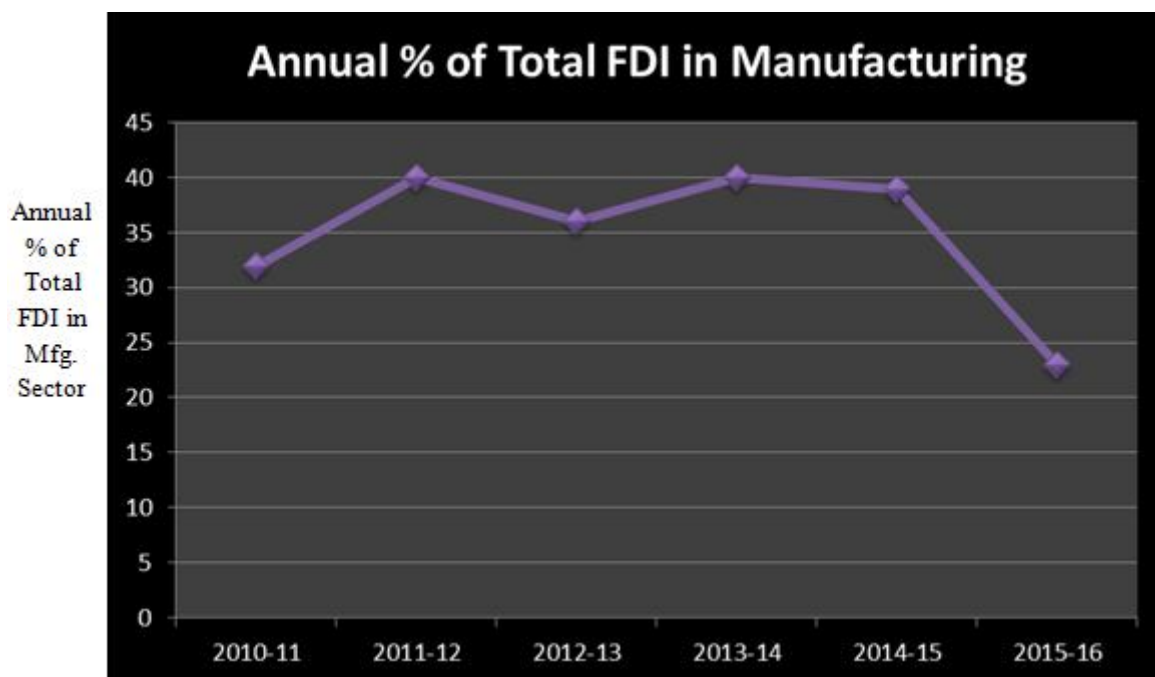
During the year 2015-16 highest inflow of FDI in the computer software & hardware sector is observed from the above table.

Table-3: Annual FDI inflows to India in Manufacturing (US \$ billion)

Year	Annual FDI Inflows (US \$ billion)	Annual % of Total FDI in Manufacturing
2010-11	4.79	32
2011-12	9.34	40
2012-13	6.53	36
2013-14	6.38	40
2014-15	9.61	39
2015-16	8.44	23

Source: RBI Annual Report





The table and the figure shows overall increasing trend in FDI inflows to the manufacturing sector.

By using trend projection method we can forecast the FDI inflow in to India in the manufacturing sector for the next two years i.e. 2017 and 2018 by taking the FDI data of 2012 to 2016 (5years)

Year	FDI Data (Y)	Time Deviation (X)	Square Up (X ²)	(XY)
2012	9.34	-2	4	-18.68
2013	6.53	-1	1	-6.53
2014	6.38	0	0	0
2015	9.61	+1	1	9.61
2016	8.44	+2	4	16.88
n=5	Σy = 40.30	Σx=0	Σx ² =10	Σxy=1.28

Equation used is $Y = a + bx$

$$a = \frac{\Sigma y}{n} = \frac{40.30}{5} = 8.06$$

$$b = \frac{\Sigma xy}{\Sigma x^2} = \frac{1.28}{10} = 0.13$$

$$\therefore 2017 = 8.06 + 0.13 \times 3 = 8.45 \text{ billion}$$

$$2018 = 8.06 + 0.13 \times 4 = 8.58 \text{ US dollar}$$

The trend projection also shows that there will be a marginal increase in the FDI flow in the manufacturing sectors. It would be 8.45 billion US dollars in 2017 and 8.58 billion US dollar in 2018.

As per the report of Boston Consultancy Group as projected 11% growth, the manufacturing sector's share in GDP can touch 25% by 2030 with 5% productivity increase and a GDP growth rate of 7.5%

Particulars	Vision for 2030
(i) Growth rate of manufacturing sector	10 – 11%
(ii) Share of manufacturing in GDP	21.6 – 25%
(iii) New Job opportunities	60 – 70 million
(iv) Share of India in Global merchandise trade	5.2% – 6.1%

FINDINGS: THE MAJOR FINDINGS OF THE STUDY ARE

1. After the enunciation of 'Make in India' programme new investment proposals are continuously increasing.

2. Make in India campaign over the last 3 years could attract FDI only in a few sectors like computer hardware & software, service sectors, chemicals, automobiles etc.
3. The total FDI flow to India has considerably increased after the declaration of 'Make in India Campaign'.
4. The forecast on FDI through the trend projection method also reveals that FDI inflow into the manufacturing sector will increase in the ensuing years.
5. The increased flow of FDI particularly in the manufacturing sector will help to achieve more than 7.5% GDP growth rate.
6. Make in India is helpful for the rational use of unemployed youths and their skill in the nation building.
7. Job opportunities may (60-70 million) increase at the expected rate.
8. India's share in global trade is also expected to increase by 5 to 6%

SUGGESTIONS

- With analysis of the facts and figures collected, the researcher has come to the following conclusions:
- For the successful implementation of the 'Make in India', there should be proportionate growth of skill development institution to utilize the skill of unskilled youths.
- Social and economic infrastructure facilities are to be updated.
- Adequate security to be ensured for the foreign investments as well as investors.
- The FDI procedures should be simplified so as to avoid the procedural delays.

CONCLUSION

In connection with the 'Make in India Campaign', FDI plays a key role for the long-term development of our economy not only as a major source of capital but also increases competitive spirit among the indigenous producers through the up-gradation of technology, strengthening infrastructure, increasing productivity and creating new areas of employment. Finally, the study establishes positive correlation between make in India campaign & the flow of Foreign Direct Investments.

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A STUDY OF CULTURAL DIVERSITY & ITS IMPACT ON INTERNATIONAL BANKING

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ABSTRACT

Culture is the ideas, customs, traditions and social behavior of a particular person or society. It plays a crucial role in international business. The global economy has totally changed the way trade is conducted, especially when people from different cultural backgrounds frequently meet each other for business purposes. In a globalized economy, cultural understanding is indispensable. The commercial growth of companies makes it possible for small businesses as well as multinationals to have better access to the international market. As a result cross-cultural management has become essential. In the contemporary scenario it is vital for companies to appreciate the culture of their foreign markets to achieve success globally.

The capability to effectively cultivate lucrative associations is contingent on being able to resolve international differences because of cultural diversity. To conduct business with people from different cultures, predetermined concepts need to be avoided and efforts should be made to understand their culture. The biggest challenge is not to apply one's own values while dealing with people from different cultures. In the cultural context it is imperative to realize that there are different ways to deal with people from diverse backgrounds. Cultural concepts like time and ethics are regarded in a different way from place to place. The best way to do business is to comprehend the foundation underlying another culture's concepts.

Globalization has led to the evolution and growth of international financial institutions in the recent years. There has been a rise in the number of multinational banks and insurance companies due to various mergers and acquisitions. In the present scenario it is imperative that these transnational financial institutions are reviewed to identify the issues and problems faced by them due to the cultural differences. It is also essential that global expansion should be aligned with the growth of local communities and in respect to their culture.

Keywords: Cultural Diversity; Global Economy; Cross-Cultural Management; Cultural Concepts; Mergers & Acquisitions; Transnational Financial Institutions

OBJECTIVES

- To study cultural diversity and its impact on the international banking sector.
- To understand the problems related to cultural diversity and finding ways to overcome the same.

RESEARCH METHODOLOGY

- ➔ Primary data was collected through Personal Interviews and a Structured Questionnaire. The first set of respondents were multinational bank employees. The second sets of respondents were the customers of various multinational banks in Mumbai.
- ➔ Secondary data was collected from various sources like Internet, Research Papers, Magazines, News Papers, Books, Journals, Official Reports and Television etc.

INTRODUCTION

Globalization has led to countries across the world open for trade and investments as such the contemporary workforce is diverse and multi-cultural. Due to globalization there has been a lot of advancement in the fields of finance, marketing, technological innovations, etc. It also has an enormous effect on people, i.e., human resources, as they are the first one to experience when any transformation takes place in the organization.

It provided an opportunity to the people to learn several new practices and techniques of carrying out their assignments. The employees have different backgrounds, customs, beliefs, languages; therefore, it is imperative to understand what cross culture is. The manager has to interact with the employees in the organization who belong to different cultures, so they should try to understand the multi-cultural environment and its pros and cons.

Culture is defined as the way of life, especially the general customs and beliefs, of a specific group of people at a particular time. Culture is an essential element in a global economy. In a commercial perspective, culture relates to what conduct is mutual and acknowledged workwise in one setting, compared to an alternative situation.

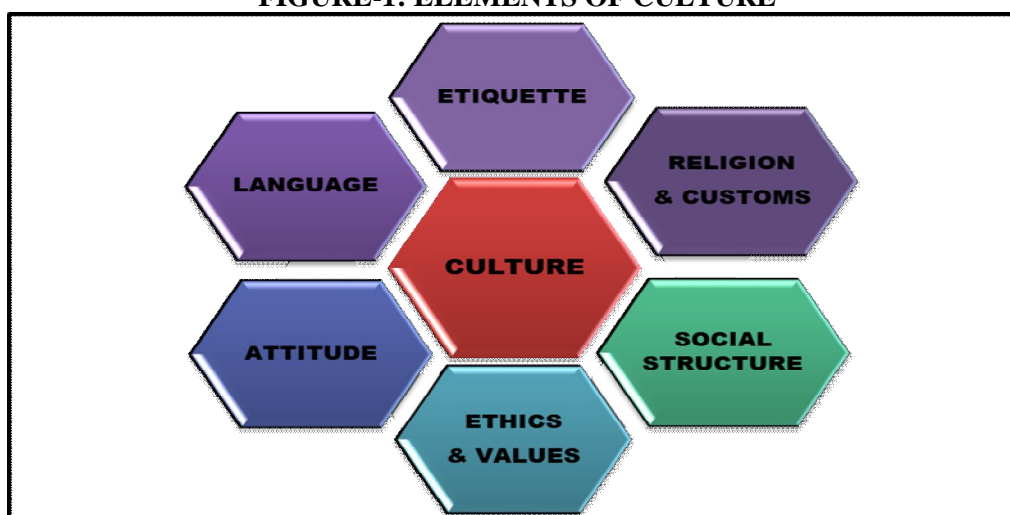
Certain things that are acceptable business practices in one country may differ from the style of doing business in a foreign country. Therefore, knowing how culture can impact international business is something that is to be understood to avoid misconceptions between coworkers and customers. It is also helps the companies to present a proper image in a different market.

There are many constituents that are regarded as integral elements of culture. These constituents are interconnected. The elements of culture most likely to matter in International Management are: Language; Social Structure; Religion; Ethics; Values & Attitudes. Various cultural elements might escalate the price of doing business in a country for several reasons.

It is a social and human requirement to transform the financial institutions into a more sustainable and value driven business. Leaders with a profound understanding of cross-cultural management and skills to transform are required to implement, this essential change.

Every culture has its particular perspective about work, authority, time and what each person's relationship to the employer or organization should be. In case of failure to appreciate these perceptions can cause the company to be unsuccessful even before it gets started. Understanding the cultural differences offers a comprehensive choice of business proficiency and provides innovative business ideas to overcome trade -related issues. It's a means to manage possible barriers concerning international business and culture.

FIGURE-1: ELEMENTS OF CULTURE



LITERATURE REVIEW

"Culture as something which is comprised of norms and values and governs human behaviour to a particular direction, which is learned, does not change easily, which is characteristic of a particular group and which is transmitted over time from one generation to the other (Kazi, 2009, 97)." In recent decades internationalization has forced more and more companies to expand their business operations across national boundaries. The trend has led firms to face different and unknown cultures. In international business, business success is strongly contingent, among other factors, on how business executives manage a new and unknown culture (Kazi, 2009, 3).

Culture is the collective programming of the mind that distinguishes the members of one group or category of people from others (Hofstede and Hofstede, 2005, 4). A national culture may differ based on regional disposition, ethnic groupings, religious membership and linguistic affiliation. Globally, national cultures have been grouped by Hofstede in power distance; individualism versus collectivism; masculinity versus femininity and uncertainty avoidance dimensions (Hofstede and Hofstede, 2005).

Schein (1985) describes culture is a set of basic assumptions- shared solutions to universal problems of external adaption (how to survive) and internal integration (how to stay together) - which have evolved over time and are handed down from one generation to the next.

In 2004, Kutscher and Schmidt defined culture as the set of basic assumptions, attitudes and convictions of a social unit that manifest themselves in a multitude of behavior and artifacts, and which developed over time as a response to the varied demands placed on this social unit." Organizational culture typologies according to Basi are paternalistic, bureaucratic and synergistic (Basi, 1998). A sense of cultural heterogeneity may be instrumental to maximizing pros and minimizing cons in cross-cultural business encounters.

CROSS-CULTURAL CHALLENGES

One of the biggest challenges of conducting international business is to acclimatize successfully to diverse cultures. It is essential to understand the cultural diversity, insights, typecasts, and values of different countries. Culture entails sharing of intellectual concepts that impacts individual's responses to their environment.

Post globalization, Transnational and Cross-Cultural Teams are usually an integral part of organizations as their business is no longer limited to one particular country. Their vision, knowledge and perceptions are essential for solving the problems related to culture at the international level. In a global business context, something which is common and established for a professional from one country, can be very different for an associate from abroad. Cultural diversity in international business raises some challenging issues like Language & Communication; Attitude; Values; Gender Bias; Etiquette; Norms; Hierarchy etc. Multinational Companies have to formulate strategies to effectively deal with these issues for their survival and success.

LANGUAGE & COMMUNICATION

Communication is an essential prerequisite for international business, and at times effective communication can be the deciding factor between success and failure in a new market. Effective communication is very crucial for global companies as there is a chance of the messages being 'lost in translation'. There are several things that need to be considered while assessing the effectiveness of your business' communication at an international level.

Effective communication is vital for success in business, whether it is a start-up or a big corporation. English is the most commonly spoken language of international business, but the local language is equally important when dealing with foreign counterparts when needed. There are a lot of variances in communication between people from one country to another. During a business meeting, these differences are likely to come out. Apart from the verbal communication, it is also very crucial to understand and learn non-verbal communication as it is really vital when dealing with international businesses.

One of the most important things to be taken into account when considering communication, are the language barriers that may obstruct the communiqué between the company and the new market. Nevertheless, it is not just the language of communication, but how the messages are relayed that's important. The tone of the language is equally important as the message. For instance, in US or Germany, people usually speak loudly and are more assertive at the time of sharing ideas amongst colleagues. But, in some countries like Japan people normally speak softly and have a more passive tone when making suggestions to colleagues. In India business professionals usually communicate in nuanced and indirect ways unlike the Finns who incline to be direct and brief in their communication.

Greetings; Gestures; Time & Space; Dressing & Grooming; etc. are some of the elements of communication which are different from cultural perspective. Comprehending these and identifying their impact on business can prevent misunderstandings with foreign clients and colleagues.

ETIQUETTE

Every culture is different, and has different styles of etiquette. Many times deals are lost due to misinterpretations, even between relatively similar cultures. Misinterpretations however minor can have a huge effect on business. A poor first impression could leave a potential partner or customer with a bad feeling. Knowing the right etiquette can help avoid this and save a great deal of wasted time and money.

Many business professionals don't even know that business etiquette differs across the world. Some business cultures are laid-back in nature, whereas others are solemn or disciplined. To have a successful and productive business transactions with associates from completely different cultural background, it's essential to consider and respect how they do business. Reality is, good business etiquettes help to create a better image as they reflect, character and professionalism.

ATTITUDE

Different cultures have different attitudes towards business and organizational structure. An attitude is the way a person articulates beliefs and values through expressions and behaviors. Attitudes are usually influenced by values, and values can be influenced by culture and individual preferences. As a result, a person's values can conflict with the values of other people and the organization. These attitudes can be a reflection of a country's societal values or level of social equality.

ETHICS & VALUES

Ethics are the set of moral principles and beliefs that guide a person's behavior. These morals are formed by social norms, cultural practices, and religious influences. Although ethical beliefs are held by individuals, they

can also be reflected in the values, practices, and policies that form the choices made by decision makers on behalf of their organizations. Business Ethics and Corporate Ethics are often used to describe the application of ethical values to business activities. Ethics applies to all aspects of conduct and is relevant to the actions of individuals, groups, and organizations.

Organizations also have certain Value Systems like humans. The culture of an organization is a system of shared values. Values are very important in influencing intentions of individual employees. A conflict can be caused due to people having different set of values. In case of a disagreement with other team members, one needs to consider how values can be different.

ORGANIZATIONAL HIERARCHY

Organizational Hierarchical roles also differ extensively between cultures. Hierarchy aids to express roles and responsibilities across the organization. The people in senior management positions deserve respect and expect a certain level of formality and deference from junior team members.

In some cultures people in junior or middle-management positions may not be comfortable speaking up in meetings, questioning senior decisions, or expressing a contradictory opinion. This is true in case of Japan, as it traditionally values social hierarchy, relative status, and respect for seniority. However Norway emphasizes societal parity and has a comparatively flat organizational hierarchy. This means relatively informal communication and an emphasis on cooperation across the organization. Assigning roles in multinational teams with cultural differences and expectations of organizational hierarchy, can be quite a challenge.

Hierarchies also have a great impact on the form of communication in new surroundings, so it is essential to be aware about this. The senior most business executive might be taking the decisions at a meeting. Hence it is important to acknowledge their status within the company or to greet them with due respect.

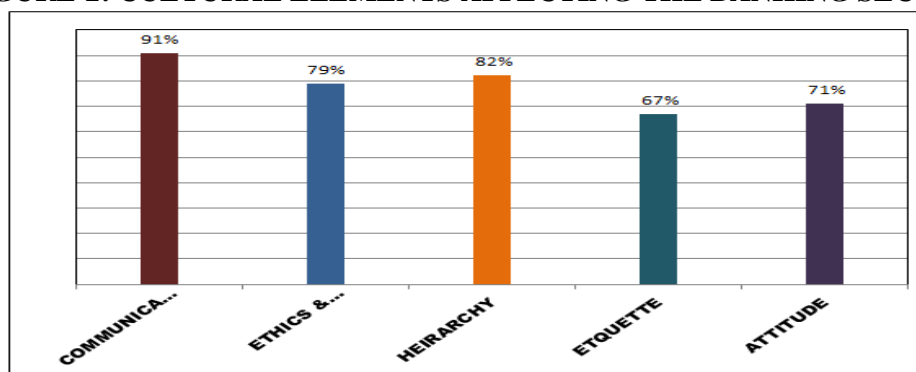
CULTURAL DIVERSITY IN THE INTERNATIONAL BANKING SECTOR

Understanding the culture of the people is important for successful business interactions and to accomplish business objectives. The banking sector culture differs enormously across countries. Deep cultural changes within banks in our Western world are forced by governmental regulations, which means that change on a deeper level of values and basic assumptions is not obvious.

- In the Western countries Shareholder value is a key motivator for the financial institutions with a short-term perspective on profit.
- In South-East Asian region, harmony and loyalty are important values and these influence financial services. Islamic banking means that banking activities have to be consistent with the principles of the Sharia and the Sharia prohibits receiving of specific interest or fees for loans of money; one is not allowed to make money out of money.
- In China banking activities are based on trust for people you know and distrust for strangers. Intermediaries are required to overcome mistrust. In China profit is important but it is based on a long-term perspective.
- India has unique geographic, social and economic characteristics and these features are reflected in the banking sector. The banking sector has to serve the goals of economic policies and India has a huge experience in micro finance.

These examples prove that it is impossible to speak about the banking sector culture in general. We need a deep understanding of country cultures and banking habits if we want to build new financial alliances and contribute to a fundamental change in our financial institutions.

FIGURE-2: CULTURAL ELEMENTS AFFECTING THE BANKING SECTOR



RECOMMENDATIONS

Many companies are entering the global market and it is important for them to realize that cultural differences can affect their performance in the indigenous markets they are pursuing. It's very essential that they understand the concepts as well as significance of international marketing and culture before deciding their strategies. Comprehending cultural dissimilarities is a preliminary step, but managers must be involved in learning procedures to develop international cultural capability. Cross-cultural training empowers the organization to attain information and skills to justify the role of cultural representatives. Promoting cultural intelligence and international cultural aptitude is essential for the future success of organizations and leaders operating in a global setting.

CROSS-CULTURAL MANAGEMENT

Cross-Cultural Management defines organizational behavior within countries and cultures. It compares organizational behavior across countries and cultures and seeks to understand how to improve the interaction of co-workers, managers, executives, clients, suppliers, and alliance partners from around the world. Cross-cultural and global management skills are necessary when we really want to transform our international banking sector and effect deep cultural changes. As of November 2018, **45** International Banks with total **286** branches are operating in **India**. There are approximately more than **16000** Banks worldwide.

In present day's scenario people working in International Banks & Financial Institutions are from diverse cultures and each and every person is different in his attitudes, practices, behavior and values. In such situations it is very difficult for an administrator to manage his subordinates who are from different cultures. This means need to understand and gain knowledge on different cultures is essential. It helps employees to know each other's' cultures and languages. This helps, in turn, in keeping the employees involved in the organization so that they collaborate with each other in attaining the goals of the organization.

Cross-Cultural Management focuses on decreasing the cross-cultural differences and barriers and creating cross-cultural awareness so that there is better communication and cooperation at the place of work. It is the most difficult task of a cross-cultural manager to keep the workforce involved in their responsibilities by keeping their differences aside. This not only helps in retaining the employees but also to continue working in the organization for a longer period of time. Hence, it is very crucial to understand the business culture, management values and methodologies across the world. Every country follows a different way of management style which makes it difficult for transnational leaders to manage various cultures.

CONCLUSION

Transnational leaders should have a universal view, be open-minded and ready to try out new behavior. They should be cultural sensitive and able to develop a deep appreciation of guiding values in human interaction. They need to be socially aware, concerned with the needs and values of people around them. They understand what can inspire and fascinate different people. Most significantly: they know where they come from and appreciate their own cultural values.

The cultural nuances that influence global business evidently go way beyond the aptitude to greet international colleague or select the appropriate gift. Issues related to the culture's time orientation, whether it is an individualist or socialist society, space orientation, and power distance, not to mention conflict management and non-verbal communication all have an effect on understanding the associate across the table, as well as chances of being understood.

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RESEARCH REQUIREMENTS OF NABARD ON AGRICULTURE AND CLIMATE CHANGE FOR SOUND POLICY MAKING

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ABSTRACT

NABARD's Corporate Mission - "Promote sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives." For the past about 35 years, NABARD has been pursuing its Corporate Mission with honesty, integrity and dedication in partnership with its stakeholders and client institutions, viz. GoI, RBI, state governments, banks, rural financial institutions (RFIs), multilateral financial and developmental institutions, developmental agencies in India, nongovernmental organisations (NGOs), and research institutions/ universities. Being an apex level institution involved in policy formulation in the area of agriculture and rural development, including climate change issues, it encourages high quality research to facilitate sound policy making.

INTRODUCTION

National Bank for Agriculture and Rural Development (NABARD) was established under the Act of the Parliament i.e NABARD Act 1981, and came into existence on 12th July 1982. As India's largest development financial institution is accredited with all matters concerning policy, planning and operations in the field of credit for agriculture and other economic activities in the rural areas, and it is dedicated to the achievement of sustainable rural prosperity in the country. NABARD had taken over the functions of Agriculture Refinance and Development Corporation (ARDC), is a subsidiary of the Reserve Bank of India (RBI), and the Agriculture Credit Department of RBI. Presently, the share capital contribution of Government of India (GoI) to NABARD is 99.6 per cent, while that of RBI is 0.4 per cent.

Research Requirements for Agriculture and Climate Change for Sound Policy Making Research and Development Fund Research and Development (R&D) Fund was set up in NABARD as per the provisions of NABARD Act 1981 for the purpose of providing training facilities, dissemination of information and the promotion of research. NABARD provides grant or loan assistance. Its Fund has a corpus of INR 500 million.

REVIEW OF LITERATURE

Farm Sector Policy Department (FSPD) has been carved out of the erstwhile Development Policy Department with primary focus on formulation of appropriate policies concerning agriculture and allied sector activities, natural resources management, climate change, etc., within the overall policy framework of Government of India.

The important objectives of the policies is towards drawing appropriate operational guidelines for implementation of such policies through credit, promotional and developmental interventions. Towards these objectives, the Department is also rendering necessary technical advisory services in agriculture and allied sectors through Central and Regional Technical Advisory Groups (C-TAG and R-TAGs).

OBJECTIVES

1. Supporting conduct of seminars/ conferences/ symposia/ workshops/ round table discussions, aimed at dissemination of knowledge/ information for its wider use in the field of agriculture and rural development.
2. Instituting schemes for providing scholarships to post-graduate/ doctoral students in prominent agricultural universities/ other universities.
3. Supporting Student Internship Scheme for post-graduate research students in Agriculture, Agri-Business, Economics and Management from reputed universities/ institutes.

RESEARCH METHODOLOGY

Methodology is the systematic, theoretical analysis of the methods applied to a field of study it comprises the theoretical analysis of the body of methods and principles associated with the branch of knowledge.

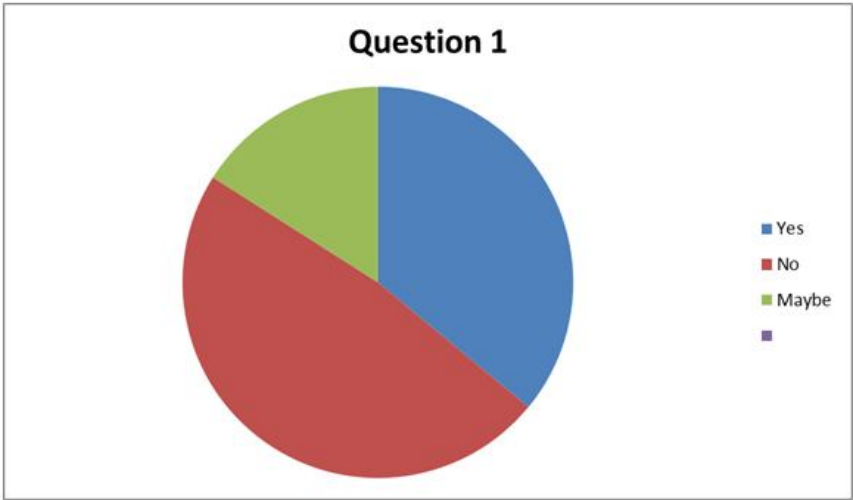
The research methodology helps us to collect data through two forms i.e. Primary data and secondary data

The research methodology used in this research is through use of both primary and secondary data collection method.

Primary data was collected by framing questionnaires on the respective topic and in order to collect data from respondents online form through Google docs was utilized. Secondary data was collected from various published sources like reports, articles, magazines, journals, internet by surfing on multiple sites.

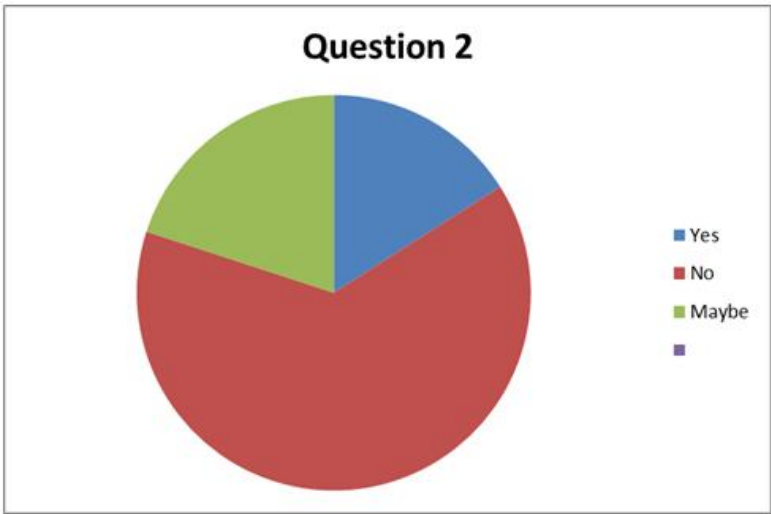
QUESTIONNAIRE, DATA ANALYSIS & INTERPRETATION

1. Do you know about NABARD and its policies?



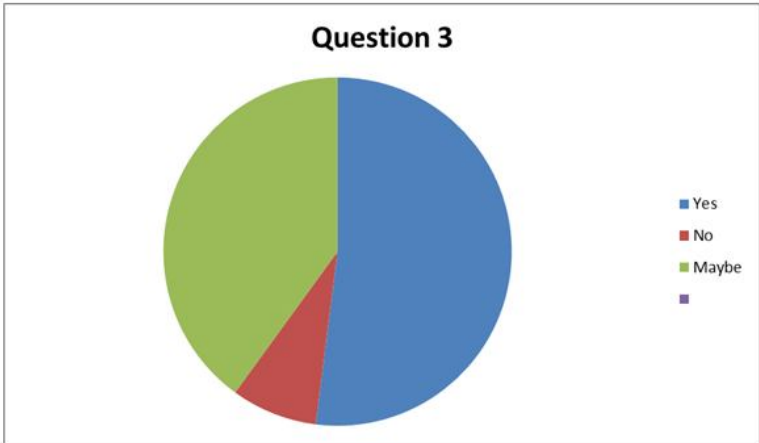
Out of 100% response of 25 people , 36%of the people knew about the NABARD and its policies,48% of the people didn't knew about the NABARD and its policies and 16% of the people may or may not be knowing about NABARD and its policies.

2. Have you heard or do you know about the student scholarship policy of NABARD?



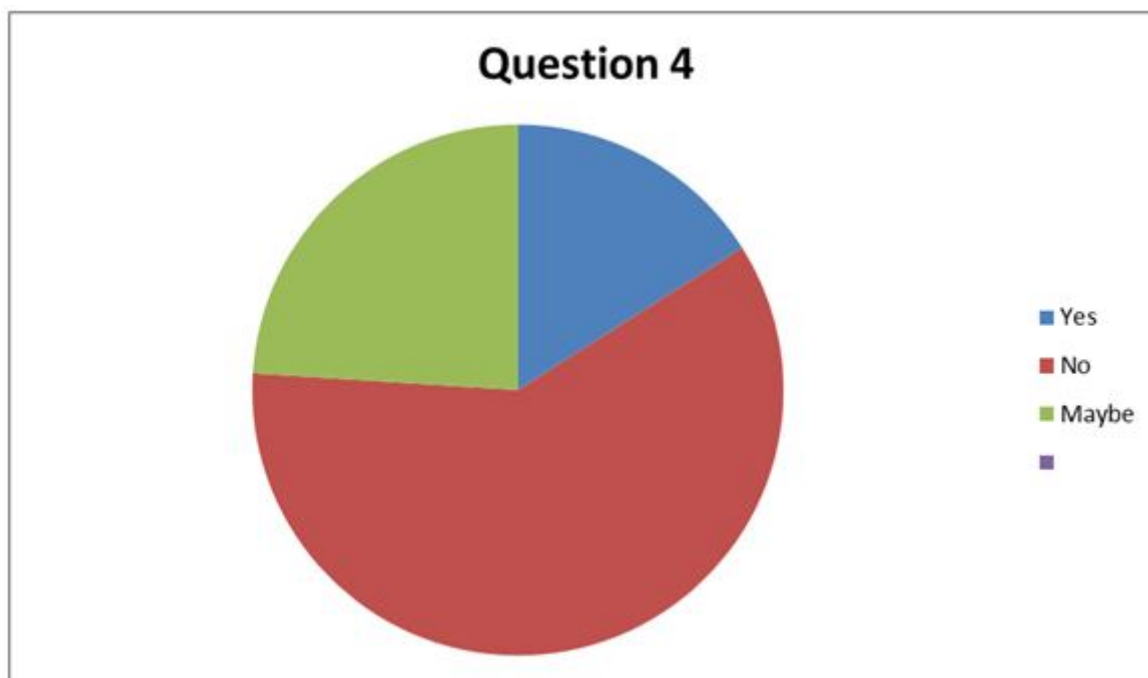
Out of 100% response of 25 people, 16%of the people knew know about the student scholarship policy of NABARD ,64% of the people didn't knew know about the student scholarship policy of NABARD and 20% of the people may or may not be knowing know about the student scholarship policy of NABARD

3. In future, will you support the student internship scheme of NABARD?



Out of 100% response of 25 people, 52% of the people will support the student internship scheme of NABARD ,8%of the people will do not support the student internship scheme of NABARDand 40% of the people may or may not be supporting the student internship scheme of NABARD

4. Do you have any opinion related to scholarship or internship policy of NABARD?



Out of 100% response of 25 people, 16% of the people have an opinion related to scholarship or internship policy of NABARD ,60%of the people do not have an opinion related to scholarship or internship policy of NABARD and 24% of the people may or may not be having an opinion related to scholarship or internship policy of NABARD

SUGGESTION

1. Feasibility of Debt Instruments for Adaptation Projects
2. State-wise Realistic Assessment of Climate Finance
3. Assessing Loss and Damage due to Climate Change Impacts
4. Innovative Instruments for Climate Finance

CONCLUSION

NABARD encourages high quality research in the area of agriculture and rural development, which includes climate change issues, with a view to understanding and gaining deep insights into issues related to the rural economy. Such research studies should provide vital inputs for policy formulation by Government of India, RBI and NABARD, for the achievement of sustainable and equitable rural prosperity.

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A STUDY OF INVESTMENT AWARENESS AMONG COLLEGE GOING STUDENTS OF NAVI MUMBAI AREA

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ABSTRACT

In today's world where the new generations are more creative, innovative, technology savvy and are financial literate as compared to older generations. In India there is a tendency of each and every individual to save money from their income and invest the same in some investment plans to earn higher returns. The study focuses on financial literacy among young generations or college going students. The study is conducted to create awareness about saving and investment planning among the young generation of college going students of Navi Mumbai area. The in-depth study of college students and their awareness about various investment avenues like gold and silver, post office schemes, bank and fixed deposits, NSC, bonds, shares, debentures, प्रधान मन्त्रा schemes, etc. which are easily available in the market. The objective of the study is to determine factors influencing saving objective and investment objectives. The overall purpose of the research is to inculcate the habit of saving and factors that influence young investors to make independent investment decisions. The data was collected through structured questionnaire of 100 college going students of Navi Mumbai Area. The study gives an insight about the saving and investing patterns of college students of nearby area and their behavioural pattern considering the factors like risk, returns, liquidity, time period, etc. The findings from the research will help in finding out the possible causes as to why college students are not given much freedom to make investment decision.

Keywords: Investment, investment decision making, financial literacy, investment avenues, investment behaviour pattern.

1. INTRODUCTION

Saving is keeping ideal some part of the income for future prospects by the individuals. Saving is closely related to investment. Investment is the employment of funds with the aim of getting return on it. Investment is the commitment of funds which have been saved from current consumption with the hope that some benefits will be received in future. Thus it is a reward for waiting for money. The study is focused on how youngsters respond to various investment avenues which are readily available in the Indian Market. Any individual who invest or plan investments are called as Investor. An investor can be anyone individual or a firm/Company.

Thus the investors investment choices differs based on their demographic factors like age, gender, occupation, income level, etc. The investors who are from various age group respond react differently on various investment avenues. The investor plan its investments based on its saving objectives or investment objectives. The young investors prefer investing for short term investments, capital appreciation, higher returns over higher risk factors, etc.

The study is conducted to know whether these young investors are aware of various investment avenues/alternatives like fixed or bank deposits, post office schemes, gold and silver, PPF/EPF, shares and stocks, post office schemes, various प्रधान मन्त्रा schemes, etc. The study focuses on awareness of various investment portfolios, its effects, attributes and behavioural pattern. The objective of the study was to determine the awareness of young investors and found out the relationship between the personal and demographic profile of these young investor in terms of occupation, education level, age, family size, earning members of the family and total monthly income. There are different types of investors who invest with different objective based on their short term or long term benefits.

The study is based on various investors and young investors and their preferences or factors which influence in decision making of various investment avenues. Even youth should be given equal chance to make decision process in family finances and investments. The youth is the future of our nations and they should also be heard and given chance to make financial investment. Now in today's world where even young are given certain freedom to take their decision they should be also consider while planning for financial investment patterns and even their views and ideas to be considered and accepted by all family members and should encourage in planning for investments.

2. LITERATURE REVIEW

Review of literature is one of the most important parts of research which is done by the research scholar. This chapter contains review of literature related to the behaviour pattern, investments, investment behaviour, and taxation system and tax benefits. With the knowledge of available literature, the researcher gain insight into research problem and is enabling to present problem in the right perspective. The review helps to identify various investment pattern and investor's behaviour and relation between various investment alternatives and tax benefits attached with them. The researcher has studied and cited various number of research papers, articles, studies, reports and surveys conducted by research scholars in India.

Aabida Akhter, Mohi-ud-Din Sangmi (2015), in their study focuses on stock market and also focused on economic conditions of the country. Investors are believed to be the backbone of the securities market which is a part of financial instruments or securities. The results of the research study plays emphasis on the sample youth who possess low to moderate level of stock market knowledge and their awareness level is not significantly different among different sample groups based on the discipline they are studying. Stock market as a preferred investment plan, and awareness comes under the broader concept of financial literacy. The study is an attempt to assess the awareness of financial literacy amongst the young generations and also focuses on various aspects of stock market including concepts, products, processes, institutions etc.

Anand Paul and Christopher (2000), in his study focus on the behaviour and saving patterns, perceptions of the investors relating to the investment patterns. The study focuses on the risk, returns and holding period as the factors relevant to the construction of investment portfolios. There are different types of investors who invest with different objective based on their short term or long term benefits. But there is an evidence of a growing number of investors who wish to incorporate moral or social concerns in their decision-making. The researcher conducts various surveys in his particular area to collect proper data for analysis. Using principal components analysis, this researcher attempts to infer possible 'non-financial' dimensions of utility functions by considering preferences by conducting various surveys in the particular area.

Avinash Kumar Singh (2013), in his research work focused on the investment pattern of the people residing in Bangalore City and Bhubaneswar. The researcher focuses on the awareness of various investment avenues and also the investment patterns and saving pattern based on their age, sex, income etc. in cities of Bhubaneswar and Bangalore City. The study was undertaken using survey method and after the analysis and interpretation of data it is concluded that in Bangalore investors are more aware about various investment avenues and the risk associated with that. All the age groups give more importance to invest in equity, except people those who are above 50 years which give importance to insurance, fixed deposits and tax saving benefits. But in Bhubaneswar, investors are more conservative in nature and they prefer to invest in those avenues where risk is minimal or less for e.g. Bank deposits, small savings, post office savings, etc.

Brahmabhatt, P.S Raghu Kumari, Shamira Malekar (2012), in the research tries to study the investors' behaviour and its impact on various investment avenues. The study states that investors perception will provide a way to accurately measure how the investors think about the products and services provided by the company. The main objective of the study is to find out the need of the current and future investors and to study on investor behaviour. The study identifies that investors like to invest in stock market and even face huge losses as compared to any other investment alternatives available in the markets. The detailed study analysis is to determine whether the investors have awareness, behaviour and preferences of various investment pattern and how these attributes change from investor to investor depending upon various changing factors with various investment alternatives like shares, bonds, mutual funds, gold & silver, post office schemes, deposits, etc. Investor's preferences will provide a way to measure accurately how the investors think about various products and services provided by the Firm or A Company. The researcher studies that the respondents are having sound knowledge of financial market and economic condition of India. But still the respondents need a backup financial planner to plan their investments.

Dr. Shobha V. L. and Jayalakshmi J. (2006), in their study have analyzed the level of awareness of investors regarding their various investment options and investment risks associated with it. The detailed study is done to understand investor's awareness and preferences based on various investment alternatives. The analysis reveals that the investment done in Real Estate is mostly preferred by majority of the investors rather than opting for different investment patterns like Bank Deposits, Bonds, Mutual Funds etc. Awareness about various investment options and their risks associated are comparatively higher among the old age or aged investors, Literate or highly educated and those who are by nature Professionals in their Occupation. The risk taking ability is higher in such type of investors as compared to other investors. Demographic variables such as age and education do not have significant or much influence over investors' awareness but the difference in

occupational status leads to difference in the awareness level of investors and their risk taking ability too. Thus, it has been concluded that the majority of the investors invest in Real Estates, Equity and stock market for higher returns for their risk appetite.

Dr. Vijetha S. Shetty and Baby Jaison Thomas (2017), in their study focuses on financial literacy and financial inclusions of college students of Mumbai Area. The government is creating financial literacy awareness and are also interested in finding various approaches which are effective to improve the level of financial literacy amongst the interested investors or population. The financial system recognizes the urge and needs and has planned and strategized accordingly for the nation for educating the masses in relation to financial literacy so that they can cater to all sections of the population of our Country. The financial education or awareness of investment plans amongst the students who are residing at Mumbai area are more poor as compared to the global standards. The focus should be more towards the needs of various investors in relation to increasing the financial literacy amongst all the students of different faculties residing at Mumbai area as they are the future hope of the Country. India lays emphasis at present and future towards the journey of economic growth as it wouldn't be meaning full and real to the population of country in the absence of complete Financial Literacy.

Emmanuel Oseifuah, Agyapong Gyekye and Patricia Formadi (2018), the study investigates the awareness and level of financial literacy amongst the undergraduate students of the Ghana University in the northern region of Ghana. The detailed study was conducted to find out whether gender, age, programme of study, study years parent's income level and students' financial status are related to financial literacy. The data was collected through stratified random sampling of 342 undergraduate students at the Nyankpala and Tamale Campuses of the University for Developmental Studies (UDS) in Ghana. Saving out of pocket incomes of the students remains a very significant consideration in the management of their personal finances. Being financially literate appears not to have a (statistically) significant influence on savings propensities of the students. On the other hand our finding that as students' monthly pocket money increases their propensity to save will also be high is in accordance with the theory of savings behaviour which posits that saving is a positive function of disposable income.

Mani Goswami and Karan Dhawan (2017), in their paper focuses on financial literacy among the college students of Delhi. Financial literacy is gaining its importance as it has become essential that individuals acquire the skills to be able to survive in modern society and cope up with the increasing diversity and complexity of financial products and services available. The main objective of the study is to analyze the level of financial literacy among the college students by evaluating the influence of various demographic factors like age, gender, discipline of study, level of study, annual household income, parent's occupation and source of income to the students. Thus the study shows that demographic factors are independent to financial behaviour of an individual or college students.

Priyanka Jain (2012), the researcher indicates the detailed study of various investment avenues such as fixed deposits, mutual funds, postal schemes, gold and silver, real estates, etc,. There are various investors which are a heterogeneous group and they may be large or small, rich or poor, expert or lay man and also not all investors need equal degree of protection, they differ from each other in most of the aspects. The study states that all investors have certain objectives or motto behind their savings purpose or investment purpose, the investor has three main objectives while investing his savings or money like a) safety of invested money, b) liquidity position of invested money and c) return on investments. The researcher conducted a survey to understand the investor's behaviour in relation to various investment pattern. Investors prefer to invest their funds in Provident Fund or Fixed Deposit or Bonds followed by insurance and mutual funds scheme. The study reveals that the investors invest their money for short term followed with safe and secured returns with minimal risks involved in it.

Sunitha Kumaran (2013), in her study explains whether there is a correlation or a link between an individual's personal epistemology (such as Locus of Control) and the mechanism of stock market decision-making (using gambler's fallacy versus hot-outcome). The study was done through primary data collection and used structured questionnaire for collecting the information. The researcher focuses on personal attributes and personal epistemology of the respondents. The data was collected and analyzed which shows that an individual's personal epistemology does have an effect and a greater impact on various investment decisions.

Slovic, P., The study states that the output can be an action or an opinion of choices amongst various investment options available to them. The study states that various investment decisions made currently are often critical for financial security in later life, due to which the potential for large financial loss and the high costs of

revising or recovering from a wrong investment decision or wrong investment alternatives selection. The researcher finds out that most of the investors who invest in Equity do not have sufficient knowledge of the basic economic concepts which is required to make sound investment decisions. While choosing a particular stock to make an investment, forty attributes have been identified that influence the investor buying decision process. The study tries to identify those factors with the current study which is an applied factor analysis method. The study tries to apply all the factor analysis and was found that all the 40 attributes are minimized or reduced to the following ten factors which are individual eccentric, wealth maximization, risk minimization, brand perception, social responsibility, financial expectations, accounting information, government and media, economic expectation and advocate recommendation factors.

Zainal Azhar, Juliza, Nor Azilah, Amirul Syafiq (2017), in their paper focused on young generations and their awareness about various investment avenues. The data is collected through the study primary data by structured questionnaire and the samples chosen are the youth aged from 18 to 28 years old. There are three independent variables identified, financials literacy, personal interest and environment that relates to the dependent variable, the awareness on investment. The objective is to examine and deal with the relationship between awareness and fore-mentioned independent variables. The study reveals that the key driven on investment among young generation is based on independent variables which means the young generation lacks awareness on investments.

3. RESEARCH METHODOLOGY

a. Statement of the problem

- Are young investors also given equal chance to take independent financial decisions?
- Behavioural pattern of young investors while making investment decisions.

b. Need for the study

The study is to know whether young investors can also take independent investment decisions and there behavioural pattern while selecting investment avenues.

c. Objective of the study

- To study the behavioural pattern of youth with respect to different investment alternatives.
- To know whether youth are also given equal status as men while taking financial decisions.

d. Scope of the study

The scope of the study is confined to convenient sampling consisting of 60 samples, the study is done in order to identify their behaviour and investment pattern.

e. Limitations of the study

- The study is confined to small sample of 60.
- The study is for limited period of say one month.
- The study is conducted only for college going students of Navi Mumbai Area.

4. DATA COLLECTION AND DATA SOURCES

The study used both primary and secondary data. The secondary data was collected through different sources like financial journals, Investment Analysis and Portfolio Management books, websites, economic times, news papers etc. The primary data was collected through a structured questionnaire which was distributed amongst 60 investors. The data is collected from various age groups, educational background, sex, investment objectives, etc.

Sample and Sample Size

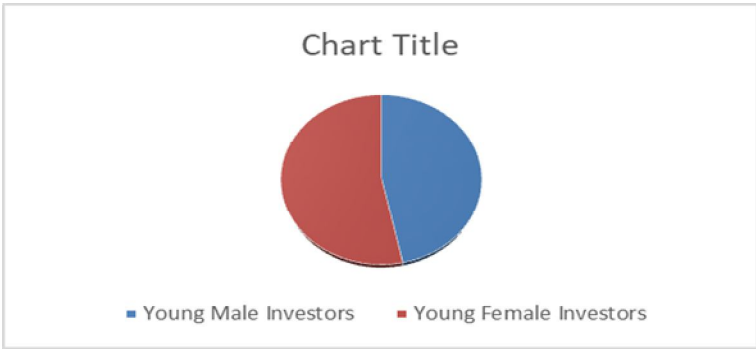
Sample	Sample Size		Rejected	Final
	Distributed	Received		
Young Male Investors	28	28	0	28
Young Female Investors	32	32	0	32
Total	60	60	0	60

5. RESULTS AND ANALYSIS

Statistical Tools for Data Analysis

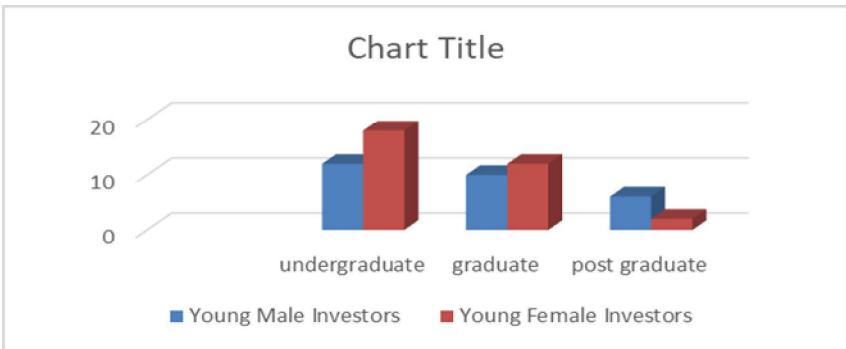
The statistical package for the social science was used for primary data analysis. The selected method of data analysis included descriptive analysis, ranking percentages to explain the sample characteristics and testing the research objectives.

i. Gender



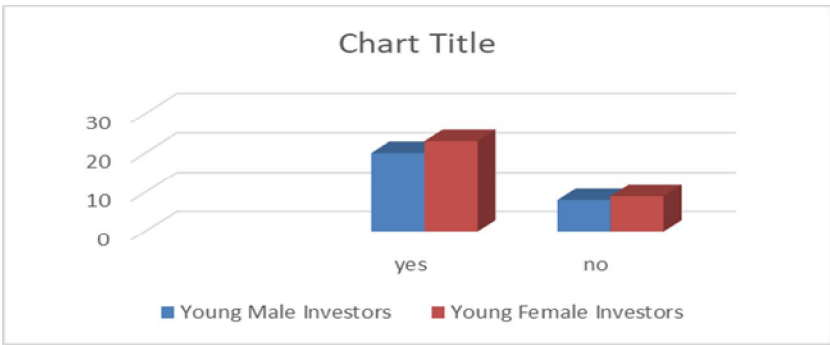
The above figure shows young male investors as 28 and young female investors as 32 out of total 50 investors.

ii. Qualification



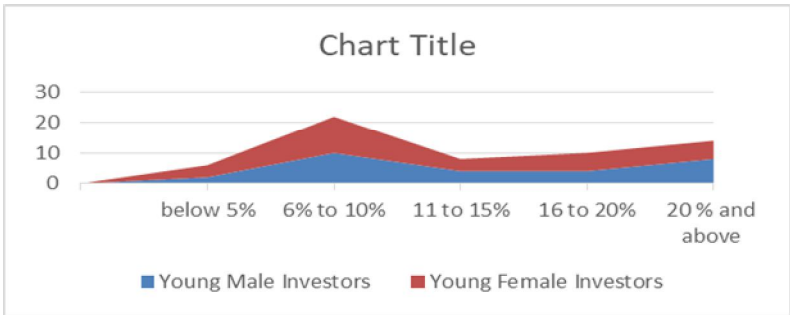
The Above figure shows that maximum female investors are undergraduate (18) and male investor (12) then being a graduate and post graduate.

iii. Do you Save your income



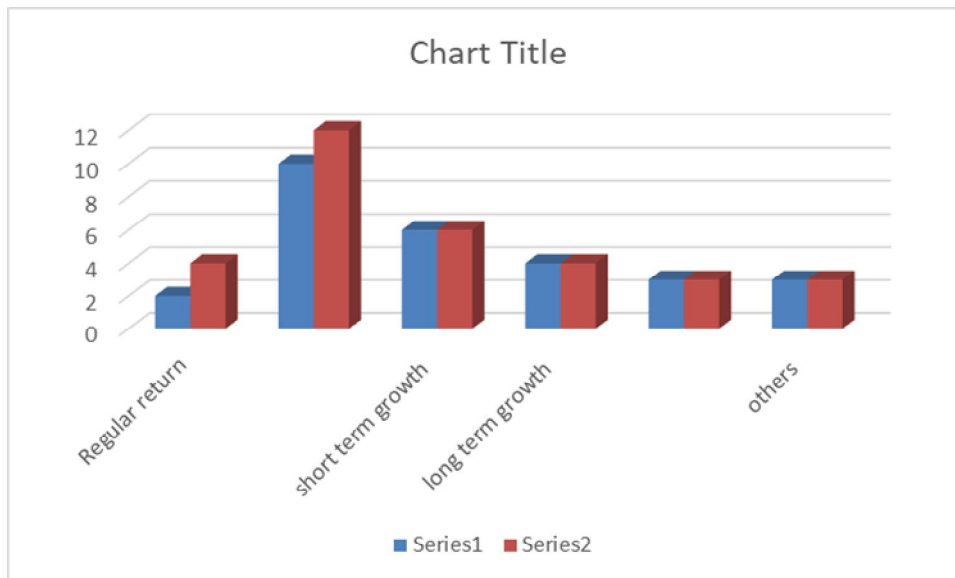
The Above figure shows that maximum young female investor have the habit of saving (23) and young male investor(20) out of 32 young female investor and 28 young male investor. The young female investor has tendency to save money is more as compared to young male investor.

iv. How much Percentage of your savings do you invest?



The Above figure shows that maximum (12) young female and (10) male investor invests their savings in 6% to 10% of their savings out of total of 28 male investors and 32 female investors.

v. Investment Objectives



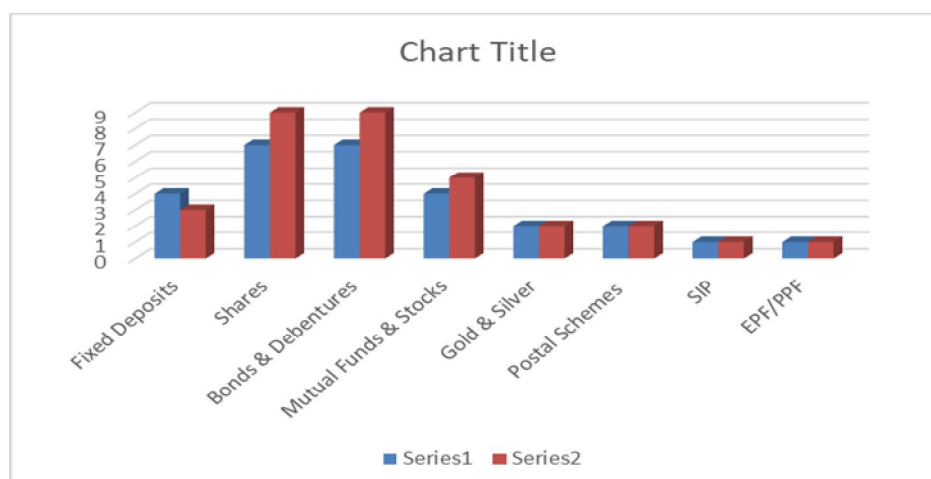
The Above figure shows maximum (12) young female investor and (10) young male investor invest their savings with an objective of income and capital appreciation & for short term growth.

vi. Factors affecting Investment Decisions



The Above figure depicts that maximum (12) young male investor and (12) young female investor prefers to invest their money with an objective of higher returns and do invest their money for risks, liquidity and solvency purpose.

vii. List of Investments avenues preferred for investment purpose?



The Above figure depicts that (12) young male investor and (11) young female investor both invest in Bonds % Debentures which gives higher returns to the investors in shorter period of time.

6. FINDINGS AND SUGGESTIONS

- The tendency of saving of young college male and young female investors are comparatively higher in navi mumbai area.
- Majority of young college investors invest their pocket money and their income for shorter period of time and for capital appreciations
- Majority of young college investors invest their savings with an objective of taking benefits and invest their money for shorter period.
- Majority of young college investors do participate in investment planning process.
- Majority of young college investor take self-decision or consult their family members while taking investment decision.
- Majority of young college going male and young female investors are also given equal chance to take their own investment decisions.
- The young college going investor (male and female) should diversify their investment and plan their portfolio by investing in various investment avenues rather than only investing in one investment plan.

7. CONCLUSIONS

The study was undertaken to study whether young male and young female college going investors were also given equal chance to take their own decisions while investing their savings. The data was collected with random sampling to understand the demographic, saving objectives, investment objectives and factors influencing investment decisions. The study shows that youth are also aware of various investment avenues like Shares, Bonds, Mutual Funds, Gold and Silver, Fixed Deposits, Postal Schemes, PPF/EPF, SIP, etc. The study reveals that majority of young college going investors are given independence to take their own decision while planning for investments.

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BOOM FOR PLASTIC MONEY- DEMONETIZATION**Abhishek Panchal**

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ABSTRACT

The paper talks about the effect of notation of notes of 500 and 1000 w.e.f. At 7am Modi Narendra Modi on November. In other words, the currency notes of 500 and 1000 were stopped as legal tender. The paper talks about the impact of this decision on the use of plastic money in the community. The data used is the primary data. Primary data was collected from the account holders in Goregaon West, Mumbai.

Keywords: Demonetization, Plastic Money

INTRODUCTION

From 8th November, the Reserve Bank of India has introduced old currency notes of Rs 500 and Rs 1000 to collect black money from the country's financial system. Small farmers, vendors, traders, daily wage laborers and traders suffer due to lack of proper planning, intelligence and foresight like reclamation of ATM machines due to blockade. Before taking this step, it was necessary to deposit enough notes of Rs. 5 and other small notes in the market.

If you do not spend big money, it is very difficult to use 2000 rupee notes. ATMs are cultured at very low speeds. One cup of tea costs Rs. 5 and 2 rupees and demand change, what are we going to do? A small percentage of people go to supermarkets for daily purchases. For most people, the problem is how to make a payment?

The best solution is to use the maximum amount of plastic money to settle it. Therefore, I studied the use of plastic money as a research activity after notation.

Plastic money involves the use of debit and credit card systems as a payment system.

**OBJECTIVES OF THE STUDY**

- 1) To analyse the effect of demonetization on uses of Plastic Money.
- 2) To study the various age group of accountholder using Plastic Money

HYPOTHESIS OF THE STUDY

H1 : Demonetization has significant effect on increase in the use of Plastic money.

H2 : Different age group accountholders are using the plastic money.

METHODOLOGY

1. **Area of Study** : To study on uses of plastic money after demonetization sample respondents are selected from Goregaon (West), Mumbai
2. **Data Source** : Primary data were used for study with Questionnaire.
3. **Sample Design** : Stratified Sampling technique.
4. **Sample Size** : 100 account holders are covered by the study

DATA ANALYSIS AND HYPOTHESIS TESTING

Table no-1: Age wise analysis of using of Plastic Money

Age Group	Started using Card after demonetization		Total	Percentage of Yes
	Yes	No		
15-19	08	06	14	12.50%
20-40	25	09	34	13.06%
41-60	16	10	26	25.00%
61 and above	15	11	26	23.44%
Total	64	36	100	100.00%

Source: Primary data

CONCLUSION

1. Demonetization has increase in the number of user of plastic money.
2. From teen to elderly age group accountholders are using plastic money.

A STUDY ON IMPACT OF DEMONETIZATION ON E-BANKING ON MOBILE PHONES OF ABHYUDAYA CO. OPERATIVE BANK IN ANDHERI EAST

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ABSTRACT

The Indian government's decision to ban the entire country has been affected. The decision was taken to curb corruption, black money and terrorism. There was a maximum limit of cash deposited in one's bank account when the government announced the settlement. Also withdrawal means maximum ceiling of Rs.2,500 for withdrawals in a day. In cases where this amount was insufficient on the day each withdrawal was withdrawn, people were forced to indirectly use other forms of payment such as plastic money, NEFT, RTGS, payment wallets. Therefore, demand for e-banking services on Mobile phone was created due to the blockade. In the present study, Andheri has tried to find out the effect of notation on e-banking services on Mobile phones of Abhyudaya co operative bank in the Andheri east.

Keywords: Demonetization, E-Banking and Phone Banking

INTRODUCTION

In this era of globalizaion where the world has come closer in terms of selling goods and services. Banking reforms too have channelised the way of banking resulting the ease of using banking services among banks and its customers. E-Banking transaction on mobile are playing a vital role in development of banking and its services. E-Banking transaction is banking includes. Phone banking, ATM, Direct up connection, RTGS/NEFT etc. It can work with faster speed in completing transactions with the use of technology. Abhyudaya co-operative bank has developed E-Banking, Phone-Banking, and Mobile Banking in recent time. But, still in some accountholders of Abhyudaya co-operative Bank have fear about sharing their personal and secret financial and E-Banking trasnsaction information. Therefore is a need to study about E-Banking service on Mobile pone using accountholders of Abhyudaya co-operative Bank. The uses of the these services has gradually gone up after 8th November, 2016 due to decision of demonetization of Rs.500 and Rs.1,000 currency note in India by Honorable Prime Minister Shri Narendra Modi.

REVIEW OF LITERATURES ON STUDY**International status**

Wagons Al. (2008) studied to re-examine the role of traditional SQ during e-banking in Australia. 706 accountant and self-administered questionnaires (22 items to measure SQ) were used for data collection. Quadratic analysis and factor analysis techniques used General Chat Chat Lounge They conclude that electronic delivery of services continually raises the expectations of the accountants' class and performance; Where traditional banking services were mismatched to their current expectations and reported dissatisfaction

National status

Chandrika, (1), compared IT's performance in banks, especially in PSBs. Taking a look, today's banking technology describes the computing scenario among Abhyudaya Co. Operative Bank's, with co-operative banks benefiting more from using technology than cosmos co-operative, Vijaya bank suggest that they use IT in-depth and comprehensively for their work.

OBJECTIVES OF THE STUDY

- 3) To analyse the effect of demonetization on E-Banking on Mobile phones.
- 4) To find out and understand the gender using E-Banking services on mobile phones of Abhyudaya co. operative Bank.

HYPOTHESIS OF THE STUDY

H1 : Demonetization has greater impact on E-Banking on mobile phone.

H2 : Gender and frequency of using the E-Banking services on mobile phone of Abhyudaya Co. Operative Bank is independent.

METHODOLOGY

5. **Area of Study** : To study impact of demonetization on E-Banking services Abhyudaya Co. Operative Bank sample respondents selected from Andheri East Branch
 6. **Data Source** : Primary data was used for study with Questionnaire.
-

7. **Sample Design** : Stratified Sampling technique.

8. **Sample Size** : 100 account holders are covered by the study.

DATA ANALYSIS AND HYPOTHESIS TESTING

Table no-1: Gender wise using of the E-Banking services of Abhyudaya co-operative bank

Gender	After demonetization		Total
	Yes	No	
Male	16	34	50
Female	18	32	50
Total	34	66	100

Source: Primary data

Chi-Square Tests

	Value	Df	Asymp. Sig. (-sided)
Person Chi- Square	402.57	4	.000
Likelihood Ratio	449.430	4	.000
N of Valid Cases	100		

a.0 cells (0.0%) have expected count less than 5 minimum expected count is 64.60.

Symmetric Measures

	Value	Approx.sig.
Contingency Nominal by Coefficient	.536	.000
N of Valid Cases	100	

Chi-Square Test results indicate that calculated Pearson Chi-Square value 402.570 is greater than critical Chi-Square value **13.277** (obtained from table at 1% level of significance with degree of freedom 2). Also p value is 0.001 which is less than significance value 0.01 i.e 1% And the contingency coefficient. So statistically we can say that gender wise using of E-Banking services on mobile phone after demonetization are dependent on each other and are strongly correlated.

CONCLUSION

3. Demonetization is one of the major cause of many accountholders to turn towards for E-Banking services on mobile banking.
4. Gender wise male as well nearly equal number of females are also ready for operating E-Banking services on mobile banking.

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SERVICES BRANDING AMONG PRIVATE SECTOR BANKS IN INDIA

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ABSTRACT

The Indian banking system witnessed a tremendous change post LPG policy initiated by Narasimha Rao government during 1990s. The drastic change was seen among the entry of small number of private banks. This revolutionized the Indian banking sector which observed a rapid growth in Indian economy. Later, the economic growth in the country picked up momentum owing to the contribution from all the three sector of the banking industry i.e., Public sector, Private sector and Foreign banks. People of India saw a new generation of banking sector by the implementation of new policy. Traditional way of banking was no longer in vogue. Tech savvy ways of working, modernised the banking industry. However, at the same time, the Indian customers have a wide choice of banking service providers in the market and the more knowledgeable and discerning among them tend to opt for the best bank in terms of quality and reliability and are at par with international standard. Effective marketing strategy for private should be based on customer service and the use of modern technology. Along with this the banks should develop a strong brand identity for themselves. The identity should have internal, external and regulatory manifestations for their success in the long run.

Branding is the art of becoming knowable, likable and trustable

-John Jantseh

Indian banking industry has undergone a tremendous change after liberalisation. The new RBI guidelines gave momentum for the entry of more and more private and foreign players in this sector. This intensified this competition in the banking sector in India. Competition has change the scenario of banking in India. The Technological up gradation among banks have made banking easy for the people. Entry of foreign banks gave a new dimension to the Indian banking system, Indian banking industry started witnessing customer friendly and caring bankers, transparency in their works banking at their fingertips, many more retail banking products to serve them. The consequences of all this lead to intense competition among public sector, private sector and foreign banks. And services offered can be imitated by different banks making difficult for differentiation. Thus, branding of services among banks necessitates. However, public sector banks are backed by Government, building confidence among the customers about security and safety of their savings. As such, branding at times takes a back seat for these banks. The tough fight is for the private and foreign banks to establish themselves and to reach corners of the country. Thus, branding becomes essential to create awareness and gain acceptance and to earn brand equity. Effective marketing strategy for private should be based on customer service and the use of modern technology. Along with this the banks should develop a strong brand identity for themselves. The identity should have internal, external and regulatory manifestations for their success in the long run.

STATEMENT OF THE PROBLEM

The present scenario of Indian banking system witnesses a highly competitive marketing environment for the banks, particularly for private sector and the foreign banks in the urban areas. A competitive environment pose a big challenge for the banks to differentiate themselves from others. Services of banks unlike tangible products can be copied easily by others, leaving little scope for differentiation. Thus, a need arises for the banks to focus on branding of their services. And the emphasis of branding is more in the private sector than public sector due to the nature and levels of competition. Consequently, the private sector banks need to struggle in the market through to grab a major share in the market, and this requires branding as a marketing strategy on a regular basis. Thus, the present study is focussed on developing a conceptual model to be adopted by the private sector banks based on internal, external dimensions and regulatory norms to be adhered to build trust, confidence among the customers.

OBJECTIVES OF THE STUDY

- i. To study the factors affecting branding among private banks in India.
- ii. To build conceptual branding model to be adopted by Private Banks in India.

SCOPE OF THE STUDY

The study will provide a valuable information for both the academicians as well as general public about the strategy to be adopted based on the internal, external and regulatory dimensions to be adopted by the private sector banks in India.

REVIEW OF LITERATURE

According to Berry, 1987; de Chernatony, (2003), services branding should emphasize on the importance of a balanced approach based on Internal branding as well as external branding.

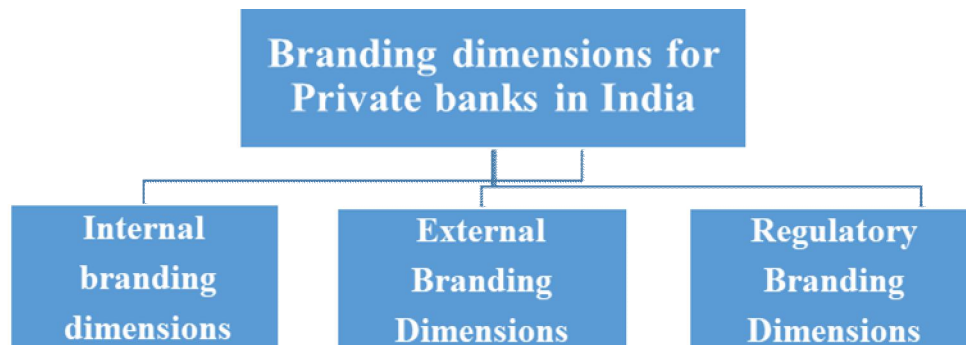
A study conducted by Selvaraj, (2009), on Indian banking customers concludes that , the Indian customers have a wide choice of banking service providers in the market and the more knowledgeable and discerning among them tend to opt for the best banks in terms of quality and reliability and are at par with international standard.

Vanniarajan T.and Nathan S.M. (2008), studied various service quality factors of banking services and analysed their impact on the customer's satisfaction. The SERVQUAL dimensions suggested by Parasuraman et al(1985) in his seminal work on services marketing, such as the reliability, responsiveness, assurance, tangibility and empathy were confirmed as service quality dimensions among Indian customers too. The study confirmed the earlier views that service quality leads to satisfaction which in turn result in the development of behavioural intentions of customers that relate to the profitability of service firms (Reichheld and Sasser1990; Anderson et al.1994;Slater and Narver1995).

In their studies on internal service quality of banks, Krishnaveni and Prabha(2006)pointed out that organizational performance of banks is significantly and positively linked to internal service quality. The study revealed that among the different internal service quality dimensions taken up for the study, employee training has been found to be more crucial than any other dimensions. The study recommended that offering the right information and facilities to the employees would improve internal service quality perceptions.

Most of the studies on Indian bank marketing have focused on service quality, customer satisfaction and related dimensions, but studies on service branding among private banks and adherence to regulatory norms for which a term "Regulatory branding" can be coined has not been undertaken. Hence, this study was undertaken with the objective to identify the internal branding factors, external branding factors and adherence to the regulatory norms among Private Banks in India and their influence and impact on banking service brands.

Conceptual Model for Banking Services Brands for Private Banks in India



BRANDING STRATEGY FOR PRIVATE BANKS

Review of literature on services branding emphasises that services branding comprises of internal branding and external branding, however for private banks need to build confidence and trust among the customers since, they will be putting their hard earned money at stake. This necessitates strict adherence to regulatory norms framed by RBI and other regulatory institutions which have been set up to safeguard the interests of the customers. Thus, regulatory branding along with internal and external branding has to be the component of branding strategy for private banks in India.

A. Dimensions of Internal Brand

According to Oakner, 2005. "Companies are learning that their brands stand or fall on the internal relationship of employees as much as their external promises to customers".

1. Corporate Brand

Ettore(1996) suggested that organisations which exhibits inspirational leadership and top management commitment are considered to have strong corporate brands. Thus, the integral part of the internal brand is Corporate brand the factor which influences employee satisfaction.

2. Reputation

Richardson and Bolesh (2002) stated that good organizations maintain their image by practicing high standards of practice, no matter what the circumstances are. Employees are more concerned about the corporate reputations of the company in which they are working and this gives them satisfaction.

3. Modernity

According to Chopra (2006), Internet banking and mobile banking are considered to be important for modern banking India. Thus, modernity of banks is very crucial for employees' perception of internal brand.

4. Effective Human Interface

Gill and Swann (2004) stated that in order to deliver customer satisfaction, employees need to interact efficiently.

5. Perceived Customer satisfaction

Employees, who regards customer satisfaction to be important, contribute better to the marketing of the organization's products and services (Gill & Swann, 2004).

B. External Brand Dimensions

External strong brand builds a strong image in the minds of its customers and among its competitors. According to the framework of Grace and O'Cass(2005) Brand name, Price/value for money, services cape, core service, employee service, feelings, self-image congruence, controlled communication, uncontrolled communication, brand attitude, customer satisfaction influence the brand verdict of customers in the service industry.

1. Brand Verdict

Grace & O'Cass(2005) identified brand verdict, as the final decision of the customer towards the brand. The brand verdict is the final decision and actionable response to the brand (Grace O'Cass, 2005).

2. Brand Name

Brand name is important in consumer evaluations of brands and they assist in recalling brand benefits (Grace & O'Cass, 2005; Janiszewski & Van Osselaer, 2005; Keller, 1998) and making product inferences and evaluations (Zinkhan & Martin Jr.1987).

3. Price/Value for Money

(Grace & O'Cass,2005),for the consumer, price is the perception of what is given up or sacrificed to obtain a product or service (Zeithaml,1988) and is more aptly referred to as "perceived price".

4. Services cape

The physical setting where the services are performed is termed as the services cape. Bitner(1992) argued that the service setting can affect consumers emotional, cognitive and physiological responses, which in turn influence their evaluations and behaviours.

5. Core Service

The core services offered by the bank are evaluated by the customer at the basic level of evaluation (Grace& O'Cass).

6. Employee service

Bitner (1992) stated that an unresponsive service employee can also contribute to the consumer's dissatisfaction where it can have negative impact on consumer evaluations.

7. Feelings

Positive feeling towards the brand is considered as an antecedent for customer resonance (Keller, 1993). Grace& O'Cass(2005) argued that feelings have an influence in customer's decision to use the brand in future (brand verdict).

8. Self-Image Congruence:

Keller (1998) argued that the personality and behavioural traits of both the product/service brand and the consumer are reflected through the user's image, the usage situation and the brand's personality.

9. Controlled Communication:

Communications that are controlled by the marketer and un-controlled by the market place are referred as controlled communications (Grace & O' Cass). Advertising helps in making the services tangible (Stafford and Day, 1995) and increase the likelihood of future purchase intentions.

10. Uncontrolled communication

These involves 'Word of Mouth' and non-paid publicity. Mangold et al (1999) suggested that un-controlled communications have more influence on purchase intentions and brand evaluation as they are more credible than advertising.

11. Brand Attitude

Positive brand attitude is vital to the long term success of the brand (Farr & Hollis, 1997) and are strong predictors of future behavioural intentions (Keller 1998).

12. Customer Satisfaction:

Satisfaction is the result of the 'Confirmation/disconfirmation' of expectations in the post-consumption stage (Cronin Jr. & Taylor, 1992). It is considered as a post purchase evaluation of both tangible and intangible features of the service brand (Grace & O'Cass, 2005).

C. Dimensions of Regulatory Brand

The various regulations imposed from the regulatory bodies in India from time to time will build trust among the customers of the bank about safety, security and profitability of their deposits. The regulations imbibe confidence in the minds of the customers to put their hard earned money at stake. And it is obligatory for all the private and foreign banks to adhere to these regulatory regime. This influences the brand image of the banks.

REGULATORY BRAND: DIMENSIONS**1. Banking and financial Regulators**

The Indian financial sector is governed by financial sector regulators, such as,

- RBI is the key regulator for the banking system in India.
- National Housing Board (NHB): regulatory authority for HFCs in India.
- Securities Exchange Board of India (SEBI) regulatory authority for the securities market in India.
- Insurance Regulatory and Development Authority of India (IRDAI) regulates the insurance sector.

The key statutes and regulations that govern the banking industry in India are

- **RBI Act:** Enacted in 1934 with the objective to establish and set out the functions of the RBI. It empowers the RBI to issue rules, regulations, directions and guidelines on a wide range of issues relating to the banking and the financial sector.
- **BR Act:** The Banking Regulation Act, 1949, provides a framework for supervision and regulation of all banks. It also gives the RBI the power to grant licences to banks and regulate their business operation. The BR Act also sets out details of the various businesses that a bank in India is permitted to engage in.
- **FEMA:** The FEMA is the primary legislation in India which regulates cross-border transactions and related activities. FEMA and the rules made thereunder are administered by the RBI.

In addition thereto, the following regulations also govern banking in India:

- The Bankers Books Evidence Act 1891.
- The Recovery of Debts Due to Banks and Financial Institutions Act 1993.
- The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002.
- The Payment and Settlement Systems Act 2007
- The various guidelines, directions and regulations issued by the RBI and the NHB from time to time.

2. Bank governance and internal controls

Banks in India are expected to be set up in the form of a company's other than for foreign banks.

- The BR Act sets out the key provisions to be complied with by each banking company in relation to the constitution of its board, the criteria for appointment of its director, and the role of the board.
- Companies Act, 2013 (CA 2013) sets out certain corporate governance standards, which would have to be complied with.
- Corporate governance standards banks are expected to follow under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

- RBI guidelines include provisions relating to conflict of interest, having an adequate compliance team and appropriate customer redressal mechanisms.

3. Rules governing banks relationships with their customers and other third parties Banks in India are subject to consumer protection laws that act as an alternative and speedy remedy to approaching courts, a process that can be expensive and time-consuming.

Any complaint under the Consumer Protection Act is dealt with in the following manner:

- District forum: this deals with consumer complaints of a value not exceeding 2 million rupees.
- State commission: this deals with consumer complaints of a value between 2 million rupees and 10 million rupees. It also hears appeals against orders passed by the district forum.
- National Commission: this deals with consumer complaints of a value exceeding 10 million rupees. Further, hears appeals against the orders passed by the state commission.

4. Customer on-boarding

Banks and other financial institutions are required to follow certain customer identification procedures referred to as know-your-customer requirements or KYC requirements) to prevent cases of fraud as well as money laundering.

The provisions governing are

- Prevention of Money-Laundering Act, 2002 and
- Prevention of Money-Laundering (Maintenance of Record) Rules, 2005.

5. Other third parties-Related parties

In India, transaction with affiliates (referred to as related-party transactions-RPTs) are essentially regulated by the CA 2013. If the banks is a listed company, it will also need to comply with the norms set out for RPTs in the SEBI LODR.

6. Other third parties-NBFCs

There are restrictions in relation to funding provided to NBFCs as well as outstanding of any core banking functions to NBFCs.

7. Cross-border banking activities

Cross-border financial activities undertaken in India are governed by comprehensive frameworks such as:

- ECB Regulations,
- FEMA
- Foreign Direct Investment(FDI)

CONCLUSION

Post liberalisation intense competition developed among the banks, paving the need for banks to create an identity for themselves and to build a strong image in the minds of the customers. People will opt any bank for banking only when they can sense trust, belief, confidence and profitability in that particular bank. In this case, public sector banks are at advantageous position as they are backed by the government. Thus, Private Banks should develop a brand based on internal brand, external brand and regulatory brand to have long run customer relationship and success.

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GROWTH OF WOMEN EMPOWERMENT THROUGH MICRO FINANCE: A PRIVILEGE FOR DEVELOPMENT

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ABSTRACT

The United Nation declared the year 2005, The Union Year of Micro Credit. In year 2006 Mr. Mohammed Yunus and the Grameen Bank Bangladesh, were awarded the Nobel Prize for their effort create economics and social development from below.

Micro Finance is believed to be a tool of development that can used to get rid of poverty. In the words of Mr. Yunus:

"We focused on giving loan to the women because women's always brought more benefits to the family. Today Grameen Bank gives loan nearly to 7.0 million poor people, 97% whom is women in 73000 villages in Bangladesh.

Women are typically poorer than men and have fewer options for earning a livelihood to provide adequate food, housing and education for their children. They are also the change agents of the family. Women are more likely to invest their earnings into improving the lives of the families. By encouraging women to take charge of their futures, micro finance institutions (MFIs) can impact families and whole communities.

INTRODUCTION

One of the successful models discussed around the Grameen Bank, has successfully served the rural poor in Bangladesh. In honouring Mohammad Yunus, The professor of Economics, Chittagong University and father of Grameen Bank, the Nobel Peace Prize has thrown its weight behind the idea that in micro credit which will remove poverty, liberate women and achieve the objectives of rural development. He has shown to the world that poor are credit worthy having near 99 percent repayment record in his Grameen Bank which alone today disburses more than Rs. 300 crore of loan every year and has more than two third of its funds as self generated. Now this bank has almost 1000 plus branches in Bangladesh with 2 million loans amounting to a combined work of a staggering US\$2 billion. Through his banking operations, he has shown to the world that markets are not only made of the top 20 percent of population but also of the bottom 80 percent, according to reports, on overwelming 5 percent of his borrowers come out of poverty every year Group approach is not new in development process.

Micro finance is a movement with the underlying objective of helping poor households to have access to financial services, including credit at affordable cost. Many of those who promote micro finance believe that such access will help poor people get out of poverty. For others, micro finance is a way to promote economic development, employment and growth through the support of micro entrepreneurs and small businesses.

Micro finance is the provision of a diverse range of financial services and products including small loans (micro credit), savings accounts, insurance, pensions and money transfers. These are designed to assist people living in poverty who are not able to access financial services in the mainstream banking sector because they have no collateral, formal identification or steady income.

Women, if empowered by giving opportunities, can become good social workers, political leaders and successful entrepreneurs. However, the pace of women empowerment through micro finance is slow due to a variety of constraints which urgently need to be rooted out.

I) EMPOWERMENT

The term women empowerment does not imply that it is a fight against men, rather, a fight against the orthodox traditions and the proverbial "laxman rekha". Empowerment signifies that men and women are equals and are independent to have their own identity. "Conceived that the fall and complete development, of a country, the welfare of the world and the cause of peace require the maximum participation of women on equal terms with men in all fields". (Preamble to Convention of the Elimination of all forms of Discrimination against Women, 1979).

Empowerment is essentially a transition from a position of enforced powerlessness to one of power. It promotes women's inherent strengths and positive self image. It should not be misunderstood that to empower women have to give women more power to dominate others, to abuse others, to exploit men or establish any sort of

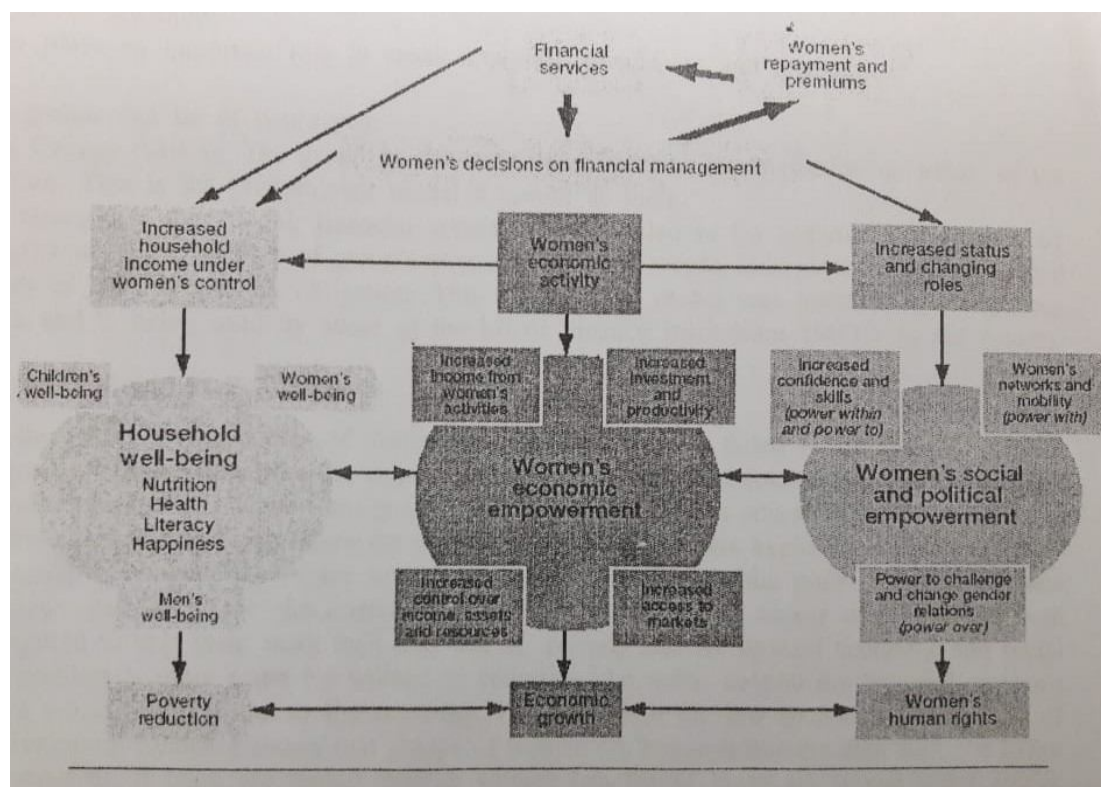
superiority over men. Women empowerment in the family is empowerment of men and women both. The partnership between men and women is absolutely essential for creating violence-free families.

To empower women in the real sense is to enable them to recognize and enhance their latent talents, abilities, capacity and real identity (**Kapur, 2001**). Empowering women actually means strengthening them to confront family, community, caste, religion and traditional forces, patriarchal forces and all biases working within government departments (**Arya, 2000**). This inevitable confrontation ensures their full participation in every aspect of social and national development. This participation is necessary to increase the productivity level of women. Thus, women's empowerment would mean enduring the choices and productivity level of individual women and the collective contribution of women groups.

Women empowerment is interpreted in development agenda as participation decision making, increased access to productive resources, expended choices, rights and control over her body and life. In the process of empowerment, changes take place with regard to health, knowledge levels, awareness level, self esteem and leadership qualities of women.

Gender development has attracted the attention of academicians, political thinkers and social scientists both in developing as well as developed countries (**Sen-Menon and Kumar, 2001**), because widely accented truth that a society built on the inequality of men and women involves wastage of human resources.

Microfinance and women's empowerment : virtuous spirals



II) MAIN FEATURES OF MICRO FINANCE

The term micro finance is of recent origin and is commonly used in addressing issues related to poverty alleviation, financial support to micro entrepreneurs, gender development etc. There is, however, no statutory definition of micro finance. The taskforce on supportative policy and Regulatory Framework for Microfinance has defined microfinance as "Provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi-urban or urban areas for enabling them to raise their income levels and improve living standards". The term "Micro" literally means "small". But the task force has not defined any amount. However as per Micro Credit Special Cell of the Reserve Bank of India, the borrowal amounts upto the limit of Rs.25000/- could be considered as micro credit products and this amount could be gradually increased up to Rs.40000/- over a period of time which roughly equals to \$500 - a standard for South Asia as per international perceptions.

The term micro finance sometimes is used interchangeably with the term micro credit. However while micro credit refers to purveyance of loans in small quantities, the term microfinance has a broader meaning covering in its ambit other financial services like saving, insurance etc. as well.

The mantra "Microfinance" is banking through groups. The essential features of the approach are to provide financial services through the groups of individuals, formed either in joint liability or co-obligation mode. The other dimensions of the microfinance approach are:

- Savings/Thrift precedes credit
- Credit is linked with saving thrift
- Absence of subsidies
- Group plays an important role in credit appraisal, monitoring and recovery.

III) EMPOWERMENT: FOCUS ON POOR WOMEN

Two vital processes have been identified as important for empowerment. The first is social mobilization and collective agency, as poor women often lack the basic capabilities and self-confidence to counter and challenge existing disparities and barriers against them. Often, change agents are needed to catalyze social mobilization consciously. Second, the process of social mobilization needs to be accompanied and complemented by economic security. As long as the disadvantaged suffer from economic deprivation and livelihood insecurity, they will not be in a position to mobilize (UNDP 2001).

Since women's empowerment is the key to socio economic development of the community; bringing women into the mainstream of national development has been a major concern of government. The ministry of rural development has special components for women in its programmes. Funds are earmarked as "Women's component" to ensure flow of adequate resources for the same. Besides Swarnagayanti Grameen Swarazgar Yojana (SGSY), Ministry of Rural Development is implementing other scheme having women's component. They are the Indira Awas Yojana (IAJ), National Social Assistance Programme (NSAP), Restructured Rural Sanitation Programme, Accelerated Rural Water Supply programme (ARWSP) the (erstwhile) Integrated Rural Development Programme (IRDP), the (erstwhile) Development of Women and Children in Rural Areas (DWCRA) and the Jowahar Rozgar Yojana (JRY).

Micro Finance is emerging as a powerful instrument for poverty alleviation in the new economy. In India, micro finance scene is dominated by Self Help Groups (SHGs) - Bank Linkage Programme, aimed at providing a cost effective mechanism for providing financial services to the "un-reached poor", or Based on the philosophy of peer pressure and group savings as collateral substitute, the SHG programme has been successful in not only in meeting peculiar needs of the rural poor.

There are certain misconception about the poor people that they need loan at subsidized rate of interest on soft terms, they lack education, skill, capacity to save, credit worthiness and therefore are not bankable. Nevertheless, the experience of several SHGs reveal that rural poor are actually efficient managers of credit and finance. Availability of timely and adequate credit is essential for them to undertake any economic activity rather than credit subsidy.

IV. PROBLEMS AND CHALLENGES

Surveys have shown that managements contribute to make it more Difficult for women empowerment through micro businesses. These elements are:

- Lack of knowledge of the market and potential profitability, thus making the choice of business difficult.
- Inadequate book-keeping.
- Employment of too many relatives which increases social pressure to share benefits.
- Setting prices arbitrarily.
- Lack of capital.
- High interest rates.
- Inventory and inflation accounting is never undertaken.
- Credit policies that can gradually ruin their business (many customers cannot pay cash; on the other hand, suppliers are very harsh towards women).

V. CHALLENGING ECONOMIC EMPOWERMENT

However impact on Incomes is widely Viable. Studies which consider income levels find that for me majority of borrowers income increases are small, and in some cases negative. All the evidence suggests that most

women invest in existing activities which are low profit and insecure and/or in their husband's activities. In many programmes and contexts it is only in a minority of cases that women can develop lucrative activities of their own through credit and savings alone.

It is clear that women's choices about activity and their ability to increase incomes are seriously constrained by gender inequalities in access to other resources for investment, responsibility for household subsistence expenditure, lack of time because of unpaid domestic work and low levels of mobility, constraints on sexuality and sexual violence which limit access to markets in many cultures.

VI. MICRO FINANCE AND INCLUSIVE GROWTH

Inclusive growth entails responsible and sustainable creation as well as just distribution of both wealth and welfare. Social cohesion and human dignity lie at its core. It requires extending access to opportunities more widely. It is a key response to the rising inequalities undermining the sustainability of the global market economy, growth and development. Inclusive growth seeks to redirect and broaden the flows of globalization towards its intended beneficiaries, viz. the excluded ones. It has two mutually reinforcing strategic pillars: sustainable growth (to unleash greater economic opportunities for those excluded) and diffusion of opportunities (through investment in education, health and infrastructure). Good governance – understood as a mechanism linking inclusion, decision-making and accountability – is fundamental to advancing each of these pillars.

Inclusive growth is an absolute imperative for global market economy to be sustainable and indeed one could say for peace to reign. If globalization is to be sustained, with all the benefits it can bring to humanity, growth must be inclusive. It has to be seen to benefit the greatest numbers, and good and transparent governance has a key strategic role to play.

VII. CONCLUSION AND SUGGESTIONS

Numerous traditional and informal system of credit that was already in existence before micro finance came into vogue. Viability of micro finance needs to be understood from a dimension that is far broader in looking at its long term aspects too very little attention has been given to empowerment questions or ways in which both empowerment and sustainability aims may be accommodated. Failure to take into account impact on income also has potentially adverse implications for both repayment and outreach, and hence also for financial sustainability. An effort is made here to present some of these aspects to complete the picture.

A conclusion that emerges from this account is that micro finance can contribute to solving the problems of inadequate housing and urban services as an integral part of poverty alleviation programmes. The challenge lies in finding the level of flexibility in the credit instrument that could make it match the multiple credit requirements of the low income borrower without imposing unbearably high cost of monitoring its end use upon the lenders.

Nevertheless ensuring that the micro-finance sector continues to move forward in relation to gender equality and women's empowerment will require a long term strategic process of the same order the one in relation to poverty, if gender is not to continue to 'evaporate' in a combination of complacency and resistance within donor agencies and the micro-finance sector. This will involve:

- 1) To provide and to promote the provision of micro credit to poor women for income generating activities.
- 2) To create and implement simple, client friendly, savings related cost effective credit delivery system.
- 3) To evolve participatory approach in organization of women groups and inculcate the habits of thrift/savings and effective utilization of credit.
- 4) To use the SHG and provision of credit for women empowerment.
- 5) To disseminate information among all the agencies in the areas of micro finance regards poor women.
- 6) To receive grants, donations, loans for achieving the above objectives.

Considering the credit needs of huge rural poor people, micro finance through SHGs can be an efficient and effective credit delivery system.

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NEED FOR INSURANCE IN INDIA & PERCEPTION OF PEOPLE TOWARDS INSURANCE

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INTRODUCTION

Insurance - is a means of protection from financial loss. It is a form of risk management, primarily used to hedge against the risk of a contingent or uncertain loss.

An entity which provides insurance is known as an insurer, basically the insurance company. A person or entity who buys insurance is known as an insured or as a policyholder. The insurance transaction involves the insured & insurer, where the loss if incurred by the insured will be bared by the insurer. The loss may or may not be financial, but it must be reducible to monetary terms, and in the interest of the insured, he is bought back to the same place where he stood before the loss.

The insured receives a contract, called the insurance policy, where details of the insurance policy with the terms & conditions have been specified. The amount of money charged by the insurer from the insured for the risk transferred from the insured to the insurer is called the **premium**. If the insured undergoes a loss which is potentially covered by the company and the policy, the policy holder submits a claim to the insurer for processing by a claim adjuster. The insurer may hedge its own risk by taking out reinsurance, the concept of reinsurance has been made mandatory by IRDA, in order to share the risk appetite of the insurance company .

OBJECTIVES OF THE STUDY

The overall objective is to evaluate the “Challenges and Opportunities in Life Insurance Sector of India (A comparative study of public and private sector)”. To achieve overall objective various sub-objectives have been established, these are: –

1. To know the interest of people towards Insurance
2. To study “ What do people think about Insurance
3. To know the reason why people invest in Insurance.
4. To know the level of awareness of Insurance.
5. To determine the type of Insurance investor prefer the most

HYPOTHESIS

H0 – Insurance is a wastage of money since its blind investment for which the output is not guaranteed or in Far future.

H1 – Insurance is a necessity for provides for business and family the recklessness and acts as my financial substitute in case of any casualty to the same.

RESEARCH TYPE

Type of research is based on the nature of data. In the light of the nature of data, the present research is mainly of a quantitative nature, as most of the findings of the 73 present studies are based on quantified measures. However, the researcher also manipulated the results and after effects, which also represented a sign of qualitative research. In the light of reasoning the research, the present study was mainly of applied nature as the researcher tried to test the impact of private insurance entities on public sector life insurance i.e. LIC. Further, the survey method was adopted by selecting and studying a sample chosen from the population to discover the relevant incidence, distribution and interrelation of variables.

RESEARCH DESIGN

Reliability and validity of the research required planning of inquiry that is how maximum realistic data could be extracted. A good research design depends on two factors: first, clear understanding of what one needs to study and find, i.e., properly understanding and asking the problem or properly phrasing the issues to be understood & studied or the logical structure of inquiry; and second, calculating the methodology to reach there, i.e., collecting data through scientific and appropriate methods, using effective and efficient techniques of data conversion into information and rational and meaningful deductions. Therefore, the researcher had to take great care in the preparation of the research design. There are many types of research design and there was no standard or ideal research design to guide the researcher; much different research design may accomplish the same objectives. Broadly, research design can be of three types: (1) Exploratory (R&D on various data) (2)

Descriptive (to give complete meaning and justice to the information collected) and (3) Casual/Experimental (innovativeness, to give a different view with respect to minuteness of the topics focused on). In the present study, mainly exploratory research design had been taken into consideration, as the main purpose of this study was to make comparative study of private and public sector life insurance companies in India, as it has grown by leaps & bounds and to achieve new insights into it. Since the scope of the study was extremely vast, the present study (historical Data) also represented some characteristics of descriptive research design.

SAMPLE DESIGN

In most if the cases of research studies, it becomes almost very difficult to examine the entire universe; the only alternative available thus, was to resort to sampling (selection of few from every class of data available). The present study is also of the same nature. According to Manheim (1977), “a sample is a part of the 74 population which is studies in order to make Interpretation about the whole population”. Thus, a good sample would be a miniature version of the population, which would involve the following: —

- Sample Unit (Unit of Analysis) —
- Sample Techniques and —
- Sample Size

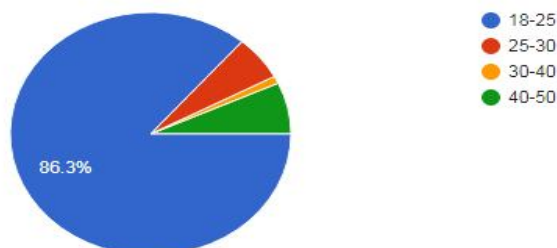
DATA ANALYSIS, INTERPRETATION AND PRESENTATION

Q1-Age

18-25	25-30	30-40	40-50
86.3%	6%	1%	6.9%

Age

102 responses



Interpretation

86.3 % of the respondent belong in the age group of 18- 24

6% of the respondent belong in the age group of 25-30

1% of the respondent belong in the age group of 30-40

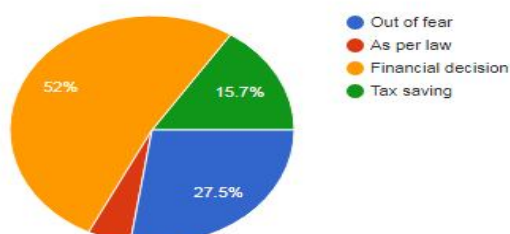
6.9% of the respondent belong in the age group of 40-50

Q2 Why do you take Insurance?

Out if fear	As per law	Financial decision	Tax saving
27.5%	4.8%	52%	15.7

Why do you take Insurance?

102 responses



Interpretation

27.5% of respondent purchased insurance out of fear.

4.8% of the respondent purchased insurance as per law.

52% of the respondent purchased insurance as per their financial decision.

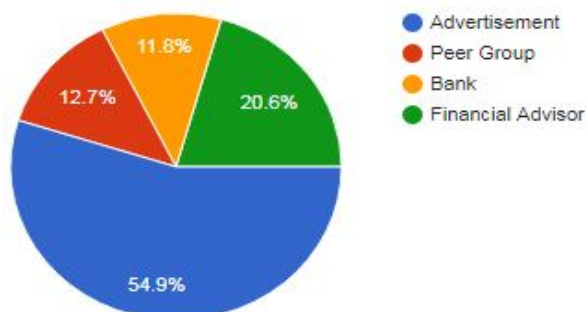
15.7% of the respondent purchased insurance for tax saving.

Q3 From where you came to know about Insurance?

advertisement	Peer group	Bank	Financial advisor
54.9%	12.7%	11.8%	20.6%

From where you came to know about Insurance?

102 responses



Interpretation

54.9% of the respondent came to know about Insurance through advertisements

12.7% of the respondent came to know about Insurance through peer group.

11.8% of the respondent came to know about Insurance through bank.

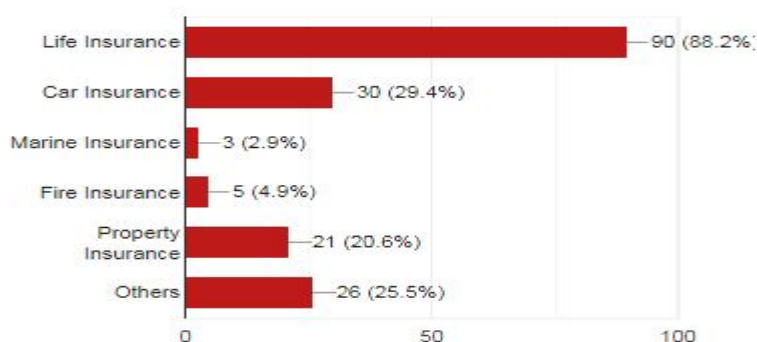
20.6% of the respondent came to know about Insurance through financial advisor.

Q4 In what type of Insurance you have invested?

Life insurance	90
Car insurance	30
Marine insurance	3
Fire insurance	5
Property insurance	21
Others	26

In what type of Insurance you have invested?

102 responses



Interpretation

90% of the respondent have invested in life insurance.

30% of the respondent have invested in car insurance.

3% of the respondent have invested in marine insurance.

5% of the respondent have invested in fire insurance.

21% of the respondent have invested in property insurance.

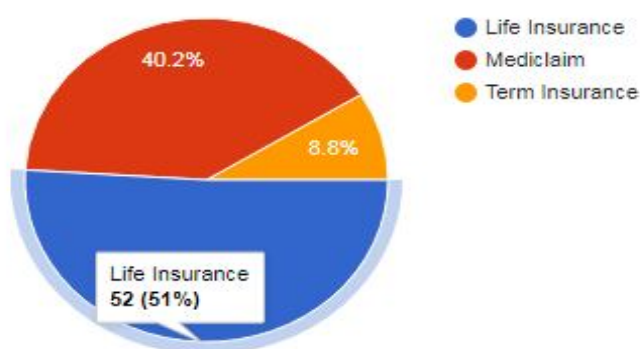
26% of the respondent have invested in other types of insurance.

Q5 Which would you prefer?

Life insurance	mediclaim	Term insurance
52%	40.2%	8.8%

Which would you prefer?

102 responses



Interpretation

52% of the respondent prefers life insurance.

40.2% of the respondent prefersmediclaim.

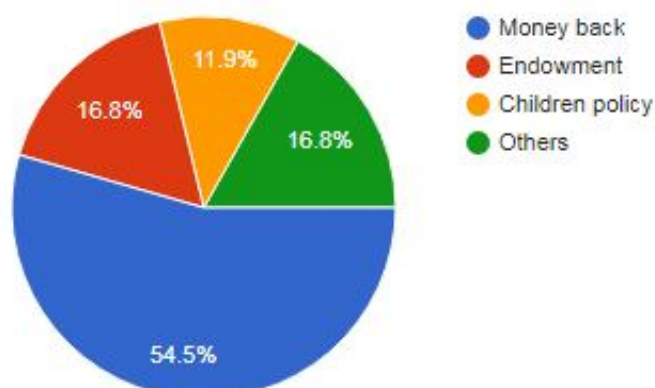
8.8% of the respondent prefers term insurance.

Q6 Which policy have you taken?

Money back	endowment	Children's policy	Others
54.5%	16.8%	11.9%	16.8%

Which policy have you taken ?

101 responses



Interpretation

54.5% of the respondent has taken money back policy.

16.8% of the respondent has taken endowment policy.

11.9% of the respondent has taken children's policy.

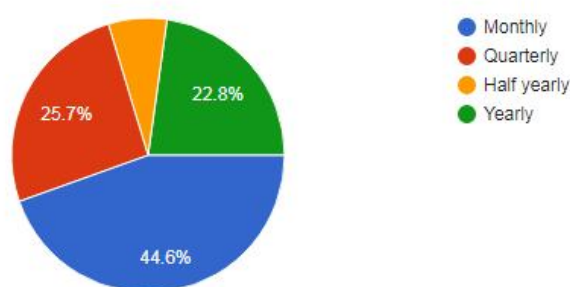
16.8% of the respondent has taken other policy.

Q7 How would you like to pay premium?

Monthly	Quarterly	Half Yearly	Yearly
44.6%	25.7%	6.9%	22.8%

How would you like to pay premium?

101 responses

**Interpretation**

44.6% of the respondent would like to pay monthly.

25.7% of the respondent would like to pay quarterly.

6.9% of the respondent would like to pay half yearly.

22.8% of the respondent would like to pay yearly.

LIMITATIONS

Best possible efforts have been made to guarantee that the research is planned and carried out to optimize the capability to accomplish the research objectives. However there are some limitations that may not authenticate the research however it needs to be acknowledged.

1. One of the basic assumptions of this research is that the customers are knowledgeable for inspecting their perceptions regarding life insurance fraud. Certain topics in the study concentrate on perceptions and attitude of various respondents. Likert scale which is a 5 point scale and nominal scale has been used as a major tool for evaluation which has its own limitation.
2. The evaluation done for data analysis is based on the primary data produced with the help of questionnaire and its findings depend completely on the accurateness of such data. 53
3. Different experts have special views on estimating attitude and perceptions. The views that have been used for the current purpose cannot be declared as absolute and perfect.
4. Sample taken for customer's perception is from Ahmadabad city only. The results of this study cannot be generalized to consumers of other regions. Expert survey taken is also not done for all the life insurance companies so again it cannot be generalized to all the experts.

SUGGESTIONS

1. To increase the level of risk diversions & insurance literacy, LIC & other companies must focus on introducing products that suit to the rural individuals & entities.
2. The company should focus on investing in advertising, spread in local markets, and spread the idea on national levels, so that it can propagate and promote its product and its benefits.
3. LIC and other entities should also consider ventures and tie ups with other banks, NIF's and qualified Investors apart from the existing ones to extend its products.

4. The Insurance Company has the option to tie up with NGO's and other social working entities for promoting its rural insurance products and services.
5. Customer understanding & friendly policies & documentations.
6. Insurance companies & IRDA should keep a check that its agents without caring and biased intentions and promote all its products.
7. LIC may provide additional funds to its development officers and agents.
8. The Insurance policy should be completely transparent & should not carry any hidden clauses or cost.
9. Claim settlement process should be made fast and must not involve lengthy decision making process.
10. Some special focus should be laid on individual risk coverage while designing the products.
11. People becoming more aware and demanding so there is scope for a whole lot of innovative products.
12. To have the maximum reach, use online mode to spread the information and its benefit.
13. The shorthandedness in the security systems together with a willingness to save means that Indians demand for an everlasting source of income (Pension) will be large. Thus, it is an never ending opportunity.
14. Easy accesses to development in the more advance market provide further opportunity to upgrade their working. Technological, financial or specific area based avenues of absorbing improved system are also now more easily available. So, that insurance companies working efficiently and fast service.

CONCLUSIONS

Insurance is a tool by which fatalities of a small number are compensated out of funds collected from plenteous. Insurance is a safeguard against uncertain events that may occur in the future. Company image is the highly important criteria that consumers consider before taking up a life insurance. This is mainly because people expect safety and secure for their money which they invest, followed by the factor Premium which we pay to the insurer and then Bonus and Interest paid by the company, services etc.

LIC dominates the Indian insurance industry. In today's competitive world, customer satisfaction has become an important aspect to retain the customers, not only to grow but also to serve. Increased competition, wide range of product offerings and multiple distribution channels cause companies to value satisfied and highly profitable customers. Customer service is the critical success factor in a company and providing top notch customer service differentiates great customer service from indifferent customer service.

The entry of private sector insurance companies into the Indian insurance sector triggered off a series of changes in the industry. Even with the stiff competition in the market place, it is evident from the study that products offered by the LIC are creative, innovative and of the liking of the customers, moreover they are satisfied by the true knowledge provided by the company or agents and they are easily accessible, Flexible payment schemes with no hidden cost, there is no undue delay in claims settlement, customers are highly satisfied by the grievance redressed mechanism, and in the near future if they will go for the policy they will stuck to LIC of India, which shows the great faith and positive perception of the customers towards LIC of India.

The demographic trends suggest that as private insurance companies (both local and multinational) have proliferated in Dhaka city, better educated and more affluent people have gravitated to these insurance companies for insurance services. These people/clients are likely to have better information about the quality of services provided by both public and private insurance companies and their inclination to select private insurance companies suggests, implicitly, that the quality of service is better at these private firms even though their (private insurance companies) service cost is somewhat higher. Moreover, many branch operation of private insurance companies help the people to make evaluation among them and making an insurance decision in favor of those which are trustworthy.

But between the private local and foreign insurance company choice, clients are mostly considering foreign private insurance companies due to its trustworthiness, experience in operation and wide area coverage. Less number of branches of the public insurance companies may be another prime reason of not being preferred by the local clients. By definition, it might be more authentic if the clients were inclined towards the public insurance companies from trustworthiness point of view, but as statistics suggests in favor of choosing foreign private insurance firms, probably we have to be satisfied by saying that it is in many respect guided by client's psychology of getting better and prompt services.

A STUDY ON AWARENESS ABOUT CRYPTOCURRENCY AMONG UNDERGRADUATE STUDENTS AND WORKING ADULTS IN THE EDUCATION SECTOR

Satyam Upadhyay and Darshan Vyas

ABSTRACT

This paper analyses the awareness of cryptocurrency amongst the students of the undergraduate level and working adults in the education sector. Due to the rapid development of information and communication technologies, many activities in our daily life have been merged online and they become more flexible and more effective. A huge growth in number of online users has activated virtual word concepts and created a new business phenomenon which is cryptocurrency to facilitate the financial activities such as buying, selling and trading. Cryptocurrency represent valuable and intangible objects which are used electronically in different applications and networks such as online social networks, online social games, virtual worlds and peer - peer networks. The use of virtual currency has become widespread in many different systems in recent years. Through this paper we wish to see how much the undergraduate students and working adults know regarding the topic of cryptocurrency.

Index Terms: Bitcoin, Cryptocurrency, Challenges in cryptocurrency, Cryptocurrency Legislations, Opinion of Governments on Cryptocurrency, Uses of cryptocurrency, Trust of users in cryptocurrency.

I. INTRODUCTION

in this digital age, information and communication technologies has created many golden opportunities in several aspects. The business sector in particular has seen many new opportunities. A rapid growth in the number of online users has activated virtual world concepts and created a new business opportunities. Virtual methods of trading, transactions and currencies have been arising. One of the most rapid growing financial forms that have emerged in the past few years is the Cryptocurrency. **Cryptocurrency** (CC) can be defined as any medium of exchange, apart from real world money, a virtual currency, so to speak, that can be used in many financial transactions whether they are virtual or real transactions. Cryptocurrencies represent valuable, intangible objects which can be used electronically or virtually in different applications and networks such as online social networks, online social games, virtual worlds and peer to peer networks. **Investing** your money can allow you to grow it. Most common **investment** means, such as stocks, certificates of deposit, or bonds, offer returns on your money over the long term. This return allows you to grow your money, creating wealth over time. Investment should start with the motive of holding the funds for longer periods of time in order to be able to get comparatively higher returns. The sooner you start the investment the greater the returns will be in the future if invested strategically and carefully. One should know when to enter the market and when to exit. Undergraduate students are the future earners therefore they will be the potential investors in the near future. Workings adults should also have sufficient level of financial literacy about current investment avenues and new investment opportunities in the markets.

This paper explores the financial literacy and awareness of commerce students and their teachers about investment opportunities in the cryptocurrency and what are the reasons for their bias for or against this topic

II. HYPOTHESIS

H0: There is no awareness about cryptocurrency amongst undergraduate students and working adults in the education sector

HA: There is awareness about cryptocurrency amongst undergraduate students and working adults in the education sector

III. THE CRYPTOCURRENCY MARKET

A. The Global Landscape

As of March 18, 2018 there are 1564 Cryptocurrencies available & traded in about 9422 exchanges. The market capitalization of all the cryptocurrencies is \$275,797,435,861 i.e. \$275 Billions. & 24-hour volume was \$ 18,207,953,654 i.e.\$18 Billions. Fig. 1: Total Market Cap of Cryptocurrencies (with & without Bitcoins) The Bitcoin has shown maximum dominance in the cryptocurrency market with around 45% of market share & market capitalization of \$142.2 Billions (Rs 9.25 Trillion). Its market price is \$ 8254.8 i.e Rs 5,35,767. Other cryptocurrencies excluding bitcoins are referred collectively as altcoins, it includes other 1550 currencies that are traded globally.

B. Its Rise in India

India with a population that is over 1.3 billion, has been on something of an economic boom in the last few years. Such has been the extent of the country's growth that the International Monetary Fund has called it one of the most rapidly growing economies in the world. More than 40 % of the country's population has access to telecoms and internet services. A country holding grounds in history and culture, it is not one to fall behind when it comes to technological advancement. Bitcoin and other cryptocurrencies have been operating within the country for a number of years now. This article looks at the state of the Indian cryptocurrency market. As early as 2012, small scale Bitcoin transactions were already taking place within the country. These were still early days in the development of Bitcoin when only crypto hobbyists were interested in Bitcoin. By 2013, Bitcoin was gaining popularity that was spreading across many countries. That year, a few businesses began to accept Bitcoin payment. A vintage era pizza shop called Kolonial in the Worli area of Mumbai became the first restaurant service in India to accept Bitcoin payments. In a short space of time, cryptocurrency exchanges began to spring up within the country. Pioneers like BtcxIndia, Unocoin, and Coinsecure began offering cryptocurrency exchange and trading services in India. Over time, others like Zebpay, Koinex, and Bitcoin-India were added to the list. With the proliferation of crypto trading and exchange platforms, the crypto market in India has grown from its modest level in 2013 to what it is today. Apart from these online exchanges, there are also a number of over-the-counter (OTC) crypto shops in the country. Add to this, numerous Bitcoin ATMs in major Indian cities and you have the makings of a crypto economic hub. On November 8, 2016, Prime Minister Narendra Modi announced a demonetization policy. The move by the government to demonetize approximately 86 % of the country's paper currency sent shockwaves all across the subcontinent of India. People with large cash holdings required a new means of holding such wealth without incurring significant tax burdens and sundry government scrutiny. It became common or some to buy large orders of Bitcoin or other cryptocurrencies and then sell them at a later date. This meant that they were effectively circumventing what would have been considerable taxes if they had tried to circulate their wealth through the banking system. The demonetization policy also led to widespread criticism of the mainstream financial scene in the country. In the space of 24 hours, 86 % of the country's paper currency in circulation had been rendered valueless by virtue of a single government proclamation. Realizing that fiat money isn't exactly "real" money since it isn't backed up by anything, Indians began to seek alternative currency models. Many Indians, especially those in the 40 % bracket with access to the Internet began to take up Bitcoin and other cryptocurrency investments. The 2016 demonetization policy may have risen the popularity of cryptocurrencies among a considerable portion of the population but realities soon began to emerge that have stifled the growth of the market in the country. In spite of its vast population,

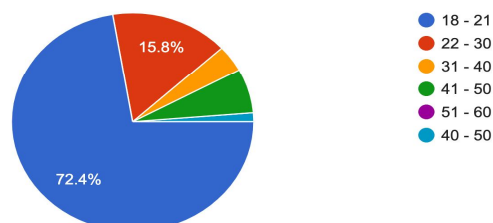
India contributes only 2 % of the total global cryptocurrency market capitalization. The small role being played by such a large economy can be attributed to the high cryptocurrency prices & the RBI-led government crackdown. The general level of prices of cryptocurrencies in India is on the high side. Market rates are relatively higher by as much as 5 to 10 % compared to the global average. This means that Indians can only get involved in peripheral participation in crypto trading as far as international crypto exchange platforms are concerned. Lack of large-scale mining facilities & strict government restrictions on international money flow also make it significantly difficult for Indians to transact with many of the large foreign crypto exchange platforms. The Reserve Bank of India (RBI) has been consistent in warning citizens of the risk associated with cryptocurrencies. While the government of the country hasn't banned cryptocurrencies, they haven't exactly been endorsing it. The coming years will reveal the direction in which the crypto market will move as far as India is concerned.

IV. A survey on information about Cryptocurrency among undergraduate students and working adults in the education sector

Survey form Findings

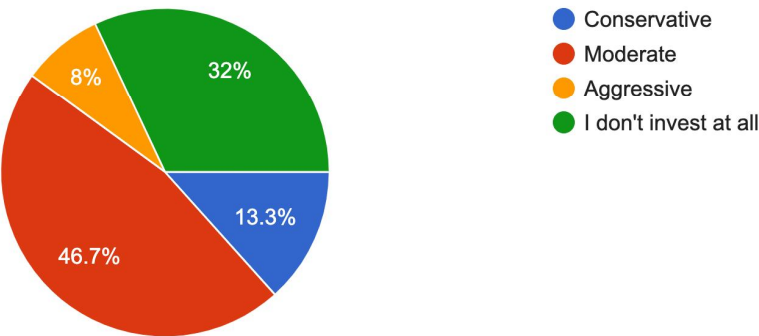
What age category are you in ?

76 responses



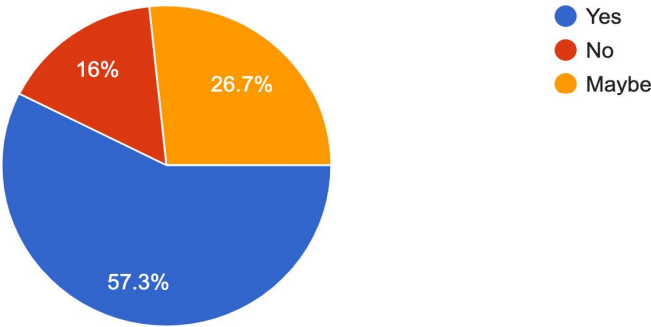
In your opinion what investment strategy do you follow ?

75 responses



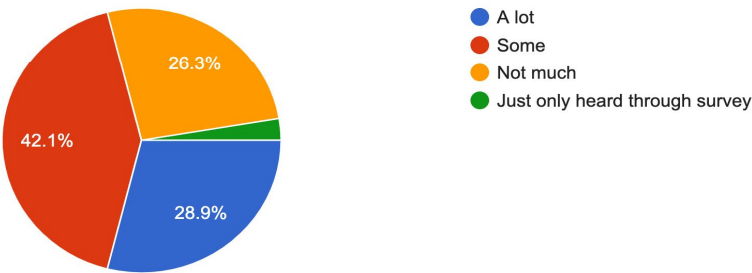
Do you plan your investments decisions ?

75 responses



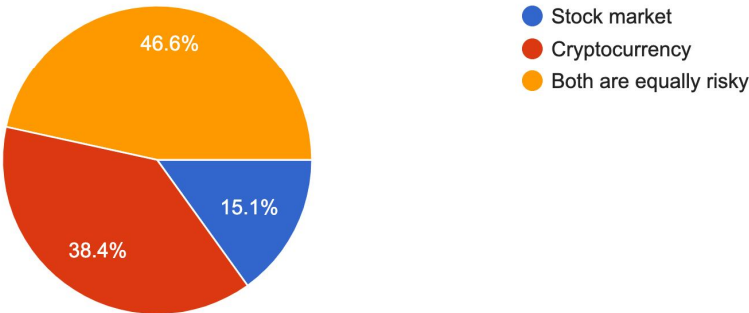
How much, if at all, have you heard or read about cryptocurrency such as Bitcoin ?

76 responses



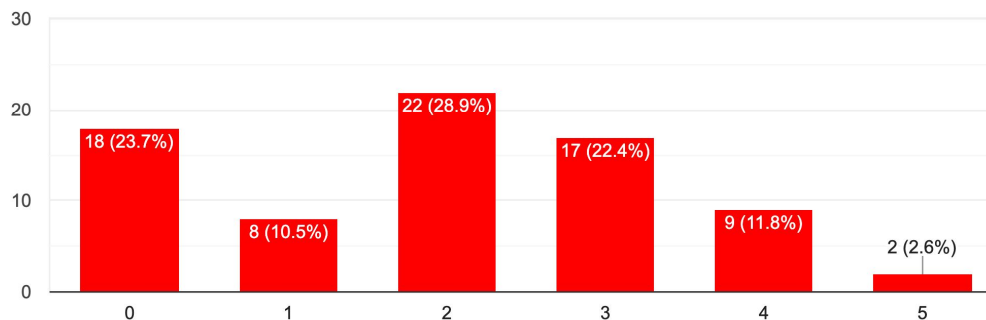
In your opinion what is more risky to invest in, stock market or cryptocurrency ?

73 responses



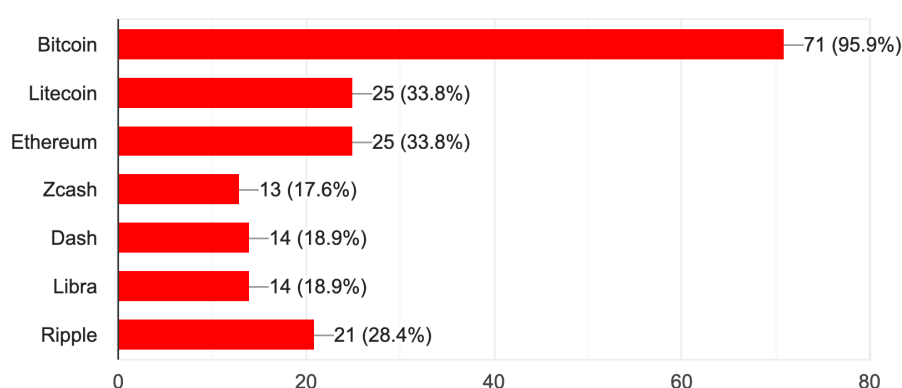
On the scale of zero to five how likely are you to invest in cryptocurrency ?

76 responses



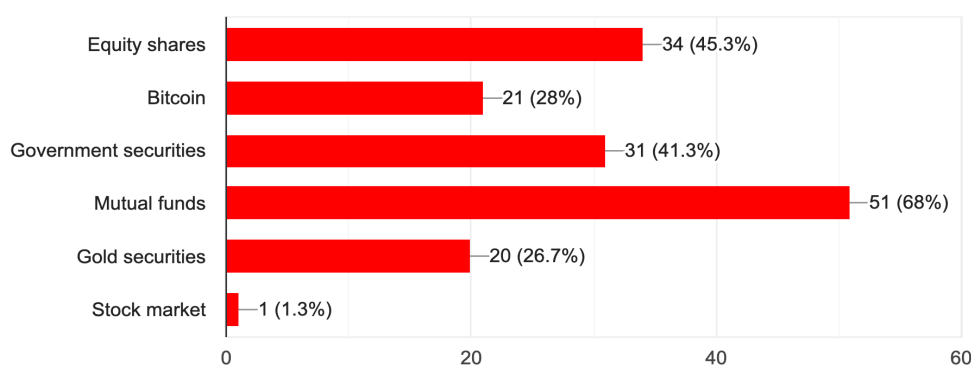
Which of these digital currencies do you know ?

74 responses



If given option which of the following are you to likely to invest in ?

75 responses



Do you think Indian government should take initiative to support cryptocurrency as an investment opportunity in India?*optional

28 responses

- Yes
- No
- Yes
- Yes, since it is a current and growing trend India should also ride this wave
- Maybe
- Definitely. Firstly they should revoke the ban placed by them on cryptocurrencies. They should not only support it as an investment option but also as a payment option since many foreign countries have implemented cryptocurrencies as their payment methods.

7. No it could affect the economy
8. Considering there is a probability for a bubble formation in the near future, there is an imminent need to lay out certain safeguards for the investors.
9. Yes. It can be a prospective avenue for investment.
10. Yup
11. yes
12. Yes, but first there should be a committee to have all the pros and cons studied and then have a regulatory body for the same
13. No , because cryptocurrency is something that is not governed by central system such as banks and the transaction takes place between person on person and does not leave a trace behind which promotes crimes (a big no)
14. Secondly fiat currencies allow the govt to control and provide supplies rather following cryptocurrency which can cripple the monetary policy + banking system
15. Thirdly it is something which you can't hold onto you eg: gold, paper currencies rather it's something digital and highly volatile ...something not for common people with no cyber knowledge..
16. Maybe
17. NO.
18. No I do not think so
19. May be
20. Yes, they should
21. May be, apparently its highly risky and if a middle class man invest a huge amount without knowing about the market it will cause a huge loss but if he studies and have a good knowledge with all the analysis it will also give him a good returns
22. Yes and government must promote cryptocurrencies
23. According to me, firstly the government needs to develop knowledge about cryptocurrency among the individual investors, because without a base knowledge people wouldn't invest which would lead to a failure of this investment avenue.
24. No
25. No comments
26. Not at all, because lots of even not known about digital currency. how can they invest in Cryptocurrency..
27. No, It is proven that crypto currency can be fraudulent for individuals who are illiterate and it is very prominent that people can be fooled. India needs to develop first in other sectors as far as crypto currency is concerned.
28. Of course

V. CONCLUSION

1. We failed to prove the H₀ hypothesis since there is awareness about cryptocurrency amongst undergraduate students and working adults in the education sector.
2. 72.4% of the respondents were in the age category of 18-21 i.e. undergraduate students and remaining were divided among the age categories of 22-30, 31-40, 41-50 .
3. It was also found that 32% of our respondents did not invest at all. With 46.7% being moderate investors and remaining being conservative and aggressive investors.
4. When asked whether they planned their investments or not, 57.3% of the respondents replied YES with only 16% NO and 26.7% replying MAYBE.
5. Through the survey it was found that only 28.9% had detailed knowledge about Cryptocurrency and 42.1% having some knowledge and 26.3% having very less knowledge. Only 2% of the respondents were with no

knowledge and only hearing about the topic through the survey. We believe these were students from the medical and technical sector who do not pursue the financial sector and have no knowledge about the details.

6. 38.4% of the respondents believe that cryptocurrency is more risky to invest in than stock market while 15.1% believe than stock market is more riskier than cryptocurrency meanwhile 46.6% believe that both are equally risky
7. Through the survey we found that respondents' awareness of the digital currencies are as follows:
 - a. Bitcoin - 95.9%
 - b. Litecoin - 33.8%
 - c. Ethereum - 33.8%
 - d. Zcash - 17.6%
 - e. Dash - 18.9%
 - f. Libra - 18.9%
 - g. Ripple - 28.4%
8. On the scale of 0-5 we learned that only 2.6% are most likely to invest in cryptocurrency and only 23.7% being least likely in cryptocurrency
9. When given the option to invest between Equity shares, Bitcoin(cryptocurrency), Government securities, Mutual funds and Gold securities only 28% of the respondents consider to invest in Bitcoin(cryptocurrency) while 68% were of Mutual funds
10. We also asked suggestion about whether the government should take initiative to support cryptocurrency as in an investment opportunity in india although we got mixed results that whether the government should or should not, majority were in favour of cryptocurrency being promoted and remaining divided between a no and a maybe.

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BIG DATA ANALYTICS: A WINNING MANTRA FOR THE INDIAN BANKING INDUSTRY**Priti S. Aggarwal**

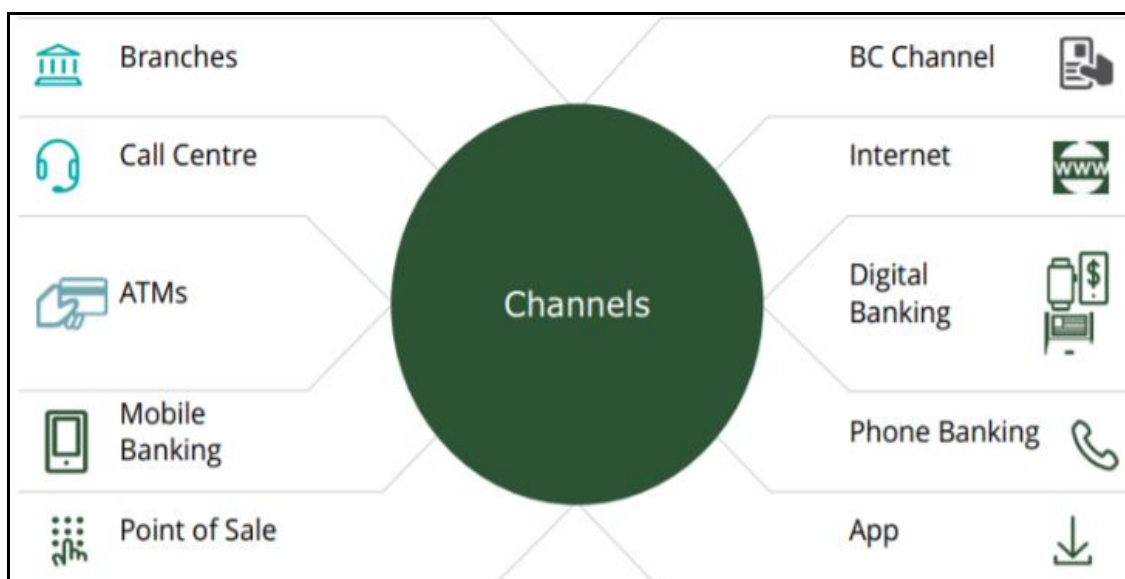
Joint Director, Indian Institute of Banking & Finance, Mumbai

❖ INTRODUCTION

Today the key drivers of growth and sustainability of the Indian banking industry are business innovations, customer acquisition and retention, profitability consideration and effectiveness in operations. The decision making for achieving growth demands a robust decision support system that can provide relevant information and analytics on these aspects, based on the data available with the banks. As we are aware that technology can be effectively harnessed to provide the required data for decision making, it is also necessary for the banks to analyse the available data, derive meaningful insights and take informed decision enabling them to grow and be profitable while managing the business risk. Every bank is striving hard to achieve profitable growth amidst prevailing volatility across different asset classes and shooting losses incurred on account of the traditional and conventional banking products. Analytics can help the banking industry to become smarter in managing the myriad challenges being faced by them.

Analytics backed solutions can not only enable the banks to manage their increasing compliance cost but also mitigate the risk, both financial and reputational, on account of non-compliance. In an era with eroding product differentiation, fading customer loyalty and exploding volume, velocity and variety of data, consumer behaviour coupled with marketing analytics can drive sustainable competitive advantage to the banks. In India, the overall penetration of business analytics is still in a nascent stage, which implies significant untapped value creation potential for these banks. On account of the economic downturn and acute competition experienced in the recent times, the Public Sector Banks are deeply concerned about their shrinking margins and rising bad loans and stressed assets.

Today, E-Commerce has gathered momentum, especially with the Gen X and Gen Y, customers of tomorrow, who don't believe in visiting a brick and mortar bank branch, rather prefer technology supported alternate delivery channels. With increasing penetration of the internet services and usage of smartphones in India, Banks are in the process of expanding their product base with introduction of more and more IT enabled products and services that can be made available across the globe on a 24*7 basis. The multiple/alternate delivery channels are made available to the customers to do banking transactions as per their convenience and comfort especially the electronic channels are more preferred by the Gen Y and thus account for a greater share of Bank's transactions.

**❖ BIG DATA: THE BIGGER PICTURE**

The term 'Big Data' has been coined for the mammoth data being handled at the enterprise level, challenging them to utilise the data and take informed decision at a faster pace.

Analytics is the application of mathematical and statistical techniques to data, in order to discover patterns and co-relations or to make models that predict, thereby enabling fact-based decision making or planning within the organisation.

Big Data is a amalgamation of some ‘V’ characteristics.

- ✚ **Volume:** Big data refers to high volume. The size of a firm and the industry it operates in usually defines whether a volume can be considered big.
- ✚ **Variety:** There are multiple data inflows which are categorised as structured, partly structured and unstructured. Moreover, the data may be available from internal sources or external.
- ✚ **Velocity:** Today there is a mounting speed with which the data is being generated and moved. An advanced analytics system will enable capturing of data as close to its time of generation as possible, as thus allows business units to make real time or near real time use of the data.
- ✚ **Veracity:** The purity and reliability of the data. In spite of best efforts some data, by their nature will remain unpredictable, like the weather or the economic data and this has to be taken care of.

The use of analytics has saturated all aspects of business. For business today, analytics is no longer a choice but an imperative. However, as the ever-increasing pace of revolution drives businesses to be more agile, the skill and sophistication behind an organisation's analytical capabilities are distinguishing the high performers from the others. With a surge in the use of predictive analytics, organisations are increasingly buying to anticipate tomorrow rather than explain yesterday. As a result, analytics-driven solutions are helping to transform business across functions. To stay competitive, companies are looking at effective ways to infuse analytics into every part of their organisation.

The reduction in data storage and technology costs and growth of networks has made analytics easier. Analytics itself has grown as a science (and art) with more skilled people and enhanced tools and models being available. The use of analytics has to be all pervasive across products, processes, human resources, fraud, and risk etc. It has to be across all channels so that not only is all data captured and updated, but is available to the employees, and, more importantly to the customer at his preferred channel.

❖ CHALLENGES BEING FACED BY THE BANKING INDUSTRY REQUIRING GREATER INSIGHTS

As Bill Gates has famously said, you need Banking but you don't need Banks! Disruption is everywhere, as shown by Paytm, M-Pesa, Airtel Money etc. The way of doing business is changing to mostly serve and delight the customers.

Here are few examples:

- Air BNB : World's biggest hotel chain provider does not own a single hotel.
- Uber : World's largest taxi operator does not own a single taxi.
- Facebook : World's most popular media owner does not own any content.
- Alibaba.com : World's most valuable retailer does not own any inventory.

A few important and key challenges being faced by the Banks and the Financial Institutions in India are as mentioned below:

✚ Rising cost of Compliance

With new, refined and stringent regulatory demands, domestic and global, for managing AML/KYC and fraud, the compliance budget of every bank has significantly increased over the last few years and has put enormous pressure on the compliance departments of these banks. Moreover, the risk of non-compliance has also increased manifold.

✚ Challenge for Growth, Long term solvency and Profitability

In today's competitive financial services market, acquiring and retaining customers has become more challenging for the banks. With changing customer preferences, the traditional banking products and services are also losing money and potential. Increasing incidences of fraud and money laundering, mortgage meltdown and volatile asset class have become a major concern for the banks. Thus, it has become imperative for all the financial institutions to efficiently manage their market risk, credit risk and liquidity risk.

✚ Creation of sustainable competitive advantage

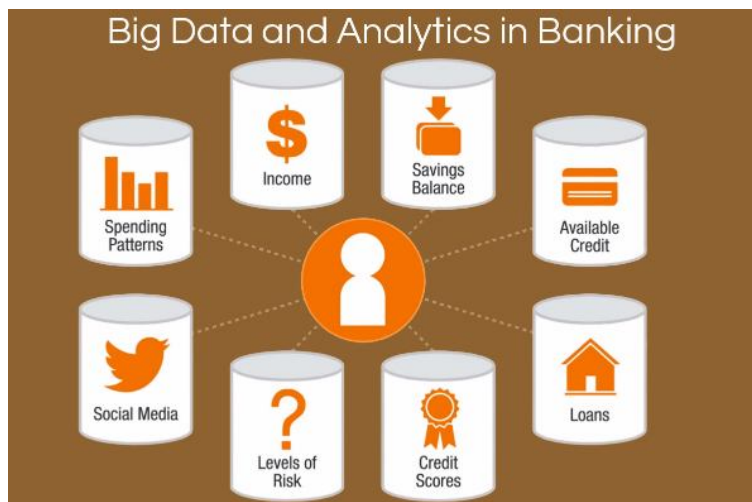
Technological advancements and improving speed to market, have eroded product differentiation and customer loyalty. The demographics, buying behaviour and preferences of the Bank customers are also rapidly changing and evolving. The banks need a 360-degree view of each customer to offer the right product and service, cross-

sell and up-sell. The huge volumes of internal data (Customer Accounts, Credit Scorings, payments and remittances, assets etc.) with the banks need to integrate with the external data (interest rates, macroeconomic factors and customer preferences). Moreover, the velocity of the data is also increasing exponentially.

The explosion in volume, variety and velocity of data has forced the banks to leverage the analytics to manage huge complex sources of information and take real time decisions to stay competitive.

❖ BUSINESS GROWTH THROUGH BIG DATA ANALYTICS

Indian Banks can utilise 'Big Data Analytics' in order to enhance their business and profitability in the following way:



📱 Mobile Banking

Today the customer is more comfortable using the digital platform to do banking rather than visiting the physical bank branch on account of convenience and accessibility. With over 900 million mobile phones in the country people are now comfortable transacting digitally. Around 300 million smart phone users, given a choice, are most of the time transacting through a digital mode. Mobile Banking is more prevalent among the Gen Y customers as they find it user-friendly. The data related to such transactions can be optimally utilised by the banks to approach the customers and offer them new products and services on their mobile devices.

📌 Cross Selling and Upselling of Products and Services

Today the Banks are considered as a financial hub, to cater to all the financial needs of their customers. After proper analysis of the customer behaviour and spending patterns, the banks can encash this opportunity to cross-sell or up-sell their products and services to the likely prospects.

📌 Credit Risk Scoring and Alarming signals for probable delinquencies

Based on the past data of the customers, the banks can gauge the likelihood of default in repayment of a loan by a customer. Through analytics the bank can also built up the customer credit history and accordingly further credit exposures. It can also help the banks to develop credit risk scoring for their various loan accounts.

📌 Fraud detection

Velocity checks, i.e. a card being used too frequently for example, checks on a card being used simultaneously or closely at Chennai & Mumbai, fraud patterns is an important Analytical capability. Analytics can also predict loans at risk, accounts likely to attrite etc. through models which basically run through similar accounts which have defaulted or attrited over the past two years, and use the findings to run the symptoms across existing accounts, which throw up similar trends in some of the accounts.

📌 Alternate delivery channels

Today with easy access to the alternate delivery channels viz. Internet Banking, Mobile Banking, ATMs, Wallet Banking, PoS etc. the customers are not required to visit a bank branch for routine banking transactions. The Banks can analyse the data regarding the usage of different channels by the customers based on their age profiles, geographical presence etc. and assess the delivery channel profitability, using big data and accordingly decide on their business strategies.

📌 Enhancing productivity

Every banking process can become faster and more effective. Among other things, banks can use advanced analytics to provide faster and more accurate responses to regulatory requests and give teams analytics-

enhanced decision support. One bank we know used machine learning to understand the way the characteristics of code affected a mainframe's running time and the resulting costs; by optimizing the code, it cut them by 15 percent. Another bank used new algorithms to predict the cash required at each of its ATMs across the country, combining this with route-optimization techniques to save money.

Further, analytics would help in bringing in new accounts using data mining on the narration field of the customer, to track how many housing loan repayments to X Bank are going through customers' accounts maintained by A Bank through RTGS, NEFT, ECS transactions etc., are loan repayments to Y Bank, or Insurance Payment to Z Insurance Company. These customers can be contacted with a view to see if their accounts can be held by the Bank too.

Risk Management

Banks can bring down their risk costs through analytical techniques, such as digital credit assessment, advanced early-warning systems, next-generation stress testing, and credit-collection analytics. The expense of compliance and control has soared in recent years, and banks can use analytics to get economic returns from their considerable investments. Further out, banks will be able to use analytics to reduce fraud losses. Risk models are highly developed and can predict probability of default, loss given default etc. Quick, real time availability of data enables the early warning system to work efficiently by taking up with the borrowers in time.

Creating Customer One View

The static details of a customer are captured like name, address, mobile number, PAN number, Aadhaar Number etc. The customer's account holding with the Bank are also captured – like types of deposits, (FD, SB, CA) or loans (Home, Car, Educational, Personal etc.), his transaction preferences like using ATM, online banking etc.) and also his insurance (life and general) Demat holdings etc. A value is derived at, using all this data, and the customer is rated (as say, Platinum, Gold, Silver, Bronze etc.) and a tool run to see the next best course of action vis-a-vis the customer. The tool throws up the products which should be offered, considering the customer's income, age, place of stay, existing portfolio etc. The various methods like E-mails, branch interface, call centre, online, or ATM etc. can be used to convey the product to the customer. With agile technology available, it could even go as a pre-approved loan.

Process Analytics

Banks need to maintain huge cash at all their ATMs. With process analytics, each ATM is monitored analytically on usage patterns (like first days of the month, holidays, festivals etc.) and an optimum cash loading figure is arrived at. This results in huge savings for the banks.

Data in hand is however, very dynamic. More data needs to come in and it has to be cleansed regularly. Even for the structured internal data, gaps exist in all organisations. When data entry happens at various places by a large number of people, it can result in anomalous entries, due to lack of time, understanding etc. At the entry level, further, new data is needed to be updated constantly. Moving from manual banking to bank-master (Branch standalone computer system) to core banking can result in data loss. Also, a couple of decades earlier, cell phones or PAN or Aadhaar did not exist, so older accounts may not have the data, which has to be obtained and incorporated. Even date of birth can be an issue in rural India. To this internal data, we have to add external structured data. This data from Credit Bureau and if possible, from electricity, cell phone companies etc. is gaining in criticality. For example, while without the credit bureau data, a bank may be pushing for a Home Loan to a customer, the Credit Bureau data may, on availability and incorporation, indicate a customer who has defaulted with another bank(s). The electricity bill amounts give guidance for prospective borrowers. If he is paying a bill of Rs.500 a month, a high-end car loan may not be warranted. So, also giving a small car loan to a borrower paying bills of Rs.50,000 a month be relooked at, considering other factors, of course.

For analytics to succeed in any organisation, it has to be accepted and used across the verticals. Analytics has to select applications with relevance to multiple business areas, and the analytics team has to work with Business and IT jointly. The team has to develop the analytics strategy and a road map for all business units and attempt to extend analytical tools and infrastructure broadly and deeply across the enterprise. The leadership of the institution has to have a buy-in, for analytics to do well and produce results. Just to have a full-fledged data warehouse and analytics team (which has costs), needs foresight and guidance of the top management, to undertake analytics and ensure usage. Business will only go where results can be seen and where these can be traced and monitored. "Low hanging fruits" are available to start with, but the analytical group as also to focus on strategic initiatives, value creation and building distinctive capabilities that will enhance competitive differentiations.

❖ CONCLUSION

The Big Data Analytics is playing a significant role in the decision making of every organisation. Though technological advancements have brought in efficiency among the enterprises, the challenges posed on these enterprises is also a big concern for their survival and growth. Today every business is facing uncertainty and risk on account of volatile markets and the decision making is required to be fast and effective. As there is a plethora of products and services available to the customers, they are spoilt for choices. Today the business dimensions have undergone a paradigm shift. In such a scenario, the enterprise that reckons the advancements in technology and braces itself to meet these challenges on a real time basis using Big Data Analytics to its fuller advantage, can sustain and grow in the competitive environment. As we know the fact that 'Time and Tide wait for no Man'.

STUDY ON IMPACT OF PRADHAN MANTRI MUDRA YOJNA (PMMY)

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ABSTRACT

This paper is an attempt to know about the MUDRA Yojana and its key objectives. The paper highlights the role and importance of MUDRA towards the small business units. In India many things revolve around mere perceptions, while getting into detail it often paint a different picture. It is a common misperception people have that large industries create more employment, though the truth is that “in India only 1.25 crore people find employment in large industries, whereas small enterprises employ 12 crore people”. In India, small businesses play an important role by providing employment to a large number of people. It is the second largest sector engaging uneducated and unskilled people after agriculture. Further, millions of low income earning group person aspire to set up small businesses but are unable to start, mostly due to credit limitations. Since banks do not find them eligible for credit loan.

Keywords: Small business units, MUDRA, RRBs, MFIs, MSME

INTRODUCTION

MUDRA stands for Micro Units Development and Refinance Agency Ltd. As per NSSO survey (2013), there were 5.77 crore small/ micro units in the country, mostly individual proprietorship / ‘Own Account Enterprises’ which employ around 12 crore people. Over 60% of these units are owned by persons belonging to weaker sections of the society. Pradhan Mantri Mudra Yojana (PMMY)—also known as the Mudra loan scheme—not only intends to bridge the funding gap to the micro enterprises but also aims to boost the confidence of the first generation entrepreneurs and assist existing small businesses expand their activities. Own account enterprises (OAEs) including proprietorship and partnership firms engaged in small manufacturing units, service sector enterprises, shop keeping, fruits and vegetable vending, trucking, operating food services, repairing and maintenance, operating machines, running small industries, food processing, handicraft making (artisans) among others in both rural and urban areas are potential Mudra borrowers under PMMY. MUDRA introduced the MUDRA card—a debit card on RuPay platform which can be operated across the ATMs and ‘Point of Sale’ (POS) Machines. A Borrower would be able to manage his credit needs by drawing funds from ATMs or make payments through POS machines, based on the requirement and repay s and when funds are available with him. Many partner banks / MFIs disbursed working capital loans by adopting the MUDRA card scheme.

The lending terms of PMMY, such as, margin, interest rate and security, etc. are as per the RBI stipulations. In terms of RBI guidelines issued on lending to Micro, Small & Medium Enterprises (MSME) Sector, banks are mandated not to collect collateral security in the case of loans up to Rs.10 lakh extended to units in the MSE sector. Banks are required to encourage their branch level functionaries to avail of the Credit Guarantee Scheme cover, where ever felt desirable. The PM Mudra Yojana (PMMY) is a positive effort to fulfill the credit needs of the micro businesses and self-employed individuals, the majority of whom are in the informal sector and thereby address the biggest obstacle to their socio-economic growth. As the Honorable Prime Minister of India, Shri Narendra Modi observed at the launch of the MUDRA Yojana in 2015, “...people tend to think that it is the big industries and corporate houses that provide greater employment. The truth is, only 12.5 million people are employed by big corporate.”

OBJECTIVES AND SCOPE OF THE RESEARCH

This research was conducted using a mix of primary and secondary research methodology. Random samples of MUDRA scheme loanees / beneficiaries were collected from various Public Sector Banks and then information about the impact of MUDRA was obtained using survey questionnaires along with informal discussions during fieldwork.

The Three main objectives of this research for the MUDRA scheme were-

1. To assess the impact of the scheme.
2. To study the extent of livelihood and job generation through the scheme.
3. To document successful case studies of MUDRA beneficiaries including the impact on their business.
4. An attempt to find out the scheme offered by MUDRA under PMMY and their impacts on Indian small business owners and self employed people.

This paper helps in understanding the MUDRA schemes launched by government to resolve the challenges faced by Non-Corporate small, business sector.

METHODOLOGY

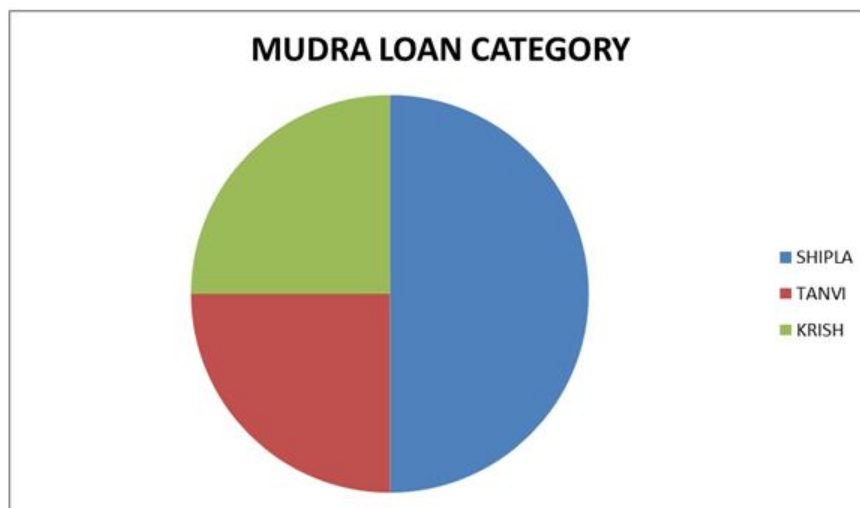
This research is based on responses obtained through focus group discussions and personal interviews with beneficiaries by conducting structured survey conducted among a random sample of MUDRA loan beneficiaries. The perspectives of several stakeholders including MUDRA loan beneficiaries, Branch Managers (of sample banks), Lead Bank Managers, NSIC (National Small Industries Corporation) representatives, SIDBI etc. have been recorded and included to generate quantitative data and qualitative insights. Some of the cases of MUDRA loan takers were then further studied and analyzed using a multiple case study approach in order to better understand the impact and reasons for improving the scheme and its implementation.

FINDINGS AND DATA ANALYSIS BASED ON PRIMARY RESEARCH

The field survey brought forth certain key observations and insights on the implementation of the scheme and its public impact. We identified the following key primary research parameters which can help assess the impact of the MUDRA Yojana.

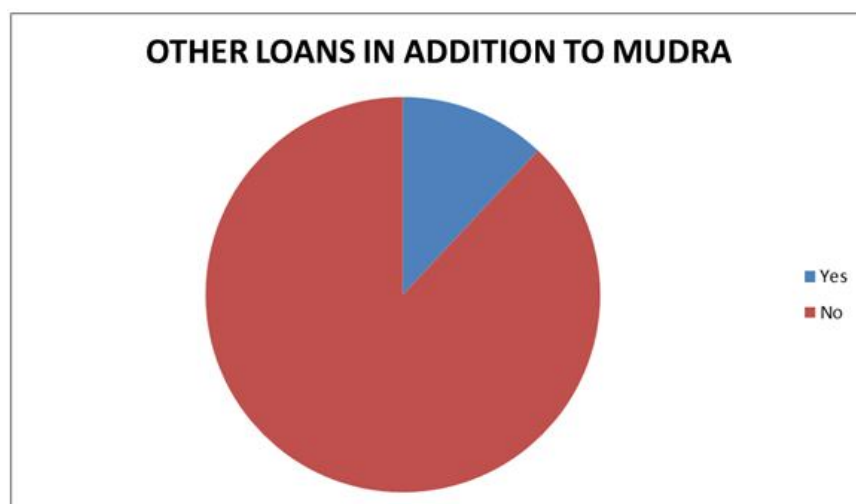
1. Maximum loan disbursals to the Shilpa category

The MUDRA scheme has emerged as a significant source for small ticket size credit requirements.



Half of the respondents belonged to Shilpa with the other half equally from the Tanvi and Krish segments. The pattern of loan segmentation helps in understanding the potential of the scheme to effectively reach out to the micro and small entrepreneur's requirements.

2. Maximum Number of MUDRA disbursals for first time Loanees

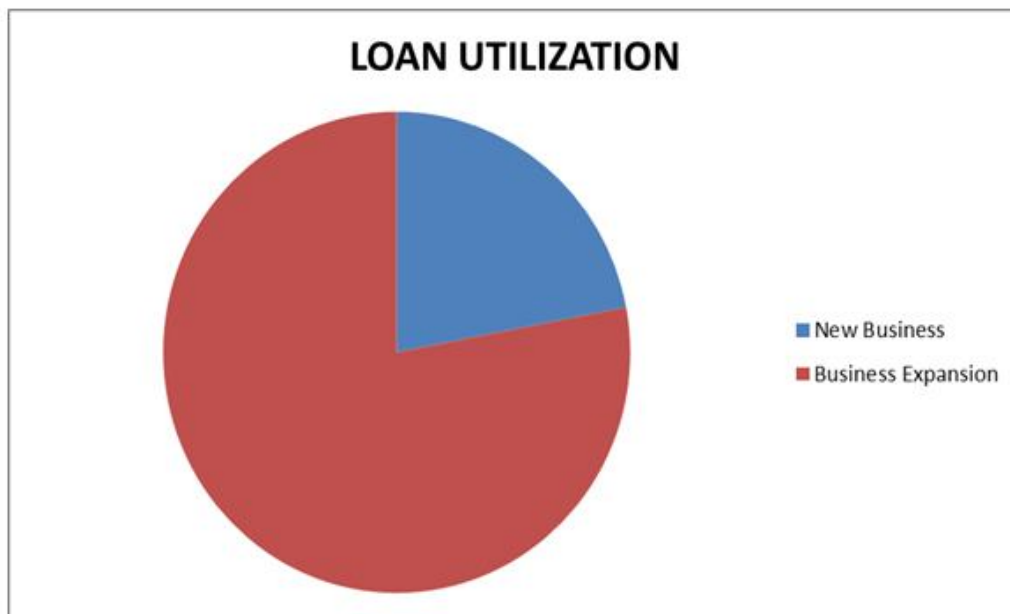


The survey revealed that around 88% of the respondents had taken a loan for business for the first time. The finding that MUDRA Yojana has attracted several first time loan beneficiaries is significant for its outreach amongst the unfunded entrepreneurs.

The survey also generated certain qualitative insights to help assess the reason behind why a large number of micro entrepreneurs were willing to avail credit or loans for the first time. As per our in-depth interviews with a random sample of MUDRA beneficiaries and bankers, the following were the main reasons that made MUDRA an attractive option for availing credit.

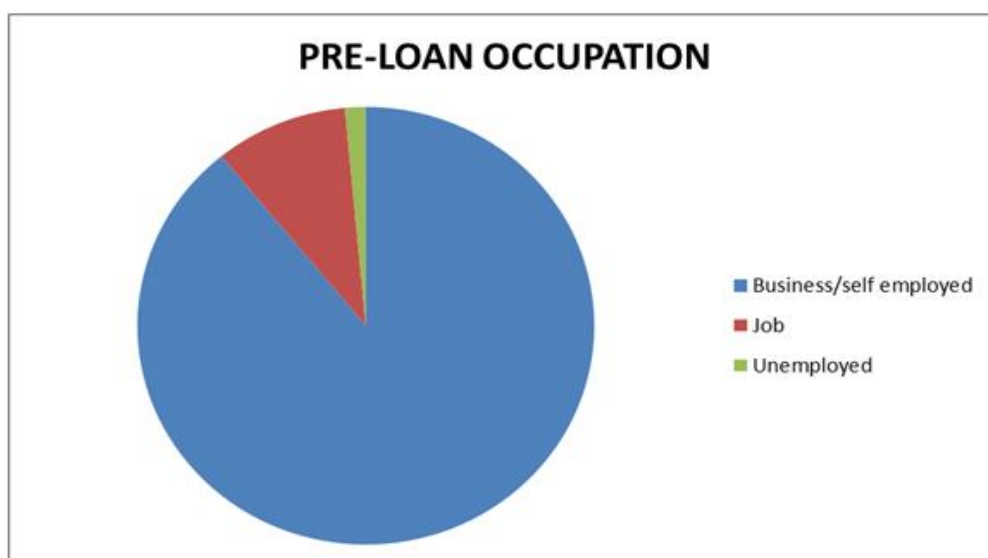
- Security-free loans
- Less documentation or paperwork
- Willingness and trust to avail the loan owing to the fact that it is a central government scheme
- Moderate interest rates
- Reliable alternative to people other than local money lenders who lend at unreasonably high interest rates.

3. MUDRA loans have largely been utilized by micro entrepreneurs for growing or expanding their business.



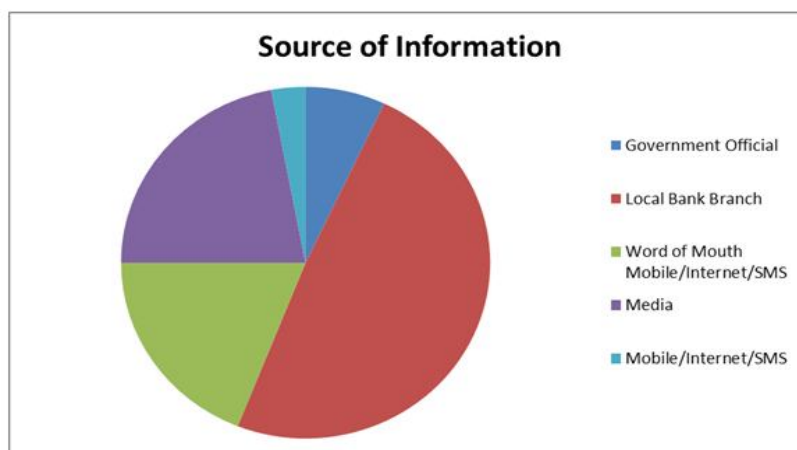
The pie charts on loan utilization reveal the fact that 78% of the beneficiaries sought MUDRA loan for further expanding their business. The loaned amount was put to several uses including working capital needs, buying new equipments, diversifying product range, increasing customers etc. while the remaining 22% set up new businesses with the loan.

4. Existing business owners/self employed individuals and prime beneficiaries



Data on pre-loan occupation shows that 85% of the respondents had existing business/self employment as their primary occupation before applying for the loan. This implies that the MUDRA Yojana has been supplementing the business and expansion needs of micro enterprises and is emerging as an engine of economic growth. However, it is noteworthy that around 6% of the respondents were unemployed before availing loan and another 9% quit their job to become entrepreneurs/self-employed.

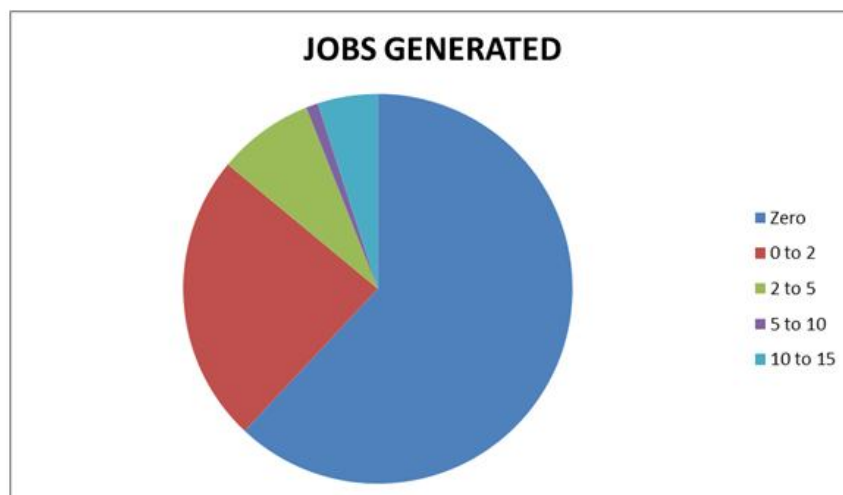
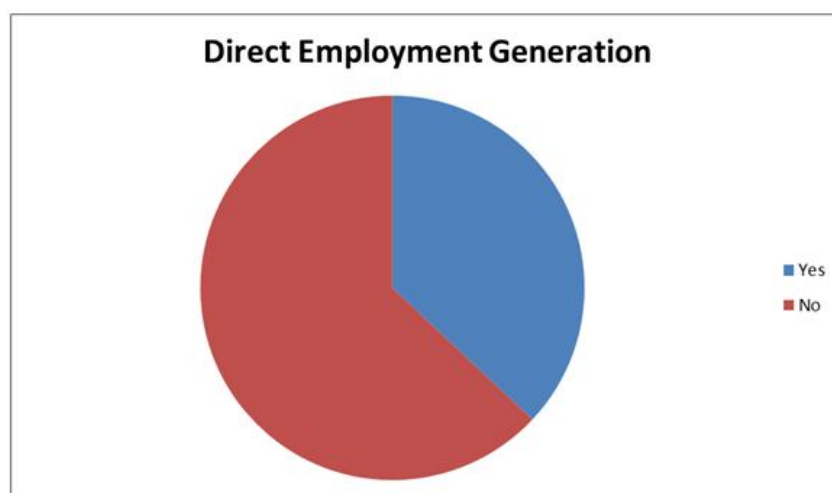
5. Local bank branches prime source of information/awareness



Another important insight generated from the survey is that almost half the respondents' source of awareness/information about MUDRA Yojana was their local bank representative. Following were the broad reasons for the relatively active role of the local bank branches in information dissemination:

- Immediate connectivity with local branches and loan officers
- Personal relationship with bank representatives (existing businesses)
- Initiatives by local branches to promote the scheme (loan melas etc.)
- Communication at Point of Sale inside banks

6. Employment Generation



The data on number of jobs generated shows that 37% of all entrepreneurs in Delhi who availed MUDRA loans created new jobs. The distribution of jobs generated in the range of 02, 2-5, 5-10 and 10-15 persons employed shows that around 24% of the respondents created indirect jobs of up to 2 persons each.

KEY OBSERVATIONS FROM THE SAMPLE SET SURVEYED

- Segregating the data further, the 37% of the beneficiaries who created direct jobs, comprised of both existing businessmen (80%) and first time entrepreneurs (20%). In addition to creating self employment, people have secured livelihood opportunities and acquired new skills. More than 50% of jobs were generated by MUDRA beneficiaries with existing businesses.
- Micro entrepreneurs also employ casual labor apart from regular employees which cannot be accounted or measured but could give rise to questions on their sustainability.

In summary, more number of jobs were created for the less skilled and the less formally educated. Based on the above findings and analysis, our overall observation is that MUDRA loans not only help in ensuring economic stability for entrepreneurs and their ventures, but also as a means to financial independence and social empowerment.

CONCLUSION

The MUDRA scheme has been a key instrument for creating livelihoods and jobs for the lowest socio-economic segments of our society today. It has enabled them to stand up on their feet and not only empower themselves but also others who are seeking opportunities to make a living. The employment multiplier for all MUDRA loan segments is more than 1 which is the minimum employment created per MUDRA loan. 37% of all beneficiaries in the sample set created new jobs. Government of India started MUDRA scheme to formally support small scale enterprises so that they can participate in mainstream financial activities and directly contribute to Indian economy. Scheme is well accepted by banking and other financial institutions. With MUDRA, certain things have changed and it is helping more and more people to become self employed. If the MUDRA scheme works well in future, then there will be increased market of the domestic/ indigenous products. When the products born out of the MUDRA scheme will get foreign currency in the country which will improve the stand of the Indian Rupees in the international currency market. The Mudra Scheme is trying its best to improve the status of women and other backward sections of the society especially those who are not well educated and semiskilled. The financial support in the form of various loans encouraging them to start new ventures and thereby empowering them. Its impact in developing a strong economy will be seen in the coming years.

RECOMMENDATIONS

Hand holding with the new entrepreneurs such as financial advice, business/ trading advice, managing accounts etc is essential to ensure productive use of the loaned amount and ensure sustainability of the results. A mechanism must be created to aid the existing micro entrepreneurs for moving up the ladder by extending professional support in maintaining books of accounts, legal formalities and other paperwork. Skill training to the people availing the loans would help to maximize the impact of the scheme along with making it more viable at the end of the beneficiary. A set of guidelines to provide a security net for the banks must be enlisted. Since the loans are collateral free, a proper risk assessment of the every disbursement would impact sustainability of results and ultimate success of the scheme.

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CUSTOMER RELATIONSHIP MANAGEMENT

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ABSTRACT

Customers are the focal point in the development of successful marketing strategy. Marketing strategies both influence and are influenced by consumers' affect and cognition, behaviour and environment. In the banking field a unique 'Relationship' exists between the customers and the bank. But because of various reasons and apprehensions like financial burdens, risk of failure, marketing inertia etc., many banks are still following the traditional ways of marketing and only few banks are making attempts to adapt CRM. It is with this background, the researcher has made a modest attempt towards the idea that CRM can be adapted uniformly in the banking industry for betterment of Banking Services. The lack of understanding on Customer Relationship Management (CRM) is always a concern among the service providers especially banks. Banks have their own way of managing their relationships with the customers. However, the perception of customers on CRM practices among banks should also be taken into consideration. Here in this paper, effort is given to study the comparative perception of SBI customers and other nationalised banks customers' in the issue of CRM practices. It is observed that the approach of CRM by SBI and other nationalised are to some extent same and one but the reach is quite distinguishable. It is due to the profile, their capability and the strategy of CRM in making it and reaching down to customers. On the contrary, it can also be asserted that the background of both banks also found as a big cause for reaching the top CRM. Hence, CRM is an inevitable tool of marketing that can be considered as Critical Responsibility of Market with regard to Banks in present context.

INTRODUCTION

The purpose of business is to create new customers and retain old customers. Customer orientation is the ultimate key to success of any business. Customer Relationship Management (CRM) is a comprehensive approach for creating, maintaining and expanding customer relationships. CRM does not just belong to sales and marketing rather it is an intelligent blend of marketing and information technology for serving the customer with greater care and value and in deed it's a new way of doing business covering all aspects. Further, CRM is an integrated approach of dealing with customers with smart use of Information Technology. Computerisation of records, maintenance of customer data base, on-line customer service will enhance the customer loyalty apart from exploring new opportunities for cross selling/sell ups. It involves a dramatic change in the marketing strategies from products or sales-centric to customer-centric approach, where it focuses on the total customer requirements. When any CRM strategy is implemented, it computes and analyses data about the target customers and their buying habits in multiple ways.

Relationship marketing is discovering the new and potential ways and strategies for enhancing customer's value to business. Earlier, companies focused on mass marketing. But now they are selecting their customers more carefully and building long lasting and direct relationships with targeted customers. Today, marketing managers realised the fact that instead of adding some more new customers, it is always profitable and easier to concentrate on the known market with old customers with new options and opportunities for business. The goal of every company is shifting from making a profit on each sale to making long term profits by managing the life time value of a customer. As a result, today, marketers spend less time on increasing the share of market and more time in enhancing the share of customer. They offer new or improved products to current customers and train employees to cross-sell and up sell in order to market more products and services to existing customers.

CRM IN BANKING SECTOR

Over the last few decades, technical evolution has highly affected the banking industry. For more than 200 years, banks were using branch based operations. Since the 1980s, things have been really changing with the advent of multiple technologies and applications. Different organisations got affected from this revolution; the banking industry is one of it (Sherif, 2002). In this technology revolution, technology based remote access delivery channels and payment systems surfaced. ATM displaced cashier tellers, telephone represented by call centers replaced the bank branch, internet replaced the mail, credit cards and electronic cash replaced traditional cash transactions, and interactive television will replace face-to-face transactions (Sherif, 2002). In recent years, banks have moved towards marketing orientation and the adoption of relationship banking principles. The key motivators for embracing marketing principles were the competitive pressure that arose from the deregulation of the financial services market particularly in India. This essentially exposed clearing banks and the retail banking market to increased competition and led to a blurring of boundaries in many traditional product markets

(Durkin, 2004). The bank would need a complete view of its customers across the various systems that contain their data. If the bank could track customer behaviour, executives can have a better understanding, a predictive future behaviour and customer preferences. The data and applications can help the bank to manage its customer relationship to continue to grow and evolve (Dyche, 2001). According to Stone et al. (2002) most sectors of the financial services industry are trying to use CRM techniques to achieve a variety of outcomes. In the area of strategy, they are trying to:

- Create consumer-centric culture and organisation;
- Secure customer relationships;
- Maximize customer profitability;
- Integrate communications and supplier – customer interactions across channels;
- Identify sales prospects and opportunities;
- Support cross and up-selling initiatives;
- Manage customer value by developing propositions aimed at different customer segments;
- Support channel management, pricing and migration.

CRM is a sound business strategy to identify the bank's most profitable customers and prospects, and devotes time and attention to expanding account relationship with those customers through individualised marketing, reprising, discretionary decision making, and customised service through the various sales channels that the bank uses. Any financial institution seeking to adopt a customer relationship model should consider six key business requirements (Chary & Ramesh, 2012), they are:

1. Create a customer-focused organisation and infrastructure.
2. Gaining accurate picture of customer categories.
3. Assess the lifetime value of customers.
4. Maximise the profitability of each customer relationship.
5. Understand how to attract and keep the best customers.
6. Maximise rate of return on marketing campaigns.

CRM is developing into a major element of corporate strategy for many organisations (Rangarajan, 2010; Shibu, 2011). A greater focus on CRM is the only way the banking industry can protect its market share and boost growth. With intensifying competition, declining market share, deregulations, smarter and more demanding customers, there is competition between the banks to attain a competitive advantage over one another or for sustaining the survival in competition.

SCOPE OF THE STUDY

The purpose of any business is to create and retain the customers. Now-adays, banking sector is very important in the world's economy. So, the banking units gain increasing importance of Customer Relationship Management (CRM) for many reasons, such as,

- (i) For providing customer friendly work culture and computerized banking operations.
- (ii) For serving and retaining the existing customers.
- (iii) Good service will help the bankers to create long term relationships with customers

CRM is an integrated information system that brings together information about consumers, marketing effectiveness, sales and market trends. Particularly, this study is focused at banks functioning in Virudhunagar district as this is an important industrial as well as commercial sector in southern belt of Tamil Nadu, India. The primary data has been collected from four banks namely, SBI, IOB, being Public Sector Banks and TMB, ICICI being Private Sector Banks.

OBJECTIVES OF THE STUDY

The specific objectives of the present study are as follows:

1. To portray the origin, need of CRM and CRM in banking sector.

2. To study the growth and development of public and private sector banks and their working performance.
3. To analyse the socio-economic profile of the customers and their level of perception towards Customer Relationship Management.
4. To compare the perception of the customers towards customer relationship management in public and private sector banks.
5. To offer suitable suggestions to improve the customer services of the banks on the basis of findings of the study.

METHODOLOGY

The study is based on both primary as well as secondary data. The primary data has been collected from 250 public sector bank customers and 250 private sector bank customers in Virudhunagar district, with the help of pre-tested interview schedules. Virudhunagar district covers the area such as Virudhunagar, Rajapalayam, Srivilliputtur, Sivakasi, Kariapatti, Thiruchuli, Arupukottai and Sattur. For the purpose of evaluating the effectiveness of the interview schedule, it has been circulated to bankers and customers in Virudhunagar District. The secondary data has been collected from records of banks, books, reports, journals, encyclopedia and websites.

In the present study, the researcher has selected 500 public and private sector bank customers in Virudhunagar District. It is observed that total of 96 bank branches in this district on which, 69 are public sector bank branches and 27 are private sector bank branches. Stratified random sampling technique has been adopted for the selection of 500 respondents. On the basis of number of branches, number of customers, volume of business and frequency of transactions, 137 from SBI, 113 from IOB, 157 from TMB, and 93 from ICICI were randomly selected.

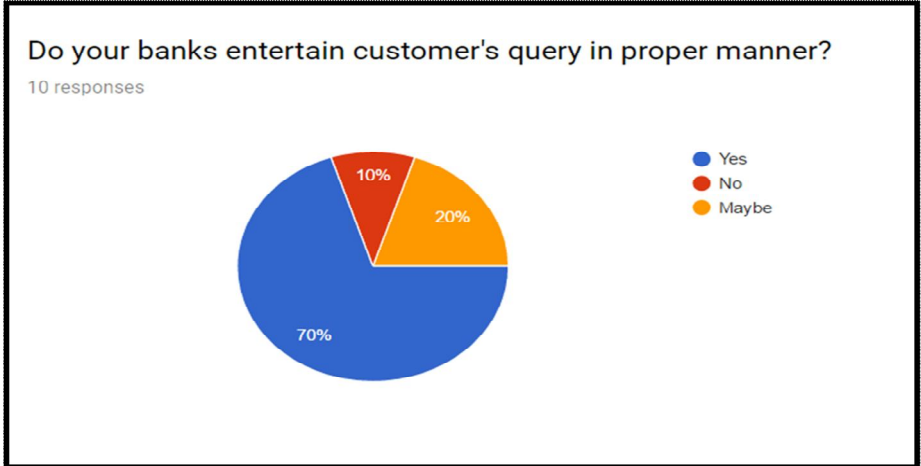
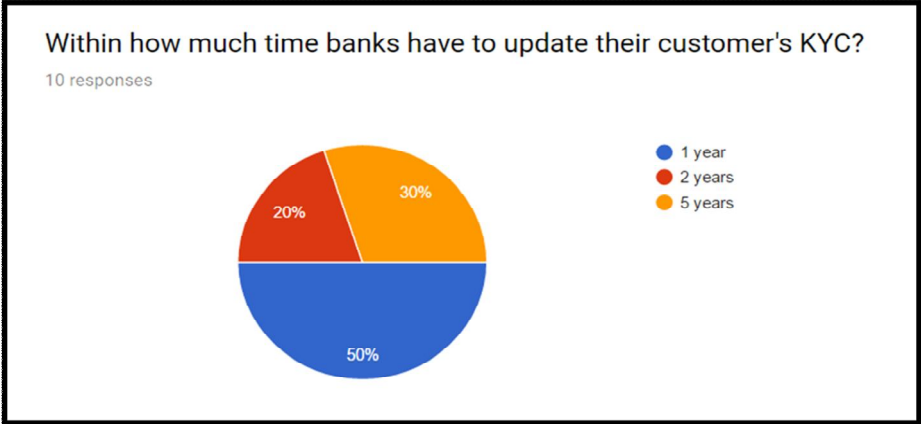
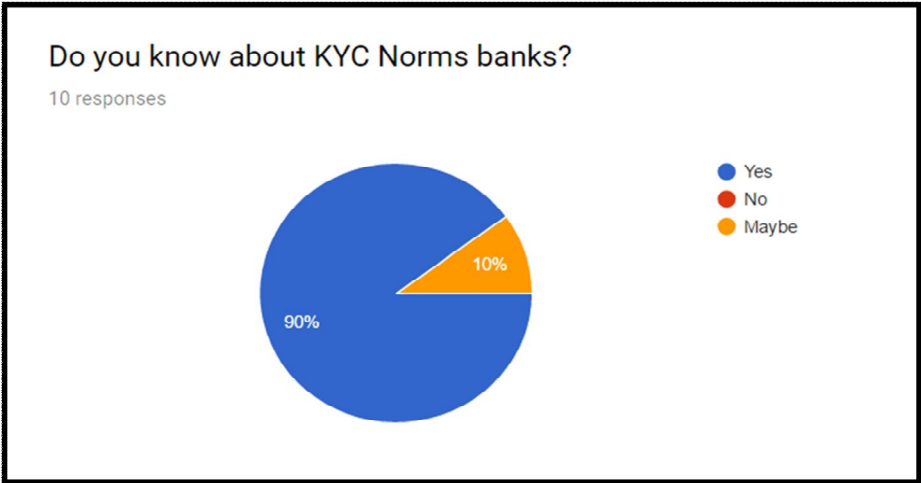
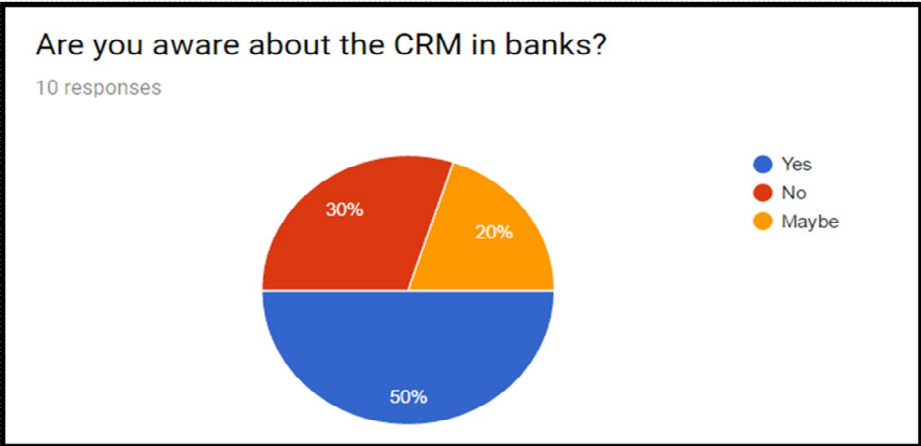
LITERATURE REVIEW

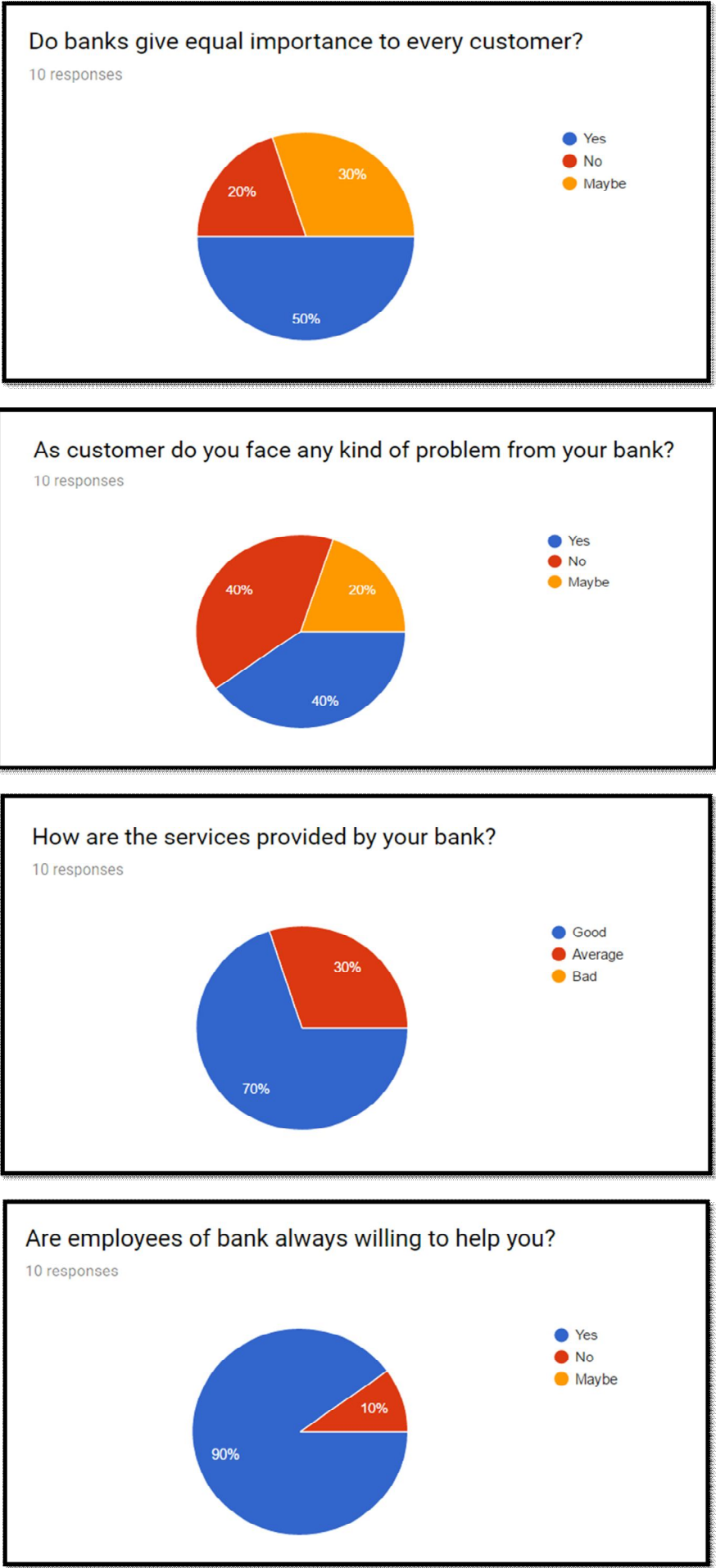
In this paragraph, sincere effort is given to highlight the concept and significance of CRM vis a vis the uses and application of CRM in Banking sector. In the literature, the main difference among the definitions of CRM are technological and relationship aspects of CRM. The phrase CRM appeared in the literature after the evolution in the relationship marketing philosophy. Berry (1983) defined relationship marketing as attracting, maintaining and enhancing the customers' relationships in multi-service organisation. After a few decades, the evolution in relationship marketing philosophy changed the word relationship marketing to CRM. According to Brown (2000) CRM is a process of acquiring new customers, retaining the existence customers, and at the same time understands, anticipates and manages the needs of an organisation's current and potential customers. Furthermore, Mylonakis (2009) described CRM as an innovative process to create a long term relationship and gaining trust.

CRM in financial service industry is a cyclical process which starts with definition of customer actions (Panda, 2003). CRM is fundamental to building a customer-centric organisation. CRM is a key element that allows a bank to develop its customer base and sales capacity. The goal of CRM is to manage all aspects of customer interactions in a manner that enables the organisation to maximise profitability from every customer. Panda (2003) described customer expectations are difficult to manage but are often the cause of dissonance which results in loss of existing customer base. So understanding of customer expectations with regard to service delivery levels and product quality is essential for establishing a long term symbolic value relationship. From the foregoing, it can be said that the purpose of CRM is to bring about Customer Focused Services (Gummesson, 1987; Gronroos, 1990; Varki and Colgate, 2005; Gan et al., 2006), Information and Communication Technology, Complaints Management (Wilke 1994; Ingram, 1996; O'marley and Tynan, 2000; Gilly et al., 2005; Achumba, 2006), High Quality Service (Khandwalla, 1995; Eisingerich and Bell, 2006), Timeliness in Service Delivery, Friendliness of Employees (Reinatz and Kumar, 2003), Ease of Opening Account and Competitive Charges in order to enhance organisational performance as indicated by such variables as Customer Satisfaction (Morgan and Hunt, 1994; Naidu et al., 1999), Customer Retention (Dick and Basu, 1994; Morgan and Hunt, 1994; Reichheld, 1996), increase in number of customers (Gronroos, 1990), and increased net profit (Khandwalla, 1995; Page et al., 2006).

DATA ANALYSIS

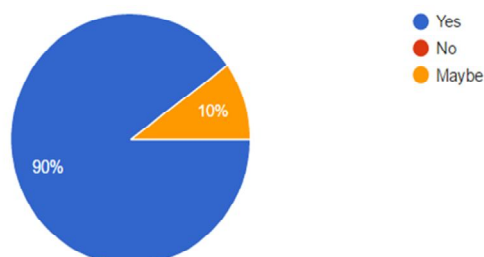
Using primary method google form was made and 10 people were randomly ask the questions on which following were the replies:





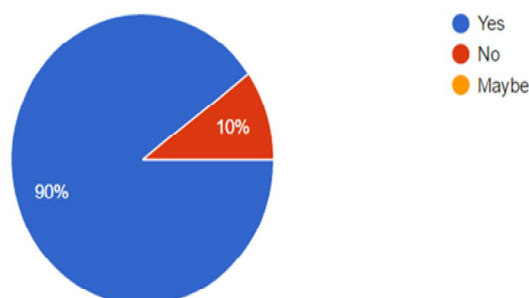
Are you satisfied with your bank regarding services and CRM?

10 responses



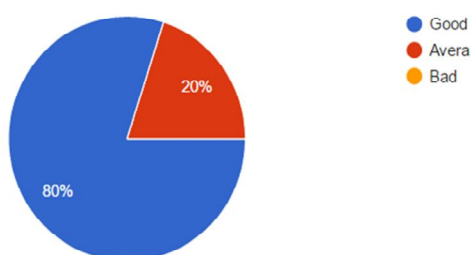
Are employees of bank always willing to help you?

10 responses



How is your CRM with your bank?

10 responses



SUGGESTIONS

Implementation and Overall Strategy of Quick Transaction of Business

It has been found from the study that both the bankers and customers perceive quick transaction of business as a powerful strategy for successful banking and creating customer satisfaction. Therefore, this strategy should be implemented by all banks.

Developing Comprehensive Customer Information System. The study shows that customer satisfaction, namely, depositors' satisfaction and borrowers' satisfaction levels vary according to their demographic characteristics and banking services usage characteristics. Taking advantage of computerisation and technological upgradation banks need to develop customer information system at branches, so as to know the customer better and understand his needs accurately. Data base on various aspects of customers like age, qualification, income level, frequency of transactions, type of account, size of account and purpose of account holding should be created, which will help in providing feed back for anticipating custoupgradatio.

CONCLUSION

The researcher's aim throughout the study has been to examine the customer relationship management in both private and public sector bank in Virudhunagar district. Customers are the most important asset of any business. The success and failure of any business depends upon how far they satisfy the expectation of their customers. Banks are an important social organisation rendering various financial service to its customers. Realising the importance of customer services in banks, recommendations are made by various committees to improve the services quality of banks. The nationalization of major commercial banks led to 'Mass banking' which in turn increase the volume of customers. The increase in volume of customers automatically led to deterioration in quality of customer services. Banking business is now becoming more competitive, and the customer benefits have come under sharp focus at the customer's end. There are several reasons for this intensified interest. The important one is, customers are getting more and more critical of the service they receive. Many customers are not only demanding but are expecting more and more better service.

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AN EXPERIMENTAL STUDY ON BANK AUDIT

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ABSTRACT

The banking sector in India is one of the largest in the world as far as its extensive network of branches is concerned. The role of the sector in the overall growth and development of the Indian economy is quite significant and laudable. Over the years, the sector has been through a long journey and has also achieved new heights with the changing times. The Banking system has been using the services of CA profession in a big way so as to examine the banking operations from a "Safety and Soundness" perspective. The audit of banking companies plays a very important role in India as it helps to regulate the banking companies in right manner. In audit of banks includes various types of audit which are normally carried out in banking companies such as statutory audit, revenue/income expenditure audit, concurrent audit, computer and system audit etc. the above audit is mainly conducted by the banks own staff or external auditor. However, the rules and the regulation relating to the conduct of various types of audit or inspections differ from a bank to bank except the statutory audit for which the RBI guidelines is applicable. In this, I have given more importance on the overall bank audit system. In today's competitive world audit is very much necessary as well as compulsory, because investor investing decision is depend on that particular concept if auditor has expressing his view about particular organization is true and fair then investor can get his ideas about how much he should invest in particular companies.

Keywords: Audit, Banking, Regulations, Auditor etc

I'm not suggesting there are any errors at all. I'm saying that without a proper audit, there's no way to be sure.

- Pete Williams

INTRODUCTION

The term audit is derived from the Latin term "Audire" mean to hear. In early days, an auditor used to listing to the account read out by the accountant in order to check them. Auditing is as old as accounting. It was in use in all ancient countries such as Mesopotamia, Egypt, Greece, Rome, U.K., and India. The Vedas, Ramayana, Mahabharata contain references to accounting and auditing. Artha shashtra by Kautilya gives detailed rules for accounting and auditing of public finances. The Mauryas, the Guptas and the Mughals had developed and accounting and auditing system to control state finances. Thus, basically, accounting and auditing had their origin in the need for the government to control the income and expenditure of the state and the army. The original object of auditing was to detect and prevent errors and frauds.

With increasing number of companies, the companies' acts indifferent countries began providing for compulsory audit of accounts of companies. Thus U.K. audit of accounts of limited companies became compulsory in 1900. In India, the companies act, 1913 made audit of company accounts compulsory. With increase in size of companies, the object of audit also shifted to ascertaining whether the accounts were "true and fair" rather than "true and correct". Thus, the emphasis was not arithmetical accuracy but on fair representation of financial affairs.

The international accounting standards committee and the accounting standards board of institute of chartered accountant of India have developed standard accounting and auditing practices to guide the accountants and auditor in their day-to-day work. The latest development in auditing pertains to the use of computers in accounting as well as auditing. Really, auditing has come a long way from "hearing" the accounts in the ancient day to using computers to examine computerized accounts of today.

According to Mautz: Auditing is concerned with the verification of accounting data, with determining the accuracy and reliability of accounting statement and reports.

Prof. L. R. Dicksee. "auditing is an examination of accounting records undertaken with a view to establish whether they correctly and completely reflect the transactions to which they relate.

It is a bit difficult to give a precise definition of word audit in a word or two, originally its meaning and use was confined merely to cash audit and the auditor had to ascertain whether the person responsible for the maintenance of accounts had properly accounted for all the cash receipts the payment on behalf of this principle. But the word, audit, had a wide usage and it now means a thorough scrutiny of the books of accounts and its ultimate aim is to verify the financial position disclosed by the balance sheet and the profit and loss account of a company.

REVIEW OF LITERATURE

Watkins et al. (2004) has summarized the client risk strategies which is one of the demand drivers of audit quality, that high-quality information is signalled by the companies by demanding auditors with highly acclaimed brand-name. But this may not be the case for risky clients, for whom both the demand and the ability of signalling high-quality information is being mitigated by the pricing of the brand name audits.

According to Datta- Zee Business dated 3rd March 2018: "Earlier, the RBI used to appoint statutory auditors of banks. But to our utter surprise, we observed that from 2014-15, the power of the RBI to appoint central statutory auditors and branch statutory auditors was snatched by the central government and was handed over to the management of the respective banks. Datta also said the Ministry of Finance directed banks that "the statutory branch audit has become routine and not much effective post implementation of CBS (core banking solution) in PSBs (public sector banks)". "Statutory branch audit is essential and unfortunately, branches with advances of Rs 20 crore or below are not selected for statutory audit.

OBJECTIVES OF THE STUDY

- To understand the concept of auditing and their outlook in banking industry.
- To study the importance of auditing and their impact in banking sector.
- To gain knowledge about bank audit & its types in Indian context.
- To understand the meaning of Errors and Frauds and their reason.
- To identify and Elaborate the Authors duty in case of Errors and frauds.

FEATURES OF AUDITING

The audit is structured into activities that follow a logical sequence. The audit will focus on the management and delivery of the electronic device, which supposes fluxes of electronic device and procedures of treatment specific associated.

There are six essential features or characteristics of auditing are;



The essential features of Auditing are explained below

1. Systematic process

Auditing is a systematic and scientific process that follows a sequence of activities, which are logical, structured, and organized.

2. Three-party relationship

The audit process involves three parties, that is, shareholders, managers, and the auditors.

3. Subject matter

Auditors give assurance on a specific subject matter. However, the subject matter may differ considerably, such as – data, systems or processes and behaviour.

4. Evidence

Auditing process requires collecting the evidence, that is, financial and non-financial data, and examining thereof.

5. Established criteria

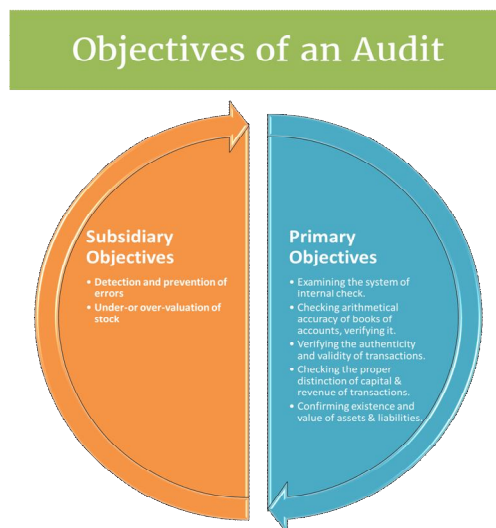
The evidence must be evaluated regarding established criteria, which include International Accounting Standards, International Financial Reporting Standards, Generally Accepted Accounting Principles, industry practices, etc.

6. Opinion

The auditor has to express an opinion as to the reasonable assurance on the financial statements of the entity.

OBJECTIVES OF AUDITING

There are two main objectives of auditing. The primary objective and the secondary or incidental objective.



RISK OF FRAUD AND ERROR IN AUDIT: The following events may increase the risk of fraud or error –

Internal Control Faults: Weaknesses in the design of internal control system and non-compliance with laid down control procedures, e.g. a single person being responsible for receipt of all posts/ mails and marking it in the relevant sections or two persons responsible for receipt of all posts/ mails but the same is not followed in the practice.

Doubts about the integrity or competence of the management, e.g. domination by one person, high rate of employee turnover, frequent change of legal counsels of Auditors, significant and prolonged understaffing of the accounts department, etc.

Unusual pressures within the entity, e.g. industry is doing well but the Company's performance is poor, heavy dependence on a single line of product, inadequate working capital, need to show more profit to support the share market price, etc.

Unusual transactions e.g. transactions with related parties, excessive payment for certain services to lawyers, etc.

Problems in obtaining sufficient and appropriate audit evidence,

E.g. inadequate documentation significant differences between the figures as per accounting records and confirmation received from third parties. Etc.

RESEARCH METHODOLOGY

Research methodology is the systematic, theoretical analysis of the methods applied to a field of study it comprises the theoretical analysis of the body of methods and principles associated with the branch of knowledge. **This research paper is based on collection and analysis of the secondary data.** The secondary data is composed of the literature available in different scholarly research articles belonging to several national and international journals.

ADVANTAGES OF AUDITING:

Businessman's point of view	Investor's point of view	Other Advantages
Detection of errors and frauds	Protects interest	Evaluate financial status
Loan from banks	Moral check	Usting of shares
Builds reputation	Proper valuation of Investments	Settlements of claims

Proper valuation of assets	Good security	Evidence in court
Government acceptance		Settlement of accounts
Update accounts		Facilitates calculation of Purchase. Conskteraton
Suggestions for Improvement		Facilitates taxation
Useful for agency		

LIMITATIONS OF AUDITING: Following are a few limitations of auditing –

- **Rely on Experts** – An Auditor has to rely on experts like engineers, valuers and lawyers for estimation and valuation of fixed assets and estimation of contingent liabilities.
- **Efficiency of Management** – An Auditor does not comment on the efficiency of management working in client organization; no comments on future performance of an organization can be made through audited financial statements.
- **Checking of All Transactions** – It is not possible for an Auditor to check all business transactions especially in big organizations where the number of transactions is very high. An Auditor has to rely on sampling and test checking.
- **Additional Financial burden** – An organization has to bear additional financial burden on account of any fees and other such expenses for conducting an audit.
- **Not Easy to Detect Some Frauds** – It is not easy for an Auditor to detect deeply laid frauds like forgery, misstatements and non-recording of transactions.

FUTURE OF AUDIT: THE TRANSFORMED AUDITOR'S REPORT

According to Grant Thornton dated 01 Mar 2019; The Auditing and Assurance Standards Board of the Institute of Chartered Accountants of India has issued new and revised auditor reporting standards on Auditing (SAs) which are applicable for audits of financial statements for periods beginning on or after 1 April 2018. The main objective behind this was to make the audit reports more informative and enhance transparency in audit reporting.

The audit of the future will bear little resemblance to the traditional audit CFO's are accustomed to receiving today. In fact, the way organisations conduct audits will change more in the next 5-10 years given the evolution of technology and analytics. Let's talk about the recent trends to see how it is affecting the demography of the audit industry as a whole. The recent changes in the audit leadership of a number of major banks have continued to repeat around the banking recruitment market at more senior levels. Furthermore, regulatory pressures, which manifest in publicized fines and a tougher regime of senior management accountability, ensure recruitment budgets are continuing to grow.

Statistics show that 76% of banking internal audit departments report their recruitment budgets have increased and 92% report they have attempted to recruit in the last six months. Only 8% reported they were unlikely to recruit in 2016. Currently the principal internal audit skills and experience in demand includes capital markets product knowledge, specialist lending, capital, liquidity and funding knowledge, compliance and financial crime, specialist risk areas such as model / quant risk, credit risk and specialist knowledge in relation to areas such as strategy, third parties, security, business continuity and corporate real estate. There is a huge shortage of internal auditors with these skills. As a consequence, banks are becoming increasingly open in their recruitment practices. There is increased interest in more junior candidates requiring formal training and development, together with a relatively new phenomenon, the direct promotion of graduates from the bank in-house training schemes into internal audit.

Salary pressures are growing. Internal auditors with both strong technical and interpersonal skills are commonly offered 20% salary increases to move, only to be counter offered. These offers frequently involve bigger roles.

CONCLUSION

This research paper focus on seven major areas, which are core principals, concurrent audit, internal audit, deposit, loan accounting and transparency and foreign exchange transaction. The project concluded that, given the complexity and development of Indian banking sector, the overall level of compliances with the standards and codes is of high order. This project gives the correct ideas about how the major areas can be found by way of effective auditing system i.e. errors, frauds, manipulations etc. form this auditor get the clear ideas how to recommend on the banks position. Project also contain that how to conduct of audit of the banks, what are the various procedure through which audit of banks should be done. From auditing point of view, there is proper

follow up of work done in every organization whether it is banking company or any other company or any other company there no misconduct of transactions is taken places for that purpose the auditing is very important aspect in today's scenario form company and point of view.

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BANKING: CHALLENGES & OPPORTUNITIES**Nirav R. Goda**

Assistant Professor, Thakur College of Science & Commerce

INTRODUCTION

Indian Economy is in a great transition. Service industry is an industry that part of the economy which creates services rather than tangible objects. Economist divided all economic activity into two broad categories goods & services. Services industry or sector involves distribution, transport and sale of goods from producer to consumer.

Service industry or service sector includes portions of a country's economy like tourism, banking, social service sector & education. In this study, the author aims to consider the transformational sourcing of capital for strong banking system in the Indian economy.

The paper examines the challenges faced by the Indian banking industry in the form of rural market penetration, management of risks and the role of the public and private banks, mergers, acquisition and consolidation of banks in India. A healthy banking system is essential for any economy striving to achieve good growth and yet remain stable in an increasingly global business environment.

OBJECTIVE

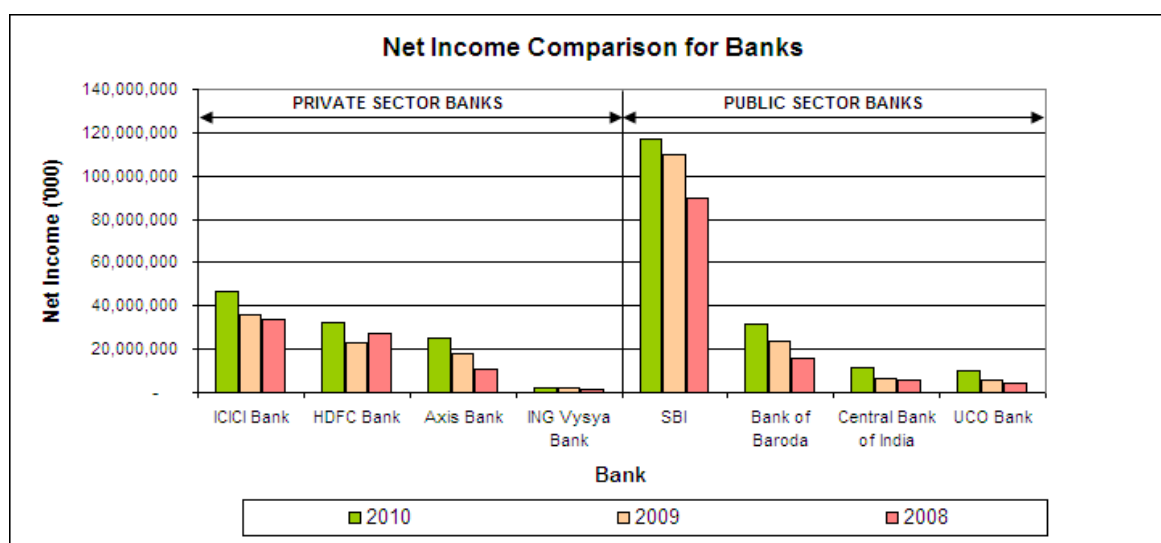
The objective of this paper is to explain the changing banking scenario, to analyze the impact of liberalization, privatization & globalization and to study the challenges and opportunities of national and commercial banks in changing banking scenario. In addition to this, an attempt is made to understand the significance of banks in India.

METHODOLOGY

This paper is the outcome of a secondary data on Indian Banking Sector with special reference to Indian context. To complete this, annual reports, various books, journals and periodicals have been consulted, several reports on this particular area have been considered, and internet searching has also been done.

ANALYSIS**CHALLENGES AND OPPORTUNITIES**

The Indian banking sector continues to face some structural challenges. We have a relatively large number of banks, some of which are sub-optimal in size and scale of operations. The opportunities are immense – to enter new businesses and new markets, to develop new ways of working, to improve efficiency, and to deliver higher levels of customer service.

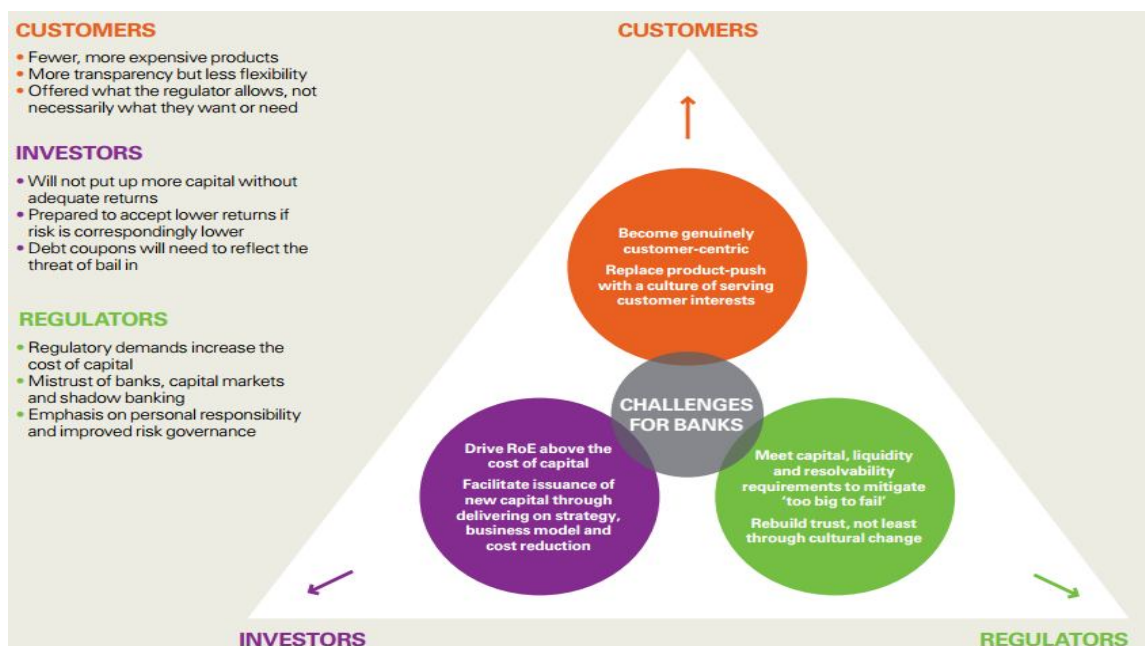


While at the one end, we have millions of savers and investors who still do not use a bank, another segment continues to bank with a physical branch and at the other end of the spectrum, the customers are becoming familiar with ATMs, e-banking, and cashless economy. Banking industry's opportunities includes

- Agrowingeconomy
- Banking deregulation
- Increased client borrowing
- An increase in the number of banks

Customer Relationship Management

The biggest opportunity for the Indian banking system today is the Indian consumer. Demographic shifts in terms of income levels and cultural shifts in terms of lifestyle aspirations are changing the profile of the Indian consumer. This is and will be a key driver of economic growth going forward.



Revolution of Information Technology

Technology is the key to servicing all customer segments – offering convenience to the retail customer and operating efficiencies to corporate and government clients. The increasing sophistication, flexibility, and complexity of product and servicing offerings makes the effective use of technology critical for managing the risks associated with the business.

Industrial Development

The developments in Indian industry and government and the integration of India with the global markets also offer innumerable opportunities to the banking sector. Companies and governments are increasingly seeking high-quality banking services to improve their own operating efficiency.

Knowledge Society

Building knowledge-driven, learning organizations is important in the current scenario of rapidly evolving operating environments. Knowledge and assimilation of new ideas and trends are essential to keep the organization ahead on the curve. This is true for banking as it is for all other sectors.

Financial inclusion

Financial inclusion has become a necessity in today's business environment. Whatever is produced by business houses that have to be under the check from various perspectives like environmental concerns, corporate governance, social and ethical issues. In India, RBI has initiated several measures to achieve greater financial inclusion, such as facilitating no-frills accounts and GCCs for small deposits and credit.

Rural Market

Banking in India is generally fairly mature in terms of supply, product range and reach, even though reach in rural India still remains a challenge for the private sector and foreign banks. Nationalized and private sector banks to face upcoming challenges in banking industry of India. For example recently, ICICI Bank Ltd. merged the Bank of Rajasthan Ltd. in order to increase its reach in rural market and market share significantly.

High Transaction Costs

A major concern before the banking industry is the high transaction cost of carrying non-performing assets in their books. The growth led to strains in the operational efficiency of banks and the accumulation of non-performing assets (NPA's) in their loan portfolios.

Timely Technological up gradation

Already electronic transfers, clearings, settlements have reduced transaction times. To face competition it is necessary for banks to absorb the technology and upgrade their services.

Social and Ethical Aspects

There are some banks, which proactively undertake the responsibility to bear the social and ethical aspects of banking. This is a challenge for commercial banks to consider these aspects in their working. Apart from profit maximization, commercial banks are supposed to support those organizations, which have some social concerns.

Global Banking

The impact of globalization becomes challenges for the domestic enterprises as they are bound to compete with global players. If we look at the Indian Banking Industry, then we find that there are 36 foreign banks operating in India, which becomes a major challenge for Nationalized and private sector banks.

Decline in Credit Growth

Growth of bank credit fell to a multi-decade low of 5.1% for the fortnight ended Dec 23.

MUMBAI: Growth of bank credit fell to a multi-decade low of 5.1% for the fortnight ended December 23, as drying up of demand in the last two months of the year saw businesses cutting down on borrowing.

Banking revolution- Digital Banking

The goal is to make banking cheaper, more efficient and easier to access for all of the country's citizens. April 11, 2016 was a monumental day for millions of people living in India. On that Monday, the government launched its Unified Payment Interface (UPI), a digital banking system that allows people to easily transfer money to and from a bank account or to others via a smartphone.

While this kind of money transferring was available to people before that date, it wasn't accessible to everyone. Now, with UPI, nearly everyone in the country can open a bank account, save money and make transactions.

CONCLUSION

The pre and post liberalization era has witnessed various environmental changes which directly affects the aforesaid phenomena. It is evident that post liberalization era has spread new colours of growth in India, but simultaneously it has also posed some challenges. This article discusses the various challenges and opportunities like High transaction costs, IT revolution, timely technological up-gradation, intense competition, privacy & safety, global banking, financial inclusion.

Banks are striving to combat the competition. The competition from global banks and technological innovation has compelled the banks to rethink their policies and strategies. Technology up gradation is an inevitable aspect to face challenges.

SUGGESTIONS

As per the above discussion, we can say that the biggest challenge for banking industry is to serve the mass market of India. Companies have shifted their focus from product to customer. Technology up gradation is an inevitable aspect to face challenges. Nowa-days they need internet banking, mobile banking and ATM services. The suggestions are briefed in below table:-

Solutions	Challenges	Modeling Methodology	Techniques
Increased competition	To focus on the best channels, the best products, and the best customer segments for specific products	Analyzing the customer data and past marketing campaigns for detecting patterns	Scoring using estimation techniques like Artificial Neural Networks (ANN), Cluster Analysis, Generation and testing of hypothesis
High churn rates of profitable customers	Determine factors contributing to churn, framing plans to prevent churn	Collecting and analyzing data on profitable customers who have left to determine patterns	Scoring using Estimation Techniques like ANN, Clustering techniques, Structured Queries
Leveraging profitable customers and reduce new acquisition costs	Profiling product affinity with existing customer portfolios	Analyze buying patterns to find out which products went together and who bought those products	Market Basket Analysis
Improve Customer Loyalty	Optimally locate ATM's to facilitate potential and existing regular users	Profile the existing and potential high usage customers, determine optimal locations	GPS, Linear Programming, Algorithmic Graph Theory, Computational Geometry
Improve Customer Loyalty	Minimize waiting time of customers by optimizing	Simulate the customer arrivals to number of service counters	Simulation, Queuing theory principles arrive at optimal number of service counters for

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RTI ACT IS BOON OR BANE IN INDIA FOR THE CITIZENS

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ABSTRACT

RTI Act has become boon and bane in India due to uncooperative attitude of employees of public bodies. Political will is also one of reason, which makes RTI Act weak. As per Act, information must be provided within 30 days of application by applicant. Objectives of the Study: A) To Study RTI Act is boon in India for the citizens. B) To Study RTI Act is bane in India for the citizens. C) To analysis provisions of RTI Act, 2005. Hypotheses: I) H1: RTI Act is boon for the citizens of India. II) H0: RTI Act is not boon for the citizens of India. III) H1: RTI Act is bane for the citizens of India. IV) H0: RTI Act is not bane for the citizens of India. Primary data was collected from 50 Advocates, Professors and Businessmen from Kalyan to Mumbai area through Google form. Secondary data was collected from books and research papers published. Simple percentage method is used for data analysis as sample size was 50 only. RTI Act is boon for the citizens of India as 90% respondents were agreed that RTI Act is effective tool for getting information from public authorities. 72.50% respondents said it provides correct information. 85% respondents agreed that it helps in combating corruption in India. RTI Act is bane for the Citizen of India as 70% respondents were agreed that private bodies should be also be RTI ambit. 55% respondents said that provision for providing information within 30 days of RTI application must be reduced to 7 days. 35% respondents had opinion that crime rate had enhanced in India This research paper is useful to Advocates, Law Students, Teachers and Public authorities. RTI Act is boon or bane in India for the Citizens as it is effective tool in hands of citizens to get information from public authorities. It provides correct information to the applicants. It helps in combating corruption menace in India.

Keywords: Information, RTI, CIC, SCIC and Public Authorities.

1. INTRODUCTION

Information is an inevitable for success of any organization/business or citizen of India. It must be provided timely by authorities to citizen of country. Peoples feel empowered, if they get timely and reliable information. Students and parents must get true information for admission in school/colleges. Businessmen needs complete information regarding business. Job seekers must get correct information regarding procedure of appointment. In India, Government employees are taking a lot of time to provide information. Their behaviour is unpredictable. They delay work as they are expecting something from public. But in 30 days anything can happen to applicant. When information is related to political parties, businessmen or higher authorities, applicants feel insecure. Applicants get threat from different stakeholders. Sometimes, applicants are being assaulted or killed as they wanted information which public authorities doesn't want to provide. The basic purpose of the Right to Information Act, 2005 is to ensure an informed citizenry, vital to the functioning of a democratic society, needed to check against corruption and to hold the governments accountable to the governed. Effective implementation of the RTI Act requires political commitment from the top. V.K Agnihotri and B.V.R Subrahmanyam opined that Right to Information is a part and partial of success for good governance. They said the minimum expectations of citizens from the governance are- - Timely prompt service. - Minimum Red Tape. - Minimum waiting time. - Minimum visit to multiple officers. - Minimization of Arbitrariness. - Prompt information in delays, waiting times etc, and - Prompt information on status of application. In a country like India where the government consists of numberless agents of the public, each one of them has to be responsible for their own conduct and hence, there is no room for maintaining secrets.

2. REVIEW OF LITERATURE

In **Manju S. Kumar v. Sanskriti School, New Delhi**⁸⁵ the Commission held that though the Government did not give any grant for day-to-day running of the school but had given a substantial grant for setting up the school at the initial stage, hence, the school came under the purview of the RTI Act, 2005 as a 'pubic authority'.

In **Subhash Chandra Agarwal v. Supreme Court**

The Commission held that Supreme Court of India was a public authority under section 2(h) (a) of the RTI Act and it was also a competent authority to make appropriate rules under section 28 of the RTI Act. Thus, the Supreme Court of India was bound to reveal such information which had nothing to do with the judicial proceedings. The Commission directed the CPIO of the Supreme Court to provide the information asked for by the appellant in his RTI application as to declaration of assets etc. by the Hon'ble judges of the Supreme Court.

A STUDY ON THE AWARENESS OF RIGHT TO INFORMATION ACT By Disha Shah & Saral Joseph Episteme: an online interdisciplinary, multidisciplinary & multi-cultural journal Bharat College of Arts and Commerce, Badlapur, MMR, India Volume 6, Issue 2 September 2017 This study attempted to find out the awareness and usage rate of RTI among the residents of Panvel and thereby empowering them. According to the census 2011, there were around 180,000 people residing in Panvel.

3. OBJECTIVES OF THE STUDY:

- To Study RTI Act is boon in India for the citizens.
- To Study RTI Act is bane in India for the citizens.
- To analysis provisions of RTI Act, 2005.

4. HYPOTHESES

- H1: RTI Act is boon for the citizens of India.
- H0: RTI Act is not boon for the citizens of India.
- H1: RTI Act is bane for the citizens of India.
- H0: RTI Act is not bane for the citizens of India.

5. RESEARCH METHODOLOGY

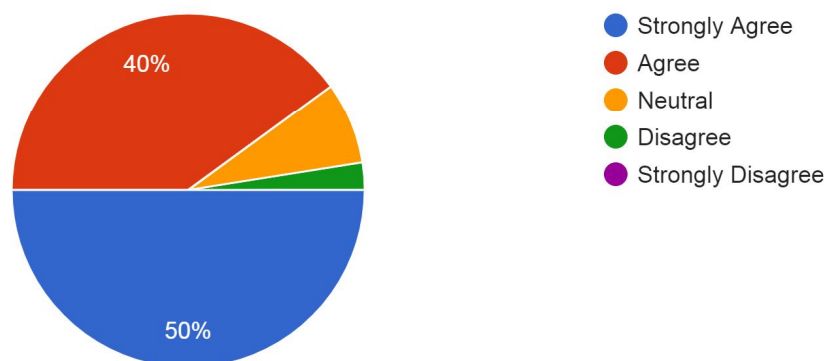
Primary data was collected from 50 Advocates, Professors and Businessmen from Kalyan to Mumbai area through Google form.

Secondary data was collected from books and research papers published. Simple percentage method is used for data analysis as sample size was 50 only.

6. DATA ANALYSIS AND INTERPRETATION

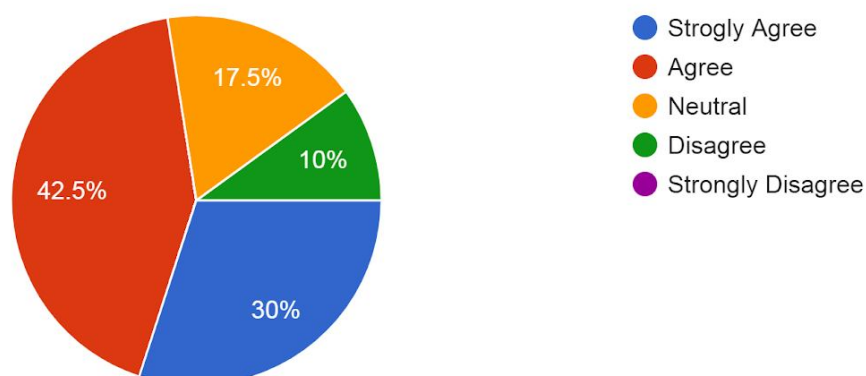
RTI Act is effective tool of getting information from Public authroties

40 responses



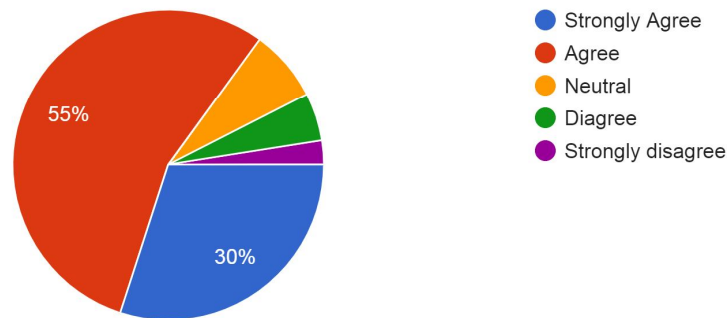
RTI Act provides correct information to the applicant

40 responses



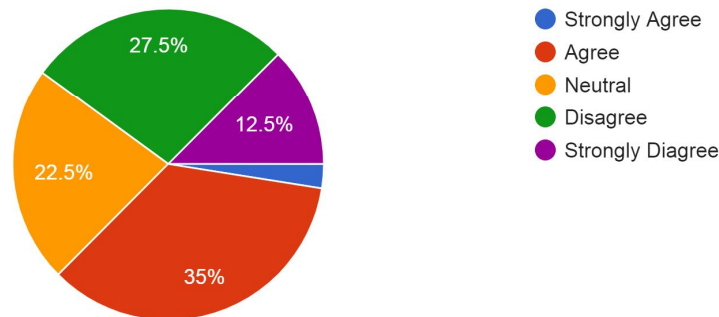
RTI Act helps in combating corruption in India

40 responses



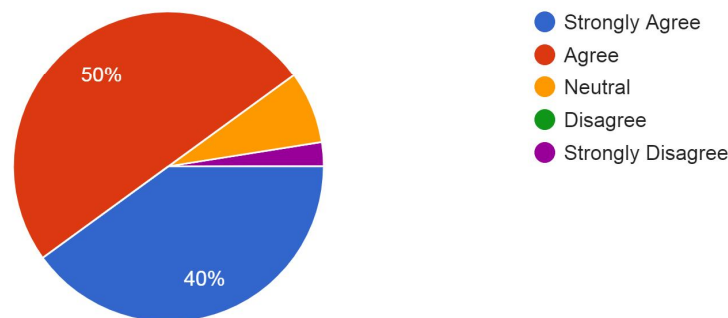
RTI Act has enhanced crime rate in India

40 responses



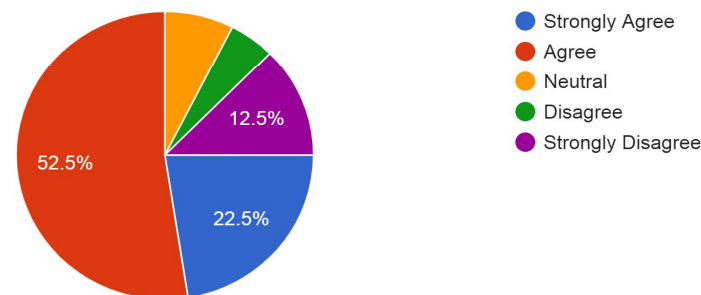
Central Information Commissioner and State Information Commissioner tenure must be fixed

40 responses



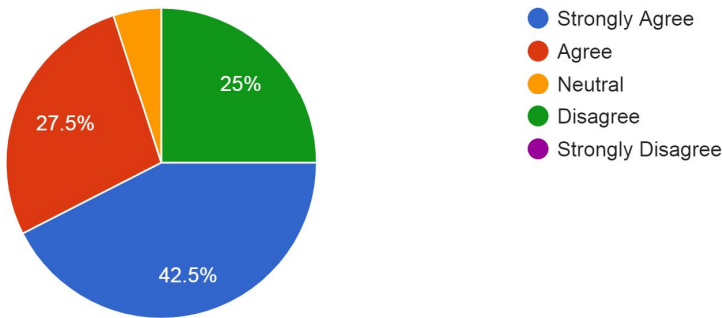
Central Information Commissioner and State Information Commissioner salaries must be decided by central government

40 responses



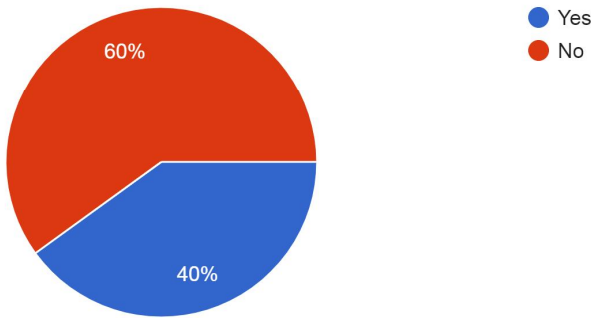
Private bodies should also be part of RTI ambit

40 responses



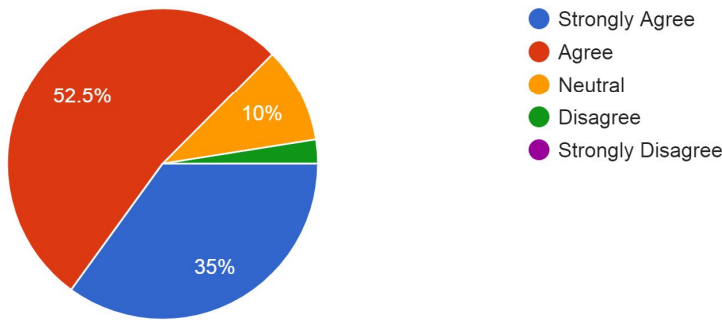
Have you used RTI Act to get information from Public authorities?

40 responses



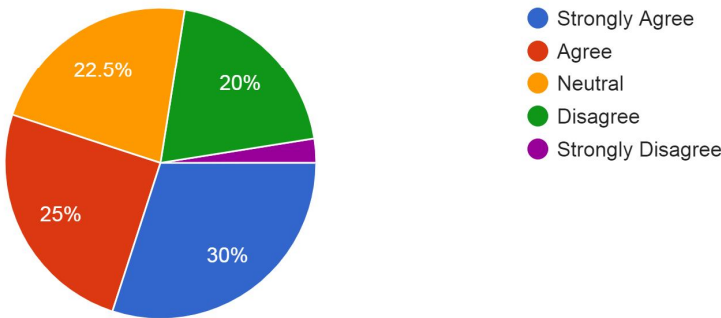
RTI Act is boon for the Citizens of India

40 responses



Provision for providing information within 30 days of RTI application must be reduced to 7 days under RTI Act

40 responses



From the above diagram, it is clear that RTI Act is boon for the citizens of India as 90% respondents were agreed that RTI Act is effective tool for getting information from public authorities. 72.50% respondents said it provides correct information. 85% respondents agreed that it helps in combating corruption in India. 87.50% respondents were agreed that it is boon for the Citizens of India. 90% respondents were agreed that CIC and SCIC tenure must be fixed. 75% respondents had opinion that CIC and SCIC salaries must be decided by Central Government.

H1: RTI Act is boon for the citizens of India - Accepted

RTI Act is bane for the Citizen of India as 70% respondents were agreed that private bodies should be also be RTI ambit. 55% respondents said that provision for providing information within 30 days of RTI application must be reduced to 7 days. 35% respondents had opinion that crime rate had enhanced in India.

H1: RTI Act is bane for the citizens of India - Accepted

Both the alternative hypotheses were accepted.

7. Scope

This research paper has covered the area from Kalyan to Mumbai. Data was collected from 50 respondents.

8. SIGNIFICANCE OF THE STUDY

This research paper is useful to Advocates, Law Students, Teachers and Public authorities.

9. LIMITATION OF THE STUDY

To study the research topic “**RTI is boon or bane in India for the Citizens**”, the author has relied on the data collected from Books, Website, Newspapers, Magazines and Journals. The author has tried to the best of his abilities to get the closest information to make the research as authentic as possible considering the time, money and resources constraints.

10. CONCLUSION

RTI Act is boon or bane in India for the Citizens as it is effective tool in hands of citizens to get information from public authorities. It provides correct information to the applicants. It helps in combating corruption menace in India. Private bodies must be included in RTI ambit and information must be provided within 7 days instead of 30 days as suggested by respondents. Crime rate has enhanced due to RTI Act.

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AWARENESS OF MERCHANT BANKING SYSTEM AWAY FROM PUBLIC

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INTRODUCTION

Merchant Banking services strengthen the economic development of a country as they act as source of funds and information for corporate entities. For a rapid growth of the economy, the role of merchant banking services is indispensable. These financial institutions also act as advisory bodies to help corporations rightly get involved in various financial activities. They manage and underwrite new issues, undertake syndication of issues, advise corporate clients of funds raising. Merchant bankers provide assistance to the corporate houses for setting up industries. While banks assist industrial development while providing term loans and guarantees for setting up units and working capital, merchant bankers play a different role by assisting industrial houses in the very formation of the unit and their horizontal and vertical expansion.

MEANING

Merchant banking is the combination of banking and consultancy services. It provides consultancy to its clients for financial, marketing, managerial and legal matters. Consultancy means to provide advice, guidance and service for a fee. It helps to raise (collect) finance. It helps to expand and modernize the business.

It helps in restructuring of a business. It helps to review sick business units. It also helps companies to register, buy and sell shares at the stock exchange.

DEFINITION

COX .D. defines merchant bank as "the financial institutions providing specialist service which generally include the acceptance of bills of exchange, corporate finance, portfolio management, underwriting and other banking services".

MERCHANT BANKING IN INDIA

In India prior to the enactment of the Companies Act, 1956, managing agents acted as issue houses for securities, evaluated projects, reports, planned capital structure and to some extent provided venture capital for new firms. India realized the need for specialised merchant banking services after the rapid growth of capital market. The first merchant bank service was started by foreign banks, namely the National Grindlays Bank in 1967 and the report recommended to start merchant banking institution by commercial bank and financial institution. In the early stages, the role of merchant banking in India was largely confined to the management of public issues of equity capital. Today, the scope of merchant banking has gone much beyond just issues management. Banks' merchant banking divisions are now engaged in providing a wide spectrum of financial and related services to their customers.

.PUBLIC SECTORS MERCHANT BANKERS

- SEBI Capital Market Ltd.
- Bank of Maharashtra
- Punjab National Bank

1. Private Sector Merchant Bankers

- c) ICICI Securities Ltd
- ci) Bajaj Capital Ltd
- cii) TATA Capital Ltd
- ciii) Reliance Securities Ltd
- civ) Kotak Mahindra Capital Co.Ltd

2. Foreign Players in Merchant Banking

- 1. Goldman Sachs (Indian) Securities Pvt.Ltd
- 2. Bank Of America
- 3. Deutsche Bank

RESONS FOR THE GROWTH OF MERCHANT BANKING IN INDIA

The reasons for growth of merchant bankers in India includes the following :-

- Growing complexity in the nature of corporate entities.
- Growing complexity in roles and procedures of the government.
- Growing industrialization and increase of technologically advanced industries.
- Need for encouragement of small and medium industrialist, who require specialist services.
- Due to globalization and liberalization the markets expands to a greater level.
- Exploring the possibilities of joint venture abroad and foreign market.
- Increasing technology and stock markets and emergence of new products.
- Need to develop backward area and states which requires different criteria.

FEATURES OF MERCHANT BANKING

1. Merchant banker as a manager, consultant, advisor in the process of selling, buying, subscribing to securities and rendering corporate advisory services in relation to such issue management
2. Merchant bankers engage in the business of issue management
3. Merchant bankers services includes the arrangement regarding selling, buying or subscribing to securities.
4. Merchant banking is the financial intermediation that matches the entities that need capital and those that have capital for investment.
5. Merchant bankers mainly engaging in money market activities and lending, underwriting and financial advice and investment services.
6. Merchant banking is skilled based activities and involves servicing every financial need of a client.
7. The Merchant banks have emphasis on fee and national and international level .
8. The organisation structure of merchant bankers in India the special the formation, that is they are established on any one of the following form
 1. Institutional base
 2. Banker base
 3. Private base
 4. Broker base

PROBLEMS OF MERCHANT BANKERS

- i) In India, SEBI guidelines have authorised merchant bankers to undertake issue related activities with an expectation of portfolio management. These guidelines have made the merchant bankers to restrict their activities.
- ii) RBI does not permit merchant banking firms to do the service of undertaking, hire purchase, leasing, money lending portfolio management, so the same promoters have to set up different companies for different purpose. This will increase management cost and expertise pooling.
- iii) SEBI guidelines stipulate a minimum net worth of Rs.1 crore for authorisation of merchant bankers. Small but professional and specialised merchant bankers who do not have a net worth of Rs. 1 crore may have to close down their business.

FUNCTIONS OF MERCHANT BANKS

1. Corporate counseling
2. Project counseling
3. Management of debt equity offering
4. Loan syndication
5. Issue management

1. Private issue
2. Right issue
 1. Debenture issue
 2. Advisor of Non- Resident Issues
 3. Private placement.
 - Underwriting of capital issue
 - Management of fixed deposit of joint stock company
 - Portfolio management
 - Bought out deals
 - Venture capital
 - Merger and acquisition
 - Miscellaneous services

OBJECTIVES OF MERCHANT BANKING STUDY

1. Develop the ability to study the functioning of merchant banking in India& learn & apply multidisciplinary concepts, tools& techniques to solve vital problems.
2. To familiarize with the headed by merchant bankers.
3. To compare the public& private sector company engaged in providing merchant banking services on various ground.

METHODS OF DATA COLLECTION

Primary Data: usually consist of the data that are collected office for the first time and thus is original in character. Primary data that used in the study

1. Questionnaire
2. Interview
3. Survey

Secondary data: consist of data data that is collected from some existing literature. It has been already analysed by someone else earlier and is derived from that sources. Secondary data that used in the study are

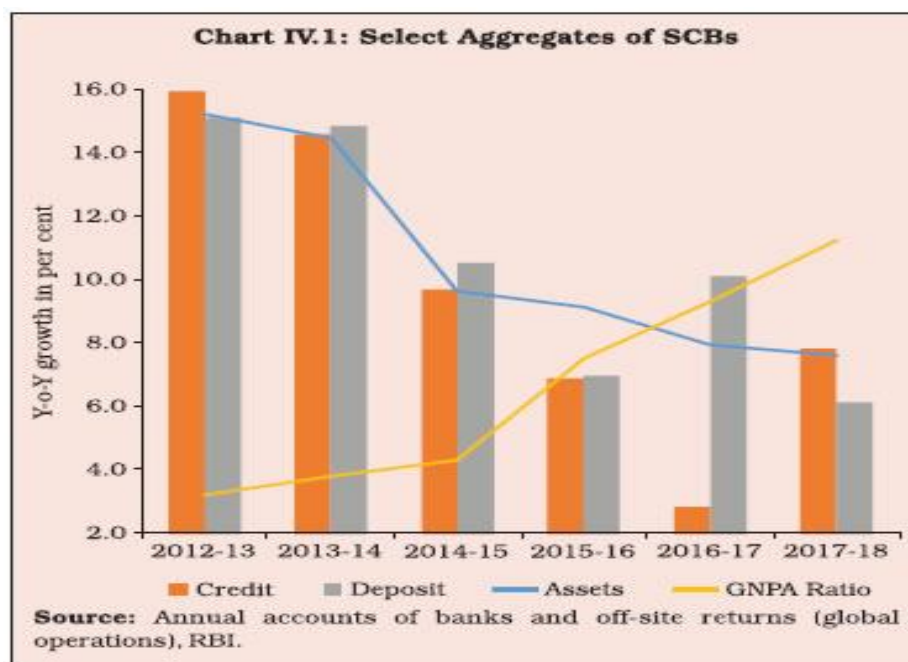
- Newspapers
- Websites
- Book.

Q.1 Do you know about merchant banking?

SR.NO.	KNOW ABOUT MERCHANT	NOMBERS	PERCENTAGE
1	YES	32	40
2	NO	48	60
	TOTAL	80	100

Q.2 Are you satisfied with the service provided by your merchant bank?

SR.NO.	SATISFIED	NO.	PERCENTAGE
1	YES	35	43.75
2	NO	45	56.25
	TOTAL	80	100



FINDING

After carrying out in- depth on the data collected from the customers of the public sector banks sector banks, the researcher found the following.

- There is no Association between the service offered and quality of service in both public and private sectors banks with regard to loan and advances, bill discounting, issues of travellers, cheques , encashment of cheque, reply to queries comma online banking and funds transfer through NEFT and RTGS.
- Sending statement of account to the customer by public sector and private sector spine to be and important determinant a quality of service in private sector bank and it not determinants in case of public sector bank.
- All variables pertaining to various services offered by bank has been segmented into seven major service quality dimension viz. Tangibility, reliability, responsiveness assurance ,empathy, confidence building and technology argumentation.
- The total customer of both public sector and private sector banks are categorised into three types and they are named as saturated customers, meticulous customers and impulsive customers.
- The factors that influence customer satisfaction has an impact on customer loyalty.

SUGGESTION

- Usage of ATM must be recommended by the public sector banks for their customer in order to about long queues in banks. The bankers must taken necessary steps to make understand the use of ATM and how it can be used for various purpose to their customers.
- The banks must focus on those parameters immediately to fulfill customers satisfaction where the means score less
- Enquiries must be clearly answered and complaint should be handled and settled immediately.

CONCLUSION

- Long standing client relationship
- Strong positions in high growth client and product niches
- Multiple revenue growth initiatives are in place with detailed and concrete action plans, and with rigorous follow-up mechanisms.
- Growth in controlled by a sound risk management system and disciplined cost management.
- Small & medium scale enterprise SMEs need immediate attention from merchant bankers to get access to finance.
- SMEs are facing stiff competition from large scale companies.

E-GOVERNANCE

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ABSTRACT

This paper describe a roadmap to the implementation of an e-governance to improve the quality of education in Educational Institute. E-governance is the effective use of Information & Communication Technology (ICT) to improve the system of governance that is in place, and thus provide better services to the all stake holders of system. We can improve quality, save time, save papers in transparent way and space in institute by E-governance. Our aim is to make out total working of institute paperless by the e-governance. E-governance can facilitate in improving transparency, providing speedy information, dissemination, improving administration.

Index Terms: E-governance, , Information and Communication, Education, Improved Education, E-services, E-participation.

I. INTRODUCTION

“E-Governance is use of information and communication technologies. The aim of egovernance is to improve information and service delivery, encouraging all stake holders in the decision-making process and making governance more accountable, transparent and effective and rapidly reachable to all. E-Governance involves new styles of working , new way of administration in education that is more effective , new way of organizing and delivering information and services”.

It is the application of Information and Communication Technology (ICT) for strengthening administration and management in education institute in India. The effective use of IT services in educational Sector can enhance efficiency of the existing system, reduce the costs, and enhance transparency in the functioning of various departments. E-governance process brings transparency in the system. egovernance can give a better interface and opportunity to students, parents, teachers and administrative management.

II. OBJECTIVES

- To define various modules of E-governance.
- To discuss the infrastructure required in education institute.

III. BENEFITS OF E-GOVERNANCE**• Benefits to students**

- a. Increase participation in education affairs.
- b. Personalized login for each students.
- c. Substantial saving in time cost & efforts.
- d. Information & transaction services.
- e. Job opportunities (placement).
- f. Social connectivity for collaboration.
- g. Students can solve their problems like-examination queries, result verification etc.
- h. Students can submit feedback.

• Benefits to colleges

- a. Data can access easily.
 - b. Electronic data exchange within department.
 - c. Saving of hidden operational cost.
 - d. Instant statistical report generation.
 - e. Helpful for NAAC accreditation.
 - f. More accountability.
 - g. Paper saving.
-

- h. Lots of data saving.
- i. No filing.
- j. Timely and transparent information.

- **Overall education system**

- a. Long term impact on organization goals
- b. Improve education system
- c. Empowerment of faculties, students & encouragement of their participation in governance.

IV WHY E-GOVERNANCE?

The main purpose for introducing e-governance in education institute can improve efficiency and effectiveness of the overall education system & enhance transparency. E governance in education provides new ways of communicating to the students and new ways of organising and delivering information and services in timely and transparent way. The implementation of information technology may increase the broad participation of all stake holders in the process of achieving good education goals at all levels by providing online discussion groups and by enhancing the fast development and effectiveness of the teaching & learning methods.

Improper implementation of e services – Many colleges implemented e services to certain extent but due to lack of computer knowledge, infrastructure and connectivity between all stake holder, they are not getting desired results.

Lack of knowledge – Inadequate infrastructure and lack of knowledge, forces staff, student and all the people involved to work with the traditional approach of paper which is not only time consuming but consumes large amount of paper, storage, and difficult to locate the data required

- **SUGGESTIONS AND REMEDIES**

The online methods enable more effective governance and offer significant advantages over traditional services.

Provide E Services – After the implementation e-governance, we improve the delivery of services to students, faculty & stakeholders by providing services like enrolment, examination, result, feedback, requests for documents, requests for certificates, issuing admit cards and id cards, time table etc.

Increasing Transparency -The aim of e governance is to share information with the college, teachers, students and stakeholder. Governing body can involve in decision making.

Innovative Teaching Tools – The new technologies offer vast opportunities for progress in all walks of life of stake holders.

Improved Decision Making and access information - The ability of e-Governance to provide centralized information helps governing body, decision makers and faculties to perform extensive analysis of stored data to provide answers to the queries of the students. Delivery of public-domain information to stake holders can be done without any official interaction. Students can obtain information related to Institute processes and procedures through an on-line system without interacting with any Institute official.

Central Information - E-Governance has provided e information infrastructure to simplify service delivery, reduce duplication, and enhance the level and speed of service at a very low cost. The central information approach of e- Governance keeps all information at one place in electronic form. This approach of making information secure prevents it against any theft or leakage and make it available to all stake holder at any time.

Application of intranet - Intranet-based learning provides a low cost and knock-on savings, is that it can be a virtual two-way system, with Stake holders connected to mentors and teachers receiving real-time feedback and support. ICT is already proven as the way to access knowledge based information from anywhere to anytime.

- **Enhancing Efficiency** : Most college campuses are inefficient. There is duplication and less sharing of knowledge and processes. A platform for improved communication and collaboration can be provided by social intranet.

V. CONCLUSION

Indian Government has taken significant steps towards successful implementation of e-governance but despite of that there are some factors which may effect in successful implementation.

With the introduction of e governance initiatives , ways to enhance learning by enabling access to universal information are possible. For achieving the goals of efficient administration and to meet the challenges of globalization, international competition and modern science and technology development, it is necessary to implement fast and reaction based e governance into education sector.

For lecturers, e-governance programs represent a change in the way teaching was imparted. For students, e governance has provided an alternative to the ways learning was done by implementing the means in which learning can take place outside the lecture hall.

Through e-governance we improve the quality of higher education in institute. E-governance can create the transparency between the Staff, colleges and students. In terms of needs and responsibilities, Egovernance will bring forth new concepts of governance.

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ETHICAL PRACTICES FOR INDIAN BUSINESS: STRATEGIES TO ACHIEVE GLOBAL LEADERSHIP**Manoj L Mishra**

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ABSTRACT

Business ethics is not codified but yet literature's on the subject matter has developed to extent that it has made its identity visible in corporate world and business at large. With the rapid pace globalization is gaining momentum it is must for organizations operating all over the world to adopt ethics in trade. Since, the ethical practices are culture specific, the Indian business ethics practice is also found to be differentiated on the basis of nature of business and demographic location of business. This paper concentrates upon ethical business practices adopted by the MNC's of Indian origin. Through this paper an attempt has been made to identify some of the best ethical practices, Indian Business should adopt while operating in foreign land and in the home country. The paper also brings in light real examples of ethical practices from the Indian corporate that set lessons for other organizations operating worldwide.

INTRODUCTION

Business itself is as old as civilization and ethics continuous to constitute a part of business. Ethics of business is whatever moral values and beliefs individuals brings to their business activities(Baotright,2000).There is ethics involved in every business but it consist mainly rules imposed by society and specifically by law. The most significant feature of business today is globalization. Globalization is a process of interaction, integration and interdependence among people, corporations and government of distinct nations. The driving force behind globalization is international trade, investment and rapid growth in information technology. Globalization has effect on economy, environment, culture, political system, prosperity and on human physical well being in societies around the globe. With the speed, organizations are turning local to global, in quest of making profit; they have to face multiple ethical challenges.

REVIEW OF LITERATURE

In a broader term the responsibilities that business has towards society is termed as Corporate Social responsibility (CSR).Carroll (1979) has suggested four categories of responsibilities a business has to bear i.e. Economic, legal, ethical and discretionary or philanthropic. The definition suggested by Carroll extends the responsibilities of business beyond the basic economic role of the firm and argues that business cannot only be profitable and ethical, but they should fulfill these obligations simultaneously. The economic responsibility refers to businesses to be profit making enterprise and profit being essential as motivation and reward for those individuals who take commercial risk. In this era of global competitiveness economic responsibility is very significant. Legal responsibility of business includes responsibility to abide by laws under which the business is expected to pursue its economic role .In addition to fulfill their economic and legal responsibilities, business are expected to fulfill ethical responsibilities as well (Carroll, 1979). Philanthropic responsibility includes public's expectations that business will engage in social activities that are not mandatorily required by law but derived by some degree of moral force.

OBJECTIVES

In this paper the Ethical responsibility, embrace those activities, practices, policies or behavior that are expected (in a positive sense) or prohibited (in a negative sense) by societal members though they are not codified into laws. Ethical responsibly embrace a range of norms, standards or expectation of behavior that reflect a concern for what consumers, employees, shareholders, the community and other stakeholders regards as fair, right and justified in keeping with stake holders moral rights or legit mate expectation.

RESEARCH METHODOLOGY

Sources: Use of secondary data, Interaction with the Expert Professors & Guides.

Data collection: Secondary data.

Instruments used: Books, Journals, Financial magazines, Internet.

CHALLENGES FOR BUSINESS ETHICS

CSR may be an entirely new concept in most parts of the world albeit often termed differentially there have been similar approaches toward business responsibility in society in many different countries.(Ralf Barkeyener,2009.) .India represents an interesting case for understanding modern business ethics. India has been a land of Ramakrishna, Buddha, Chankaya, other spiritual gurus and many great souls .The ethical

environment of business in India is influenced by a variety of aspects of Indian history, norms, values, ideals and goals. India today is playing a leading role in the global business community. It is second largest growing economy of the world and one among the favored destination for FDI inflow. When we are talking about Indian business in global context we are looking at India from both the views: as a host country welcoming corporations from other nations to join hands with Indian business via means of joint ventures, Mergers and other cooperative alliances e.g. Maruti Suzuki, Tata Docomo. The second view is Indian business establishing themselves in other national economies for e.g. Tata acquired Corus and operating in UK. In both of these contexts, Indian business organizations need to adopt ethical practices to achieve leadership globally.

Making a leadershipful worldwide organization involves working in a business surroundings which have many different languages, different cultures, different tax regimes and different rules and regulations and which operates 24 hours a day. In order to be perceived as legitimate in the eyes of the host countries, Indian Multinationals must fulfill their social responsibility. The wide degree of variation between Culture, customs, languages, attitudes, institutions and interaction of business and government create various ethical challenges. The greatest challenge lies in achieving some kind of balance in honoring both the cultural and moral standards of their home and host country.

The Indian MNCs can be measured as infant MNCs as compared to Mature MNCs of western nations and their book "Indian Business rising: the contemporary Indian way of conducting business" the authors Cappelli and Singh, introduced "the India way" of conducting business is characterized by four principles :

- A broad mission and purpose
- Holistic engagement with human resources
- Inspired value proposition
- Invention and Flexibility

Cappelli and Singh in their study also found that almost every Indian company has a mission toward society. The best example of it 'Tata Nano' the small car produced by Tata Motors especially for the middle class segment of society. Adjusted for price inflation Nano is cheaper than Ford's' Model T 'launch in America in 1908. Tata Steel donates 65% of its profit to charity. Maruti Udyog Limited is another name associated with social responsibility. In the year 1997, of the whole car's sold between January and April this responsible company recalled about 50000 of their most popular products, Maruti 800 from the Market Because they suspected them to be made of substandard steel. This made newspaper headlines as it was the biggest ever recall of cars from the Indian Marketplace.

SUGGESTIONS

We suggest the following practices should be adopted for achieving the leadership on a global scale:

- Dissemination of information: Flow of information towards stakeholders is a good tool to remain transparent and influence corporate behavior. Internet these days is a common medium of communication. Every company manages its own website. Putting documents on the websites, managing public relations via means of continuous involvement in press releases and other forms of disclosure is a good instrument to broadcast information to stakeholders. Dissemination of information is assuming a high degree of importance in the ethical examination of corporate activities.
- Adhere to government regulations of host countries: Government regulate business for several legitimate reasons. Knowing and complying with local laws and regimes of the host nation is mandatory to remain in good books in the host nation. Besides state and legal practices, adopting regimes relating to finance, tax and employment for e.g. Indian firms operating in US has to follow civil rights act for equal employment opportunities, being sympathetic to local dress codes, adopting management styles and working practices of host nation is a good way to build trust.
- Legal liability towards strategic alliances: Merger and acquisitions, joint ventures and alliances are the new means to enter in foreign land. It involves a lot of legal liabilities to be fulfilled. For example manufacturing products using licenses of one company and then getting merged with another company can cause cancellation of the licensing arrangement by the licensor company.
- Adopt fair & decent practice in marketing: Marketing is sensing, serving and satisfying customers. It is all about delivering what is promised. When an organization behaves ethically; customers develop a positive attitude about the firm, its products and services. When marketing practices deviates from the standards that

society considers acceptable, the market process becomes less efficient. Not employing ethical marketing practices may lead to dissatisfied customers, bad publicity, a lack of trust, loss of business and sometimes legal action too. As among stakeholders groups, consumers rank at the top. In a consumption driven society, Indian business must be especially attentive to the issues that arise in relationship with consumers. The customers magna Carta includes the “rights to safety” for eg. ITC manufactures cigarettes but on the bunch make a note regarding cigarette smoking is injurious to health, “rights to be informed” regarding use and caution, “Right to choose” and “right to be heard of any grievances”. A great care should be taken when selling products and services abroad to avoid the problems consumers face for e.g. high product prices, poor quality, failure to meet claims made in advertisements, misleading packaging or labeling, inadequate guarantees and warranties, failure of companies to handle customer complaints.

- Adopting global accounting standards and avoidance of practices such as transfer pricing and Tax avoidance by MNCs: Globalization of the economy has led Indian companies expanding their operations across the borders and this calls for uniformity in accounts for their facilities located in different countries. Foreign investors give more weight age to the accounts of those companies which are based on International accounting standards. Financial statements should be disclosed via websites, newspapers for transparency.
- Taking care of natural environment: The natural environment today is confronted to various serious issues that include ozone depletion, global warming, solid and hazardous wastes, degradation of marine environments, freshwater quality, deforestation, land degradation and endanger to biological diversity. Serious efforts should be taken by businesses to overcome these issues. If we take example of cement industry, in India being the second largest producer it, 5 % of the global greenhouse emission is because of the cement industries all over the world. The surrounding environment of cement factories drastically get affected by the pollution causes. Indian cement companies take various initiatives in CSR practices. Example. ACC limited is involved in providing education and healthcare facilities to the nearby community.
- Corporate power and policy influence: MNCs and big corporate have a certain degree of political involvement in the formulation and execution of public policy at various levels of government. MNCs sometimes seems to be involved in lobbying efforts. Indian businesses operating abroad should not get involved in lobbying nor such practices should be entertained in India. As lobbying is a technique for gaining legislative support or institutional approval for some objective such as modification or passage of law. The new example of lobby in Indian is, the Indian Health minister has objected to the lobbying attempts by global drug makers to drastically change the country’s intellectual property rules and restrain the ability of Indian Pharma companies to make low cost medicines. The obvious reason of objection is need of low cost generic drugs in India for a huge part of population belonging to lower income group.
- Corruption and bribery: Corruption in International business continues to be a major problem. Offering bribery to government officials, misuse of company assets for political favors, secret price fixing agreements and insider dealings with an objective to influence the outcome of decisions is to be prohibited. Indian MNC, Infosys poses an excellent example of ethical trade practice in India against insider trading. Infosys fined its CEO for violation of its insider trading rules and the fine was in the form of donating Rs.500000 to a charitable organization.
- Use of Spirituality at and ethical HR practices at workplace: India has always been a land of great spiritual gurus and leaders. Entire world can learn from spiritual lessons from India. Spirituality combined with business ethics is going to change the way business is done. That is the reason behind teaching ethics as the part of curriculum to the management students who are going to become future managers and confronted with various situations to take ethical decisions.
- Adopting healthy HR practices i.e. safe working conditions, proper wages, on discrimination on the basis of color and religion in recruiting employees helps in a great deal in retention of talent and improvement in productivity at workplace.

ETHICS IN ADVERTISING

Advertising informs consumers a lot about the product or services offered. While advertising in foreign nations, ethics include promotion by not hurting the feelings of any specific community in the country of operation. A good advertisement helps to build a positive image in target customers’ minds. For e.g. Indian mobile service provider Airtel have its operations in other countries outside India, in one of its advertisement a video showing two kids of different nations playing football across a line of border of their countries, conveys the mission of the company more than the advertisement about its brand. By such ad, Airtel makes an impression not only as a

good Indian Corporate, but as good world Corporate. Indian Businesses should not practice advertising abuse by concealing facts, making exaggerated claims without any evidence, making comparative advertisements. Use of sex and women in advertising is a burning issue with women in general. Similarly in case of children, it is the responsibility of advertisers to protect children from their own susceptibilities. Realizing that children are imaginative, advertisers should not exploit unfairly the creative quality of children.

Use of celebrity for promotion those who have global influence .e.g. Salman Khan, Aamir Khan, Amitabh Bachchan, Sachin Tendulkar can help a lot but it should be on ethical grounds as celebrities has a very strong impact on their admirer minds all over the world.

CONCLUSION

Corporate social responsibility practices can be used by Indian business in order to gain a competitive advantage and to maintain stable working environment. Implementation of ethical practices can be used strategically to build corporate reputation all around the globe. Application of ethical practices in business helps to win stake holders trust about company's seriousness about social welfare. Indian Businesses should follow the principle of "Karma Yoga (selfless work)" as mentioned in Gita. Business organization with proper combination of ethics and skills can assure leadership as an organization and a good reputation as a 'ethical corporate citizen' worldwide.

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NEXT GENERATION INTERNET & ITS SECURITY CHALLENGES

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ABSTRACT

With rapid development of the Internet and growing number of users the current internet will not be able to meet the demands of 21st century, so a more secure, reliable and robust system is required to meet these demands. As the functional requirements of the Internet is rapidly increasing the current Internet taken IPv4 as its Kernel technology is facing more obstacles and challenges. Also with increasing number of online applications and users the current Internet protocol which was designed for basic communication functions will create barriers rather than help to develop more functionality. So this has to change in a way to meet all the security, deployment, scalability, accessibility, availability and integrity demands that will determine the success and failure of the Next Generation Internet "NGI" in the years to come. The Next Generation Internet should see many paradigm shifts from what we have seen so far. Though, we know that it is a very challenging research direction to predict these changes and propose the best approaches but we know for sure that Internet threats are always there and will come from everywhere. So in this paper we try to point out key problems with the current security and data protection measures and look at some of the purposed solutions and methods under investigation for the Next Generation Internet. In this paper we also point out some of the architecture problems with the current Internet and look in more details how IPv6 is expected to overcome some of the problems with IPv4. Furthermore we take an in-depth study on addressing architects around IPv6 and IPv4 source addressing and see how IPv6 can help deliver a triumphant Next Generation Internet.

INTRODUCTION

The internet is transitioning very fast towards the next generation, so what does this next generation means. The Next Generation Internet is still in the development phase and it promises to deliver enormous amount of speeds and wider support for applications which will be easily and freely available. It is tend to offer better service and more protection for consumers across the globe. With the rapid expansion of service type and user number and data transmission complexity, the current concept of security has been changed from passive defence to active defence. It means security analysis will be implemented at the information source to ensure trustworthy access [7] for the design of Next Generation Internet there is no strategy that can directly prove which protocols model is more reasonable for security. Therefore it is a very challenging research direction on how to design an effective mechanism and scheme to manage and control Internet and ensure that it is secure to an acceptable level, which is a typical non linear complex large system. It is still a puzzled problem in the theory and technology circles today [6]. Considering that in the current technology age the popularity of computers in everyday life is increasing the demand for more highly available systems. So it all comes down to how available the system is and how secure it should be. The deployment of next generation internet has already started and the first step towards it is IPv6, which is termed to be more secure than the IPv4. So why security is the major and the most important aspect among other aspects in the Next Generation Internet, this is the research question for this paper and we are going to look in to some of the problems and counter measures that are under development in the Next Generation Internet.

A. Security challenges

As discussed earlier the evolving nature of computers and the extreme speed of internet will introduce us to a whole new world of application and services, that means everything would be on the internet in one way or the other e.g. banking, commerce and almost everything will completely or partially rely on the internet and with that kind of reliance, we cannot afford to have a security issue at any cost. So the question comes down to, is our current infrastructure secure enough to handle the pressure of the forth coming service expandability and usage or do we have to develop a whole new architecture. Today, computer and cyber attacks are more intelligent, systematic and comprehensive. It make the current safety rules expanding, security system overstaffed, false rate increased. This changeful attacks strategy destructs the open of systems design and the simplicity of principles in various ways. On the other hand, it causes the network security investment constantly increase and network maintenance and management become more complex. Also it is difficult to implement security tactics because it seriously reduces the network performance [7] in addition, the security system, which has vulnerability in the process of design and implementation and management, has been further aggravating the network untrustworthy. Finally, it should be pointed out that even if the network's architecture has been perfectly designed in the source and destination level the Internet's vulnerability still couldn't be completely avoided in the process of software, hardware, and network performance. Hence, a robust network and transport

layer security is required in the Next Generation Internet to ensure a complete and secure environment for data transfer. [7] The question that needs to be answered in the Next Generation Internet is how to ensure that the application is secure and scales up or down as and when necessary. How can this be made infrastructure agnostic and platform agnostic and provide the same level of security, scalability, and availability as in a private environment and how network and transport layer provide help and support for a VPN like connection between any source and destination. All these need a paradigm shift, scalability and security can no longer remain outside of the network and transport layer. The standard UML way of designing an application will not be sufficient for NGI service creation, scalability and security has to be the mainstream and become part of the application development life cycle and it should include network layer. [5]

B. IPv4 vs IPv6

So if we talk about the whole new architecture we need to start thinking out of the box and make the network secure in a way that it is impossible even to intercept the data instead of only encrypting the data which we do now, the encrypted data is still out there on the vulnerable internet which can be easily intercepted and then the only thing left would be to decrypt the data. We need to start thinking about securing the network at the network layer, and that is the concept of IPv6. IPv6 provides network level security via IPSec. While this is an obvious improvement in security, but its universal implementation is still questionable. Internet taken IPv4 as its kernel technology faces more and more challenges [6] the current TCP/IP protocol that runs the internet was developed in the 70's. Since then it has served the internet from a small research network to grow and develop to a multimillion node network and became the most dominant protocol [8] but there are so many problems with IPv4 which we cannot carry with us to the Next Generation Internet. The address space reduction first became a serious problem in the start of 1990's with the rapid expansion of corporate networks and that was the main reason behind developing a new protocol [1]. Many ideas have been tried to upgrade the current internet protocol from class based scheme to Network Address Translation (NAT) where class based scheme did not prove that efficient the NAT more or less solved the address space issue without the need of a new protocol to be developed, but with the number of users always increasing, NAT is no longer the solution because the number of available addresses is decreasing again. This is one problem example with IPv4 while IPv6 presents a lot of advantages for the Next Generation Internet comparing to IPv4 which includes but not limited to.

- IPv6 has a new addressing architecture with 128 bit addresses.
- The IPSec security framework provides the much needed network level authentication and encryption.
- IPSec is flexible with various cryptography algorithms and key exchange
- IPv6 has improved performance and is suitable for high performance operations
- IPv6 framework contains framework for mobile IP e.g. a host can move to a foreign network keeping its original IP
- But again while we highlight the advantages of IPv6 there are some disadvantages as well that IPv6 poses to the NGI which is out of scope for this research paper but we do want to mention them. These disadvantages are.
- IPv6 does not support NAT, which is widely used in IPv4
- Large address space can make detection of rogue hosts difficult
- IPv6 firewalling is still under construction

C. Security threats and Countermeasures

IPSec is the obvious security enhancement in IPv6. IPSec provides IP level authentication of the packets and encryption of individual packets or traffic. The cryptography algorithms may be used in a plug-in fashion in the IPSec framework practically every application already has its own security measures, such as SSH for remote login and SSL for secure http and other protocols [1] Following are some of the security threats with IPv6 countermeasures in NGI are expected to reduce these threats.

1. 1. Routing Header Routing header is used to list one or more nodes to be "visited" on the way to a packets destination by an IPv6 source node. This header can be used to bypass firewalls that are based on the destination address filed in the IPv6 header This can be prevented by making the routing type zero and dropping the packet [2]
2. 2. Fragment Header Firewalls do not filter packets that are sent by the attacker because the first packet of a fragment set does not include the port number in IPv4, these attacks are prevented since the IP and upper

layer header sizes are fixed. This can be avoided by limiting the total number of fragments and their arrival rates [2]

1. 3. Processing Extension Header The Hop by Hop option header carries optional information that must be checked by every node along the path of the packet. In this case if the attacker sends many packets with the Hop by Hop option header, the performance of the relay routers will decrease. This can be avoided by reducing the cumulative number of extension headers [2]
2. 4. Neighbour Discovery Neighbour discovery may be used for attacks such as redirect, DOS and flooding DOS. IETF says that IPSec is capable of protecting the neighbor discovery protocol, but practically it is not the case, hence we need to use SEND which is designed to counter the threats to NDP
3. 5. Mixed IPv4 and IPv6 network It is difficult to immediately transition from IPv4 to IPv6 because of the widespread usage of IPv4 and the financial and technical issues involved with it. Hence mixed IPv4/IPv6 networks are expected to be created. Currently several tunneling mechanisms exist which might conflict with each other and the transition would not only have to face the problem with IPv4 but also the new ones coming with IPv6

[2]

D. Security issues to be taken care off in NGI

According to the basic elements of multi dimensional layer model of the NGI architecture, network infrastructure layer, security service layer and internet application layer. Trustable security service based on global user identification and NGI application will be provided using network infrastructure based on true IP address. In network infrastructure layer the addressing architecture of NGI based on true IPv6 source address must be constructed to solve security, management and application problems existing in present Internet cause by imitative source addresses [6] and as we progress towards the next generation internet and we talk about very high speed networks the dimensions for security threats still remain the same, which are as following but IPv6 is expected to take care of some of these threats which are under investigation and can be used as a research topic.

- Access control
- Authentication
- Non-repudiation
- Data confidentiality
- Communication security
- Data integrity
- Availability
- Privacy

We all know that attacks will become more sophisticated, regular, unpredictable, and from a wider range of sources, each new service will bring complexities with it as it will contain a different composition of many new equipment and software solutions. These compositions will have different threats and risks, vulnerabilities derive from errors or oversights in the design of the protocols. And as a matter of fact, protocols are deployed without a complete and unquestionable proof of their security properties. But there are many proposed security approaches in the NGI [3]

- The vulnerability and attack types can have many unpredictable combinations and the current security architecture cannot be guaranteed, therefore, new security approaches should match the nature of threats and generate solutions dynamically
- A successful security approach should be deployable and feasible for all network components, either hardware or software, source and destination and network layer security
- The security approach should be effective against new kinds of attacks
- There should be a monitoring and controlling system in place to measure the security responses of the new security system and also a data collection tool which can help build a robust security system

Also with the next generation internet coming in, there would be services which will become a mandate and a basic requirement of the users of the internet, such as very high bandwidth consuming services like P2P file

sharing, multi-media and mobile computing and they will increase over the years. Multimedia traffic over the internet will only increase and the new architecture has to be able to support all these, and to achieve this we need to be able to have a Fast Data Transfer Protocol with embedded security mechanism [4]

Many researchers believe that UDT might be able to solve this problem and this can be considered as one of the Next Generation Internet's high performance data transfer protocol. UDT is a UDP based approach and is considered to be the only UDP based protocol that employs a congestion control algorithm targeting shared networks, UDT introduces a new three layer protocol architecture that is composed of a connection flow multiplexer, enhanced congestion control and resource management. The new design allows protocol to be shared by parallel connections and to be used by future connections. It improves congestion control and reduces the connection setup time, majorly it addresses TCP's limitation by reducing the overhead required to send and receive streams of data [4] By making the security algorithms near and around the UDT protocol, we can make the network secure at the application layer and that is a major boost for overall security of NGI.

Authentication and Authorization (A&A) will also be a major challenge in NGI. A&A will be at two major levels, at the user level within the network, and at the application level at the computing platform end. In the NGI the user must seamlessly roam between networks. These networks can be a wired network or wireless network "Wi-Fi or 3G or even WiMAX networks". Along with mobile IP, the network should provide seamless A&A handoff and roaming between homogenous and heterogeneous networks. To ensure seamless roaming the NGI must offer Intradomain & Interdomain A&A and security through 3GPP standards [5]

At the application level the security will cover elements like availability, anonymity, and Object security. Part of the availability will be ensured by fault tolerance the rest will be through measures against denial of service (DoS) attack. Countermeasures in NGI against DoS attack will be handled at the network level through isolation of sub-networks. As expected in NGI objects and software applications will be agnostic to the underlying platform. The deployment vendor must guarantee anonymity so that the data and content is confidential and anonymous. In the virtual environment any platform or infrastructure might be compromised. Therefore, the application must be security aware and need to ensure that security is ensured at various levels, and the network level should at least provide a secure delivery channel same as a VPN [5]

E. CONCLUSION

Through the progress and the world wide acceptance of the Internet, it is safe to presume that it has become, and will continue to be an integral part of our lives. As of 2010, almost every sector such as technology, economy, politics, social and cultural development in any given demographic is heavily influenced by the presence of the internet. The speed and the capability of the next generation internet will be enormous and the current architecture will not be able to handle that development, we need to have a complete different architecture for the next generation internet and security aspect has to be the revised completely, the current Internet kernel is IPv4 and has enough shortcomings in the security architecture and needs to be upgraded to IPv6. There are endless requirements, and endless scope of improvement, we've discussed the shortcomings of the current kernel of the Internet that is IPv4 and concluded that we need a method which provides security in the network layer and transport layer, wide scale implementation of IPv6 does solve many of these problems in the current architecture but there are still shortcomings to overcome in IPv6 which is under discovery and will be an area of improvement for a long time. We have also looked at other protocol UDT which improves the high speed data transfer capability with minimum disadvantages and is quite secure, so it wouldn't be a bad move to develop the UDT and combine the best properties of IPv6 and UDT.

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A STUDY OF USE OF TECHNOLOGY IN BANKING AND ITS CHALLENGES

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ABSTRACT

Before LPG banking activities, functions and programs like money deposits, withdrawals and transfers, checking account balances, applying for banking products, bills payment, loan management, etc. were available to customers by being physically present in the bank. But with liberalization, privatization and globalization in the early 1990's India has witnessed a drastic change in the way business is being done. Many new players entered the market, especially the foreign companies. All were trying to adjust and on top of that since the last decade technological advancements swayed the companies and also the customers. Technological advancements are taking place frequently and people are learning to make best use of it. In such a scenario banking sector could not remain untouched. It had not only to wake up to the new competition among nationalized banks, private Indian banks and foreign banks but also to the technology which could be used in the banking sector to improve its efficiency, effectivity and business in the wake of competition. Technology is one element that has affected banking and financial services tremendously. Gone are the days of conventional method of handling money, long queues of people waiting to withdraw money with token, getting money transferred from one bank to another, getting demand draft made, opening an account, etc. For this paper secondary data is basically used to find out and understand the recent developments in banking sector due to use of technology and challenges which could be faced by banks in using them effectively.

Keywords: Banking Sector, Technology, Digital India

INTRODUCTION

The banking sector is counted as one of the vital sectors of any economy as they play a role of catalyst in development of an economy. In the last three decades there has been sea change in the way banks are facing competition and using technology. From 1970's till the 1990's nationalized banks dominated the sector. But with introduction of policy of LPG by the then Prime Minister P.V. Narsimha Rao, India saw emergence of different classes of banks – public sector banks, which dominated the financial services sector, private sector banks, and foreign banks, and increased the level of competition. The banks private to shed their traditional functions and traditional banking practices and had to start innovating, improving and creating new types of the services to cater to the emerging needs of their customers. In fact, the opening of banking sector to private and international banks was the key reason for technological changes in the banking sector. This was just the beginning. This brought about a revolution in the working of the banks and services provided. The fusion of between the innovative technologies which could be used in the financial sector and banking services changed the conventional systems of handling money, and this collaboration is the catalyst in the with emerging trends in banking services. Such shift from conventional to convenience banking is incredible. Digital India is carried on seriously by the banking sector. Further, a lot of reform measures are being taken. All this put together has made the banking sector go through a metamorphic change.

Today, banks and financial institutions have benefitted in many ways by adopting newer technologies.

OBJECTIVES OF THE STUDY

1. To understand the trends in banking sector in India due to technological advancements.
2. To study the challenges which could be faced by the banking sector by use of technology.

METHODOLOGY

The research is desktop research as it is based on secondary data. The sources of secondary data is newspaper, magazines, internet, etc. Secondary data available is minutely studied.

DATA ANALYSIS

Study of secondary data revealed the following trends in Banking Sector in India that are changing the entire Scenario:

1. **Digital Banking:** Digital banking evolved which is the digitization (or moving online) of traditional banking activities and programs. Digitization, thus involves, conversion of data into a digital format with the adoption of technology. Thus, it has led to the comfort to customers of “anywhere and anytime banking” making banking is in the current scenario easier and simpler, paperless, signatureless, branchless and helped cashless. It not only involves digitalization of banks services and products (the front-end) but also automating their processes (the back-end) and using middleware to connect the two

2. **Mobile Banking:** It involves the use of a smartphone to perform *banking* functions like locating ATM, transferring funds, checking one's account balances, payment of bills, etc. *It* operates across all major mobile providers through one of three ways developed for iPhone, Android or Blackberry devices:
 - 1) **By SMS (also known as SMS Banking):** The customers need to sign up for this service, by registering their mobile number. They can then send SMS to the bank to inquire about their account balance, check the mini account statement, etc. as per SMS format of the bank, to which the bank replies with an SMS. The customers need not own a smartphone or internet access to avail SMS banking services.
 - 2) **Over Unstructured Supplementary Service Data (USSD):** USSD service is for people who do not own a smartphone or have access to the internet by using USSD codes provided by the banks to avail banking services, especially useful for those in rural areas. The customers dial a code and sends it after which they receive a menu containing the banking services such as balance enquiry, mini account statement, etc. that they can make use of through their phone.
 - 3) **Through Wireless Application Protocol (WAP):** The customers can download the mobile application (app) of the concerned bank on their smartphones and then use it to avail various services provided by the bank. To make use the app they have to register themselves to receive their login id.
3. **Unified Payments Interface (UPI):** Launched in 2016, it is a real-time payment system that enables instant inter-bank transactions with the use of a mobile platform. This system makes funds transfer available 24 hours, 365 days unlike other internet banking systems. While using this technology the account holder does have to carry cash or go to the bank physically but he also does not have to enter sensitive bank details.
4. **Block Chain:** Blockchain is a technology that works on the principles of computer science, data structures and cryptography and is the core component of cryptocurrency. *In* Blockchain, technology *is used* to create blocks to process, verify and record transactions, *which are unalterable*. NITI Aayog is creating IndiaChain, India's largest blockchain network. It involves digital information (the "block") being stored in a public database (the "chain") and have three parts:
 - 1) Blocks store information about transactions like the date, time, and dollar amount of its customer's most recent purchase from a shop.
 - 2) A block for a customer's splurge purchase from the shop would record the purchaser's name (not actual name but user name) along with shop.
 - 3) Blocks store information distinguishes them from other blocks through a unique code called a "hash".
5. **Artificial Intelligence (AI) Robots:** Several private and nationalized banks in India have started to adopt chatbots or AI robots for assistance in customer support services like Canara Bank installed Mitra and Candi robots at few of its branches. It can alleviate the chances of human error, recognize fraudulent behavior, collate surveys and feedback, and create accurate solutions for the customers.
6. **Financial Technology (Fintech) Companies:** FinTech (financial technology) is technology applied in financial services or used to help companies manage the financial aspects of their business. PayPal, Apple Pay, Google Wallet or simply one's credit card to make an online purchase, banks settling the securities transactions, the consumer, the ecommerce retailer and the banks behind the money exchange are using FinTech.
7. **Digital-Only Banks:** Often called neobanks, they provide banking facilities exclusively through digital platforms, such as mobile, computers and tablets. They have no physical infrastructure, offering basic services in the most simplified manner, with the help of electronic documentation, real-time data, and automated processes. ICICI Pockets is India's first digital-only bank. They provide easy-to-use, customer friendly transparent digital services at low fees.
8. **Cloud Banking:** Cloud banking involves storage of data in remote external server at certain locations through programs like google drive and drop box accessed via the Internet. Data can be retrieved as and when requires from any location. There is no need to actually won a software. Just a browser and Wi-Fi connectivity is sufficient to do the perform the required transactions.
9. **Biometrics:** For a very long time, username and password combination as secured authentication mechanism has become a passé. For security reasons, a Biometric Authentication system for handling user accounts and devices consists of using biometric technologies, such as finger vein or iris recognition in

place of passwords. Thus, fingerprint scanning or eye scanning, face reading, etc. all come under biometrics.

10. **Wearables:** Wearable technology / devices, developed for retail banking customers, refers to computers or electronic devices embedded into items / accessories worn. Technology of wearable covers a varied range of devices which can be worn by the user. Examples of wearables are (i) Voice and visual interface like Smart watch (e.g. Apple Watch), Smart hearing devices (e.g. Google Pixel Buds), Smart glasses (e.g. Google Glass), and (ii) No user interface like Smart jewellery (e.g. Ringly), Smart clothing (e.g. Nadi X yoga pants), Smart shoes (e.g. Digitsole), Smart tattoos (they are under development).
11. **Electronic Payment Services (E Cheques):** In e-cheques handwritten or machine-stamped signatures are done away with. An electronic version of a paper cheque, the account holder writes an e-check (or e-cheque) using a computer or other type of electronic device and transmits the e-cheque to the payee electronically. Rather than For e-cheques, digital signatures are used which is a combination of smart cards and digital certificates.
12. **Electronic Funds Transfer (EFT):** EFT is a system whereby anyone who wants to make payment to another account holder can go to his bank either to make cash payment or to give instructions to transfer funds directly from his own account to the bank account of the receiver. Transfer of funds can take place through either Real Time Gross Settlement system (RTGS) or through National Electronic Funds Transfer (NEFT). The beneficiary account receives the funds transferred, on a real time basis in RTGS and NEFT. In the former transactions are executed individually without netting debits with credits whereas in the latter transfer takes place in batches with settlements and transactions being netted off).
13. **Electronic Clearing Service (ECS):** It's a retail payment system that can be used to make mass payments and receipts of repetitive nature though for an individual it is of a small amount. Companies, government departments and institutions use ECS to make/receive large volumes of payments rather than for funds transfers by individuals. Eg. telephone bill, electricity bill, loan installments, dividend, interest, salary, etc.
14. **Automatic Teller Machine (ATM):** ATM is an electronic device that enables customers to take advantage of various banking services like such as withdrawing cash, knowing the balance, depositing money, transferring funds, to name a few at any time (24 hours a day 7 days a week) and without the need for direct interaction with bank staff.
15. **Point of Sale Terminal (PoS Terminal):** A PoS terminal is an electronic device used to process credit and debit card payments at retail locations. A customer needs to enter a card PIN to complete the transaction using the PoS (computer) terminal linked online to the bank and the card identifies the customer to the computer. The merchant has to pay the issuer bank what is known as merchant discount rate (MDR) but the end-customer does not have to pay any charges for using it.
16. **Tele Banking:** Tele banking is a facility enabling customers to make use of banking services, such as oral payment instructions, account movements, account balance inquiry, funds transfer and payment of bills, raising loans, etc, over the telephone rather than by personal visit. The customer can do entire non-cash related banking on telephone. For simpler queries and transactions, Automatic Voice Recorder is used and for complicated queries and transactions, manned phone terminals are used.
17. **Electronic Data Interchange (EDI):** EDI is the electronic exchange (computer-to-computer) exchange of business documents like purchase order, invoices, shipping notices, receiving advices etc. in a standard, universally accepted format between the two parties. This technology could be used to transmit payments and financial information too in electronic form.
18. **Plastic Cards, i.e., Debit Cards and Credit Cards:** Debit card is a prepaid card with the stored value, whereas credit card is postpaid with fixed limits. One need not carry cash to make payments.
19. **Immediate Payment Service (IMPS):** It is an instant payment inter-bank electronic funds transfer system in India through mobile phones, internet and ATM. The service is available 24/7 throughout the year including bank holidays, weekends or festive holidays, unlike NEFT and RTGS. IMPS thus, is available round-the-clock.
20. **Online Banking:** Also known as internet banking or web banking, it allows a user to conduct financial transactions like deposits, transfers, and online bill payments via the Internet, available both on desktop and through mobile apps.

21. **Bitcoin:** A type of digital currency (cryptocurrency) created in January 2009 in which a record of transactions is maintained. Physical bitcoins are not available. Just online ledger record is maintained. It is not secured by sovereign or banks.
22. **Augmented Reality (AR):** Today, AR mobile app, majorly prevalent in the private banking sector, has been launched by banks listing all dining destinations, property lists, shopping centers, bank ATMs and branches etc. with pictures along with distance and directions. "AR is an interactive experience of a real-world environment where the objects that reside in the real-world are enhanced by computer-generated perceptual information through visual, auditory, haptic, somato sensory and olfactory."⁴
23. **Internet of Things (IoT) Technology:** IoT is defined as "a system of interrelated computing devices, mechanical and digital machines, objects, animals or people that are provided with unique identifiers (UIDs) and provides facility to transfer data via internet and thus, does not require human-to-human or human-to-computer interaction."⁸

CHALLENGES FACED BY BANKS

1. Consumers should also be aware that mobile banking poses certain identity theft concerns. Banks will be more vulnerable to cyber attacks. Hackers always come up with ways to access important information.
2. Large scale computerization requires huge investment in hardware, software and maintenance. Deploying the right technology, using it optimally to remain while maintaining efficiency in services with cost effectiveness is a challenge. Early adopters' of technology have significant competitive advances. But keeping space with technology up gradation while remaining cost effective is thus an important issue.
3. Lack of knowledge about the use of modern technology by customers is another problem area and when it comes to rural area, the situation becomes worse. There is lack of literacy. This has led to lack of extensive use of technology in rural areas. At time customers are not aware of the various facilities through the use of technology.
4. Overcoming the problem of continuous flow of electricity.
5. Uninterrupted Wi-Fi connectivity is another troublesome area.
6. Few account holders have suspicious approach towards modern technology.
7. Use of technology reduces makes many of the employees redundant and hence results in loss of jobs.
8. Scarcity of trained human resources is witnessed as the existing workforce is not familiar with latest tools and applications is a challenge to be overcome.
9. Lack of common technology standards for mobile banking.
10. There is a gap between consumers preferences and providing such preferences by banks. Account holders have quickly moved towards use online technology and mobile. It is observed that many banks many shifting online and smaller screens.
11. Banks with physical existence will start facing competition from digital-only banks. With the increased use of online banking and digital-only banks, few banks or bank branches may cease to exist.

RECOMMENDATIONS

1. Proper care should be taken when one makes use of mobile banking. One must keep changing the password or always opt for OPT if such option is available. In the event of mobile phone being stolen or lost immediate action should be taken. Bank should educate its customer regarding precautionary measures and also frame suitable guidelines for safety measures.
2. Banks must be very careful and should be prepared to handle cyber attacks. It necessitates adoption of safety and security measures, which are best in class, on a continuous basis.
3. Customer education of technology and how to use it is required. The use of technology by banks has not yet penetrated in rural areas. Regional languages for banking programs and software would be of great help to the rural population.
4. Standards based messaging systems should be increasingly deployed in order to address cross platform transactions.
5. The surplus manpower generated due to use of technology could be deployed for marketing new schemes.

6. For creating skilled human resources for banks, many training institutes for banking services must abreast their students with latest technology so that they have knowledge of latest tools and applications.

CONCLUSION

No one can deny that use of technology in banks have made life more simpler for account holders. It has become much simpler, convenient, speedier, comfortable, reduced human errors and helps provide banking services round the clock. It has also become branchless, paperless and signatureless. But on the other hand, it has also led to threat to physical banks from virtual banks, cyber threats, unemployment, getting skilled staff, etc. In the coming years, e-banking will become inevitable and will be preferred by the people once they are educated on using banking technologies and safety measures to be adopted. Use of technology in banking is here to stay and grow in future.

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DIGITAL PAYMENT SYSTEMS: PERCEPTION AND CONCERNS AMONG URBAN CONSUMERS

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ABSTRACT

The Digital India programme is a prestigious programme of the Government of India with a vision to transform India into a digitally empowered society and to become a knowledge economy. "Faceless, Cashless, Paperless" is one of the slogan used for Digital India. As part of promoting cashless transactions and converting India into cashless society, various modes of digital payments are available. These modes are banking cards, Unstructured Supplementary Service Data (USSD), Aadhaar Enabled Payment System (AEPS), Unified Payment Interface (UPI), mobile wallets point of sales, micro ATM etc. The current study is focused on urban consumers' attitude, perception towards digital payment systems. For the purpose of study, a convenient sampling survey was conducted among 100 urban respondents in Malappuram District of Kerala with the help of an interview schedule. The tools used for this study are Percentage analysis; one way Anova, independent sample t-test, ranking method etc.

INTRODUCTION

India is moving on the path of a digital revolution. Digitalization of the payment mechanism will be considered as milestone in the era of cashless future economy. The growth of the Indian digital payments space is expected to be driven by four trends that are also likely to impact how this industry looks in the future. India going digital, favourable regulatory environment, emergence of next generation payment service providers and enhanced customer experience are the four drivers contributed to the growth of Indian digital payment systems. The mobile wallet is a new application of mobile payment that has functionality to displace a conventional wallet and more. Mobile payments are at the first investment priority for banks. In fact, the world's biggest banks continue to focus most of their announced IT initiatives on mobile financial services and online banking. Till today relatively less number of individuals have been utilizing digital wallet, as compared to mobile phone users. The fundamental obstacle is attitude of all the individuals, who require some serious energy to adjust to a yet another innovation. Mobile wallets are app-based stored value accounts, funded through credit or debit cards or via net banking. The e-wallets are primarily used for mobile recharges and bill payments. During the last decade, a reasonable amount of research was carried out in the field of retail payments to better understand market participants' behaviour and their underlying motivations. However, research into consumers' attitudes towards attitude, safety perception on digital payment behaviour is scarce. The objective of this study is therefore to investigate the determinants of safety perception and the attitude, awareness level towards digital payments.

REVIEW OF LITERATURE

Adeoti, O.O and Oshotimehin, stated that primary data was used for this study through the use of a pre-tested, structured questionnaire on adoption of electronic payment system. For the purpose of study multistage sampling technique was used. The probit model is used for the purpose of study.

The study examined the influence of factors on the decision to adopt Point of Sale terminals among consumers. The study finds that factors such as nativity, security, ease of use, availability, convenience, intention to use, complexity of the technology are among the factors influencing the use of Point of Sales (POS) terminals.

Sanghita Roy, Dr. Indrajit Sinha (2stated that Epayment system in India, has shown tremendous growth, but still there has lot to be done to increase its usage. Still 90% of the transactions are cash based. Technology Acceptance Model used for the purpose of study. They found Innovation, incentive, customer convenience and legal framework are the four factors which contribute to strengthen the E- payment system.

Dr. Ramesh Sardar (2016) states that mobile wallets usage crosses the boundaries of big cities and gains popularity into the vicinity, the electronic payment system will generate huge volumes of data on the behavior of persons in these areas. Most of the ecommerce companies are offering discounts on digital wallets.

OBJECTIVES

1. To make an overview regarding growth in digital transactions in India.
2. To study the awareness level of digital payment system among the respondents.
3. To study the perception level towards safety on digital payments

RESEARCH METHODOLOGY

Methodology is the systematic, theoretical analysis of the methods applied to a field of study it comprises the theoretical analysis of the body of methods and principles associated with the branch of knowledge.

The research methodology helps us to collect data through two forms i.e. Primary data and secondary data

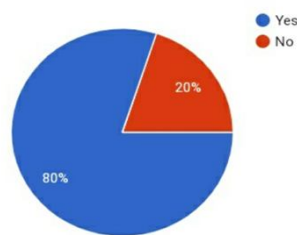
The research methodology used in this research is through use of both primary and secondary data collection method.

Primary data was collected by framing questionnaires on the respective topic and in order to collect data from respondents online form through Google docs was utilized . Secondary data was collected from various published sources like reports, articles, magazines, journals, internet by surfing on multiple sites.

QUESTIONNAIRE

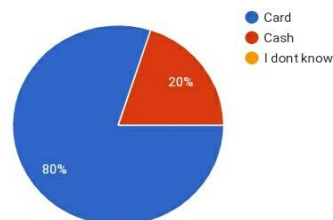
Q.1 Do you think Digital Payments are secure?

20 responses



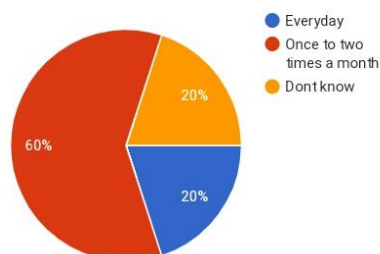
Q.2 Do u prefer using cash or your bank debit card?

20 responses



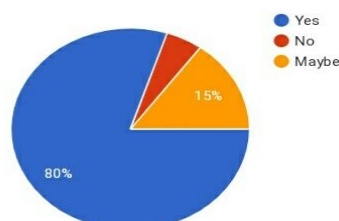
Q.3 How often do you use your bank debit card?

20 responses



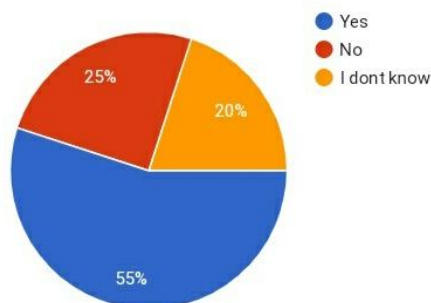
Q.4 Do u make payments using your mobile phone or smart phone?

20 responses



Q.5 Do you think that using your mobile or making cashless payments will increase the chances of suffering from fraud or theft?

20 responses



INTERPRETATION

1. 80% of people think that digital payment are secure & 20% of people think that digital payment are not secure.
2. 80% of people prefer using card, 20% of people prefer using cash .
3. 60% of people use their bank debit card everyday, 20% of people use their bank debit card one to two times a month & 20% of people don't know how much time they use their bank debit card.
4. 80% of people make payments using their mobile/smart phone & 15% of people don't make payments using their mobile/smart phone & 5% of people maybe makes payments using their mobile/smart phone .
5. 55% of people think that using their mobile or making cashless payment will increase the chances of suffering from fraud or theft & 25% of people don't think that using their mobile or making cashless payment will increase the chances of suffering from fraud or theft & 20% of people don't know that using their mobile or making cashless payment will increase the chances of suffering from fraud or theft.

SUGGESTION

- Banks should take necessary steps to create awareness among rural people about the advantages of digital payment system.
- The internet banking system should be enhance to make the online enquiry and online payment much more easier to the customers.
- Public sector bank should improve their internet banking services to compete with their private sector counterparts.

Most of the customers have not availed of the online payment services because they do not trust the internet channel presuming its complicated

CONCLUSION

Due to the developments in digital world each and every activities of human being had changed. As a part of policy change cash is no longer becoming a mode of transaction. The country needs to move away from the cash-based towards a cashless (digital) payment system. This will provide multiple advantages like, reduce currency management cost, track transactions, check tax avoidance or fraud etc., enhance financial inclusion and gradually integrate the parallel economy with the main stream. Additionally as the Mobile wallets usage crosses the boundaries of big cities and gains popularity in villages also. The development in digital payments system makes a new spending behaviour of persons in these areas.

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Uddin, K. (2000). A Study of Corporate Governance in a Developing Country: A Case of Bangladesh (Unpublished Dissertation). Lingnan University, Hong Kong.

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Yunus, M. (2005, March 23). Micro Credit and Poverty Alleviation in Bangladesh. *The Bangladesh Observer*, p. 9.

- **Article in magazine:**

Holloway, M. (2005, August 6). When extinct isn't. *Scientific American*, 293, 22-23.

- **Website of any institution:**

Central Bank of India (2005). *Income Recognition Norms Definition of NPA*. Retrieved August 10, 2005, from <http://www.centralbankofindia.co.in/home/index1.htm>, viewed on

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