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**ISSN : 2249 - 6408**





Dear Readers,

This is a very special issue of Cosmos; it is a compilation of the Research Papers presented at the BCUD Sponsored National Conference entitled "Transforming India Through Futuristic Trends and Strategies". The conference witnessed four technical sessions covering Skill Development and Mass empowerment, Microfinance and Micro Entrepreneurship, Social Media Revolution- The end of Traditional Marketing Communication and Innovations in Business.

Cosmos, a biannual publication of the M.C.E Society's Abeda Inamdar Senior College of Arts, Science and Commerce, is one of the premier refereed scholarly Interdisciplinary journal of Commerce, Management and Economics discipline. Since its inception, Cosmos has played a significant role in the dissemination of knowledge grounded in scholarly research, as well as in shaping the content and boundaries of the discipline.

Representing the Academicians we had Deans, Professors, Associate Professors and Assistant Professors and delegates from Industry from all over India. We have received overwhelming response from the Academia. In all 65 Research Papers were received. The papers published in this issue pertain to mainly Technical Session III and IV. Technical Session III dealt in the following subthemes on Social Media Revolution- The end of Traditional Marketing Communication- Evolutionary trends in Communication Media, Engaging with customers: Is social media the end of evolution? The role of advertising agencies in the age of social media, Challenges for media planners, Re-inventing traditional media etc. Technical Session IV dealt with Innovations in Business and subthemes as Politics and Governance mechanism as enablers, Supply Chain Management and Business Ecology, Social enterprises, CSR and indicators of sustainability, Ecommerce – challenges and opportunities etc.

Our journal is truly global source journal, which is reflected in the varied national and cultural origins of the contributors, as well as the topics and case studies covered. The main objective of Cosmos is to provide an intellectual platform for the National and International scholars. Cosmos aims to promote interdisciplinary research in all Commerce, Management Studies and economics and become the leading journal in inter disciplinary sciences in the world.

Managing Editor

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## CUSTOMERS SATISFACTION ON DTH SERVICES

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### ABSTRACT

*In the buyer's market today, business concerns have to make a lot of efforts to sell their product and establish their survival. It may be basically due to changes in attitude of consumers towards buying products and changing business world. Every human being is changing time to time according to the changing trends in every day's life. The biggest changes occurred in consumer products, new and innovative technology has used to satisfy the consumers. In this content the study is taken up with the various DTH services which have considerable share in the market. This paper reveals the customer perception towards DTH services in Coimbatore city and it also helps to analyze the competition exist in the market regarding DTH services. The study is focused on the four kinds of DTH services namely, TATA sky, Dish TV, Big TV. The task of the study is to know the preference of the users in Coimbatore city among these various services.*

*Various tools used to analyse the data. The present study reveals that the majority of the respondents prefer to buy DTH service because of its best picture quality, reasonable price, various kinds of packages and more channels. So the DTH service providers must pay attention on Customer Service, picture quality, reasonable price rather than other factors to make their business more successful and satisfy the consumers.*

**Keywords:** Awareness, Customer service, DTH channels, schemes etc.

### ➤ Introduction:

With India's GDP increasing at a remarkable rate the economy is also undergoing remarkable development. With developments across all the sectors and industries, the Entertainment & Media industry is also not far behind. It is currently estimated at INR 450 billion with a CAGR of 18 per cent over the next 5 years.

Television is the fastest growing segment with the penetration of television sets increasing year on year. Terms which were once alien to Indians like DTH, Digital Cable, IPTV are suddenly finding presence in the country's journals. India is expected to overtake Japan as Asia's largest Direct To Home market.

The DTH service market in India has emerged as one of the most lucrative markets. The industry has been witnessing tremendous growth in India for the past few years, thanks to huge investments by existing as well as new players. The Indian DTH industry has already crossed the 30 Million-mark for subscriber base as the quality of service delivered by DTH is superior, compared to cable or any other medium.

### ➤ TRENDS IN THE INDUSTRY

- Technological Innovations
- Shift from price wars to value added services (VAS)
- Combined sales of LCDs and DTH connections



- Movie partnerships
- Digitization mandate

The Indian DTH Industry is currently in the growth phase and expected to attract a large number of subscribers in near future.

Every business or organization runs for the owner's bread & butter and it is possible only when there is some reasonable amount of profit i.e. optimum profit in the business work. The business will have earned an optimum profit only when its goods & services are sold at a reasonable selling price. If there are no sales the business must have to close down its operations.

From the above explanation it is clear that the ultimate aim of every business is to sell its own products at a reasonable rate, that means ultimate object or goal is to obtain, retain the existing consumers & to increase or to enhance new customers.

All the activities of a business enterprises i.e. raising of capital, installation of plant & machinery, recruitment of employees, constructing building premises, manufacturing products or rendering services etc. are done in the convenience or service of customers.

So, from the above or explanation it have been concluded that the customer is a central point in every business and it is hence important to check or to verify whether the customers are satisfied or not. The present study tries to find out the level of satisfaction of customers regarding some selected DTH companies. This study also tries to analyze the factors which affects on selection process of customers when they are buying different type of brand.

**DTH:**DTH stand for Direct-to-Home television. DTH is defined as the reception of satellite programs with a personal Dish Antenna in an individual home. It is a system that allows to have a personal Dish Antenna how cable operators do, except it is much smaller in size, this Antenna can be fixed on your terrace receives transmission directly from a satellite, hence it is called as a Direct-To-Home service.

DTH is defined as the reception of satellite programmes with a personal dish in an individual home, and an individual set top box empowering you to pick & choose bundles of choice and pay for what you watch.

DTH services were first proposed in India in 1996. But they did not pass approval because there were concerns over national security and a cultural invasion. In 1997, the government even imposed a ban when the Rupert Murdoch-owned Indian sky Broadcasting (ISKYB) was about to launch its DTH services in India.

➤ **Objectives of the study:**

1. To evaluate the level of customer satisfaction of services provided by the selected DTH service providers.
2. To study the factors affecting the customers satisfaction & buying behavior.
3. To study the source of awareness about the DTH services.
4. To evaluate the popularity of various brands of DTH services.

➤ **Hypothesis:**

1. The customers are satisfied by the overall performance of all selected DTH service providers.
2. A specific brand preference of choosing the DTH services.
3. The customers are satisfied with the usage and benefits of DTH services.



## ➤ Methodology And Research Design:

The Methodology and design adopted for the study was as follows:

### • Sources of Data:

The primary objective of the study is to ascertain the customer perception towards DTH services. The study is mainly based on primary data. The primary data was collected through the questionnaires administered to different types of selected sample respondents.

The secondary information's were collected from different sources like newspapers, magazines, journals, books, websites, pamphlets and so on.

### • Statistical Tools Used For Analysis:

The primary data have been collected from the potential respondents from different areas and has been properly sorted, classified, edited, tabulated in a proper format and analyzed by deploying appropriate statistical tools. The statistical tests are conducted at 5 per cent and 1 per cent level of significance. The following statistical tools are used.

- Descriptive Analysis.
- Chi-square test.
- Reliability test

### • Sampling Techniques:

For the purpose of analysis, the data has been collected from one hundred eighteen customers from the selected sampled Respondents. The samples have been selected on the basis of convenient random sampling techniques. The data has been tabulated and statistically interpreted whenever and wherever needed.

## ANALYSIS & INTERPRETATION:

**Table: 1- DTH at present in your home:**

DTH SERVICE	No of Respondets	Percentage (%)
Big TV	53	44.92
Digital TV	24	20.34
Dish TV	29	24.58
Tata sky	6	5.08
Others	6	5.08
Total	118	100

The table states that 44.92 per cent of the respondents having BIG TV, 20.34 per cent of the respondents having DIGITAL TV, 24.58 per cent of the respondents having DISH TV, and only 5.08 per cent of the respondents having TATA SKY and others in their homes Majority of the respondents (44.92%) having Big TV in their homes. A Study On Customer satisfaction towards DTH Services In Hadapsar City.

**Table: 2-Types of Pakeges**

Family pack	84	71.19
Super saver	20	16.95
Others	14	11.86



The above table shows that 71 per cent of the respondents prefer family pack, 16.95 of them prefer super saver pack and 11.86 per cent of them prefer others. Majority (71%) of the respondents prefer family pack.

**Table: 3-Satisfaction of Brand:**

Satisfaction	No of Respondents	Percentage
Highly satisfied	40	33.9
Moderate	18	15.25
Satisfied	60	50.86
	<b>118</b>	<b>100</b>

The table implies that 33.9 per cent of the respondents highly satisfied with the brand, 15.25 per cent of them are moderately satisfied, and 50.85 per cent of them are satisfied with the usage of brand. Majority (50.85%) of them are satisfied with the usage of brand.

**Table:4 GARRETT RANKING TECHNIQUES:**

**Reasons behind selecting the DTH services**

Sr. No	Factor	Total Score	Rank
1	Price	669	I
2	Clarity	665	II
3	Channel	612	III
4	Offers	516	V
5	Sound clarity	520	IV

The table 4 reveals the reasons for selecting the DTH. "Variety of DTH Services" was ranked first by the selected sample respondents with the total score of 669 and. "Price" was ranked first with the total score of 669. "Clarity" occupied second position with the total score of 665. "Channels" was ranked third with the total score of 612. "Offers" occupied fifth position with the total score of 516. "Sound clarity" occupied fourth with the total score of 520.

**Findings:**

1. Majority of customers are satisfied with services provided by DTH. These are like Cost or Price; clarity, channel, offers and sound clarity.
2. Majority of the respondents 67% are belonging to male gender.
3. It is observed that the age of majority of the respondents 47% between 21-30 Years.
4. Majority of the respondent 61% family type through Nuclear.
5. Majority of the respondents 51% were married.
6. The researcher observed that the majority of the respondent 61% income level is Rs.5000-10000

**Chisquare Test for hypothesis**

**Observed frequencies:**

	Highly satisfied	Moderate	Satisfied
Big TV	32	11	10
Digital TV	7	7	10
Dish TV	5	9	15
Tata sky	0	0	6
Others	0	0	6



**Expected frequencies i.e. frequencies under null hypothesis :**

19.762712	12.12712	21.11017
8.9491525	5.491525	9.559322
10.813559	6.635593	11.55085
2.2372881	1.372881	2.389831
2.2372881	1.372881	2.389831

**Under null hypothesis ,**

**Chi-square statistics is 37.51421**

**p-value at 8 degree of freedom is 0.0000092544 i.e almost 0.**

**Conclusion: we reject null hypothesis. i.e. Customer satisfaction is dependent on DTH service provider brand.**

**Suggestions:**

The researcher found that the image about of DTH service is very high. The proper image building advertisement the customers perceive the picture and sound quality of DTH is very good satisfaction. The customers like a price, offers, service, quality, channels package, and value added service is the fulfillment the DTH. And good standard of the DTH.

**➤ CONCLUSION**

As mentioned earlier, Indian DTH, industry is an growth stage. Many new players are entering the market. So it necessary to differentiate the brand using unique positioning message in the mind of customer. In this content to study is to get an overview of the customer satisfaction of DTH service.

A customer's behavior is influenced by the perception and beliefs that he holds of issues and events. This study has attempted to study the awareness, perception and beliefs of the customers about the DTH brands and services provided. Customers have started demanding for better technology and As per the this study it is very clear that as far as the awareness, perception, belief and acceptance is concerned DTH has won an Oscar, but with certain areas of concerns and improvements such as., Packages, choice of channels and charges, Prompt information about the services, High quality signal, Continuity of service etc., The DTH service brands should increase the awareness for DTH services and outlets and help the customers believe that DTH services are cost-effective. This perception will change into belief, then to demand and finally to loyalty.

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## Transformational Changes and challenges in India's knowledge economy

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### Abstract

*This paper at the outset presents knowledge economy and transformational impact on India. India's knowledge economy has recently become multifaceted and will soon be further extending radically. India has many of the key ingredients for making this transition. It has a critical mass, of skilled, English-speaking knowledge workers, especially in the sciences. It has a well-functioning democracy. Its domestic market is one of the worlds largest. It has a large and impressive Diaspora, creating valuable knowledge linkages and networks. The list goes on: macroeconomic stability, a dynamic private sector, institutions of a free market economy, a well-developed financial sector, and a broad and diversified Science and Technology (S&T) infrastructure. In addition, the development of the ICT sector in recent years has been remarkable. This paper therefore attempts to explore the prevalence strength and opportunity and the same time also suggests remedies to recover come eventual threats and changes so as to make India's position on the global scale more recognized especially with its presence driving force of its knowledge economy its educated skills Human Resource.*

Keywords: Knowledge economy, Educated and skill workers, Globalization

### INTRODUCTION

This paper at the outset presents knowledge economy and transformational impact on India. India's knowledge economy has recently become multifaceted and will soon be further extending radically.

This paper therefore attempts to explore the prevalence strength and opportunity and the same time also suggests remedies to recover come eventual threats and changes so as to make India's position on the global scale more recognized especially with its presence driving force of its knowledge economy its educated skills Human Resource

India has many of the key ingredients for making this transition. It has a critical mass, of skilled, English-speaking knowledge workers, especially in the sciences. It has a well-functioning democracy. Its domestic market is one of the worlds largest. It has a large and impressive Diaspora, creating valuable knowledge linkages and networks. The list goes on: macroeconomic stability, a dynamic private sector, institutions of a free market economy, a well-developed financial sector, and a broad and diversified Science and Technology (S&T) infrastructure. In addition, the development of the ICT sector in recent years has been remarkable.

India has created profitable niches in information technology (IT) and is becoming a global provider of software services. Building on these strengths, India can harness the benefits of the knowledge revolution to improve its economic performance and boost the welfare of its people.



## Challenging Driving forces for Knowledge Economy

Commentators suggest there are various interlocking driving forces, which are changing the rules of business and national competitiveness:

- > Globalization — markets and products are more global.
- > Information technology, which is related to next three:
- > Information/Knowledge Intensity — efficient production relies on information and know-how; over 70 per cent of workers- in developed economies are information workers; many factory workers use their heads more than their hands.
- > New Media — new media increases the production and distribution of knowledge which in turn, results in *collective intelligence*. Existing knowledge becomes much easier to access as a result of networked databases which promote online interaction between users and producers.
- > Computer networking and Connectivity — developments such as the Internet bring the “global village” ever nearer.

As a result, goods and services can be developed, bought, sold, and in many cases even delivered over electronic networks.

The knowledge economy has manifold forms in which it may appear but there are predictions that the new economy will extend radically, creating a pattern in which even ideas will be recognized and identified as a commodity. This certainly is not the best time to make any hasty judgment on this contention, but considering the very nature of ‘knowledge’ itself, added to the fact that it is the thrust of this new form of economy, there certainly is a clear way forward for this notion, though the particulars (i.e. the quantum of the revolutionary approach and its applicability and commercial value), remain in the speculative realm, as of now.

Some of the key constraints and emerging possibilities confronting India on four critical pillars of the knowledge economy:

- Strengthening the economic and institutional regime
- Developing educated and skilled workers
- Creating an efficient innovation system
- Building a dynamic information infrastructure.

India is at the top of the bottom third of the global distribution and that its relative position has improved a little in the last decade. However, this book highlights India’s tremendous potential to make dramatic improvements in its overall knowledge readiness.

It stresses that to be competitive in the global knowledge economy of the twenty-first century; India should continue to focus its efforts on further reforming its overall economic and institutional environment and improve its overall trade and investment climate. Addressing issues in this domain will be key, because it sets the overall incentive framework needed to improve performance across the economy. The book further underlines that for India to leverage its strengths and opportunities on a global scale, it needs to undertake significant reforms and investments in building education and skills, strengthening its innovation system, and further bolstering its information infrastructure. To



create and sustain an effective knowledge economy, India must undertake systemic integration of reforms in the above four domains to strengthen its competitive advantage.

The following are some of the key issues that India needs to address in each of the four pillars to spur growth and innovation and, in so doing, increase economic and social welfare.

### **Strengthening the Economic and Institutional Regime a New Challenge**

Taking advantage of the knowledge revolution's potential hinges on effective economic incentives and institutions that promote and facilitate the redeployment of resources from less efficient to more efficient uses. This fundamental pillar of the knowledge economy provides the overall framework for directing the economy. Important elements of the economic and institutional regime include macroeconomic stability, competition, good regulatory policies, and legal rules and procedures conducive to entrepreneurship and risk taking. A key feature is the extent to which the legal system supports basic rules and property rights.

India's economic and institutional regime has several strengths: flourishing entrepreneurship and free enterprise; a strong infrastructure for supporting private enterprise; capital markets that operate with greater efficiency and transparency than, for example, those in China; an advanced legal system; and an independent judiciary. Property rights are fairly secure, and the protection of private ownership is strong. The rule of law generally prevails. Corporate governance has also improved dramatically.

India has other intrinsic advantages, such as macroeconomic stability, a large domestic market, and a large and relatively low-cost and skilled workforce. It also has a critical mass of well-educated workers in engineering and science and, unlike China, abundant raw materials. All this should allow the country to emerge as a major hub for manufacturing and service industries.

Despite India's recent economic growth, a number of barriers exist, such as the multiplicity of regulations governing product markets, distortions in the market for land, and widespread government ownership of businesses that have been inhibiting GDP growth, according to some estimates by about 4 percent a year. Removing these barriers and fostering a stronger investment climate would allow India's economy to grow as fast as China's—10 percent a year—and create some 75 million new jobs outside agriculture.

India is still a relatively closed economy compared with other Asian economies, in which exports account for a much larger share of GDP (33 percent in China and 38 percent in Korea, compared with only 15 percent in India in 2003). Although this means that India is somewhat protected from global trends, the downside is that it does not benefit from stronger foreign competitive pressures to improve performance or from the ability to draw on more cost-effective foreign inputs, such as capital goods, components, products, or foreign investment, which embody more advanced knowledge. As a result, India is losing market share to its major competitors, especially China, where reforms have moved ahead much more rapidly; therefore, to speed up trade reform and be able to export, Indian firms need to be allowed to import the materials and technology they need.



## Challenge of Developing an Efficient Innovation System

The innovation system in any country consists of institutions, rules, and procedures that affect how it acquires, creates, disseminates, and uses knowledge. Innovation in a developing country concerns not just the domestic development of frontier-based knowledge. It relates also to the application and use of new and existing knowledge in the local context. Innovation requires a climate favorable to entrepreneurs, one that is free from bureaucratic, regulatory, and other obstacles and fosters interactions between the local and outside business world and, with different sources of knowledge, including private firms, universities, research institutes, think tanks, consulting firms, and other sources. Tapping global knowledge is another powerful way to facilitate technological change through channels such as FDI, technology transfer, trade, and technology licensing.

In India, with its relatively small formal sector, a very important part of its innovation system relates to 10W modern and more efficient practices can be diffused to the greatest number of users. This applies both to domestic and foreign knowledge. India has done a remarkable job of diffusing knowledge and technology, especially in agriculture. As a result of the green revolution," India has transformed itself from a net importer to a net exporter of food grains. India's "white revolution" in the production of milk has helped it to achieve the twin goals of raising incomes of rural poor families and raising the nutrition status of the population. India should continue to build on its innovative domestic strengths and undertake efforts to improve the productivity of agriculture, industry, and services even further. This includes strengthening technology diffusion institutions, such as those related to agricultural extension and industrial extension, productivity-enhancing organizations, and technical information agencies. In India, where large disparity exists between the most and least efficient producers in any sector, considerable economic gains can also be harnessed from moving the average domestic practice to the best domestic practice, not to mention best international practice. This will require a host of efforts, including improving the system for technical norms and standards—such as product quality, work safety, and environmental protection—that can facilitate the proper diffusion of know-how. Efforts also need to be made to improve the dissemination of technology by strengthening competition so that the most efficient firms expand and improve performance, establishing and enforcing appropriate laws, encouraging more trade among Indian states, allowing for economies of scale and scope, and facilitating the diffusion of best products through price- and quality-based competition.

India, thus, has already developed a vision and strategies to address its transition to the knowledge economy. In the main, its initiatives have, however, largely been developed around the three functional pillars of the knowledge economy (education, innovation, and ICTs). But to get the maximum benefits from investments in these areas, these initiatives must be part of a broader reform agenda, because some elements of India's current economic and institutional regime are constraining full realization of India's potential. India will, for example, not reap the full benefits of its investments in increasing education, ramping up ICTs, or even doing more R&D, unless its broader institutional and incentive regime stimulates the most effective use of resources in these areas, permits their deployment to the most productive uses, and allows entrepreneurial activity to flourish to contribute better to India's growth and overall development.



This paper presents an outside view of India's position on the global scale, recognizes India's achievements, but sees a tremendous potential that is yet to be unleashed. What is needed is an India-led process of coordination and integration of the different reforms, combining those in the economic and institutional regime with the many initiatives that are actually being undertaken in more functional areas, as covered in many Indian strategy reports. Consolidating and launching these can only be done through a domestic process of consultation, stakeholder awareness, and buy-in to get backing for the necessary reforms to implement the various actions needed to leverage India's potential. It is hoped that this perspective serves as an additional vote of confidence to help catalyze such an integrated and well-grounded process.

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# INTEREST FREE MICROFINANCE IN INDIA: AN IMPECCABLE MODE OF FINANCE

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## Abstract

*Microfinance refers to the provision of financial services to low-income customers, including consumers and the self-employed. The term also refers to the practice of sustainably delivering those services to help poor people out of poverty. According to World Bank India has highest number of poor people. India had 30 per cent of its population living below poverty line at 224 million in 2013 on the basis of international poverty line of \$1.90-a-day.*

*According to a 1995 World Bank estimate, in most developing countries the formal financial system reaches only the top 25% of the economically active population - the bottom 75% have no access to financial services apart from moneylenders,*

*In India also banking services have not reached to the majority of people. The poor people are not treated as credit worthy people. So the banking system largely ignored them. The formal financial institutions have not been able to reach the poor households, and particularly women, in the unorganised sector.*

*India with a 15% Muslim population, the highest in a non-Islamic country and second highest in the world provides vast opportunities to exploit. The size of the market will be very large as the Indian population is above 121 crore and Muslim population itself is about 18 crore (Census 2011) and majority of them, in the name of religious faith, are looking for interest free banking and finance. It is pertinent to mention here that Islamic Banking is not meant for Muslims only but non-Muslims may also avail the benefit of it. It is feasible to have a parallel banking system based on Sharia along with a conventional one. This paper is a humble attempt to understand the concept of interest free microfinance and possibility of interest free microfinance in India and its relevance in the present context.*

## Introduction:

Microfinance refers to the provision of financial services to low-income customers, including consumers and the self-employed. The term also refers to the practice of sustainably delivering those services to help poor people out of poverty. More broadly, microfinance activities are aimed at establishing "a world in which as many poor and near-poor households as possible have permanent access to an appropriate range of high quality financial services, including not just credit but also savings, insurance, and fund transfers."

"Microfinance" is often defined as financial services for poor and low-income clients. In practice, the term is often used more narrowly to refer to loans and other services from providers that identify themselves as "microfinance institutions" (MFIs). These institutions commonly tend to use new methods developed over the last 30 years to deliver very small loans to unsalaried borrowers, taking



little or no collateral. These methods include group lending and liability, pre-loan savings requirements, gradually increasing loan sizes, and an implicit guarantee of ready access to future loans if present loans are repaid fully and promptly.<sup>1</sup>

According to a 1995 World Bank estimate, in most developing countries the formal financial system reaches only the top 25% of the economically active population - the bottom 75% have no access to financial services apart from moneylenders.<sup>2</sup>

In India also banking services have not reached to the majority of people. The poor people are not treated as credit worthy people. So the banking system largely ignored them. The formal financial institutions have not been able to reach the poor households, and particularly women, in the unorganised sector.

India with a 15% Muslim population, the highest in a non-Islamic country and second highest in the world provides vast opportunities to exploit. The size of the market will be very large as the Indian population is above 121 crore and Muslim population itself is about 18 crore (Census 2011) and majority of them, in the name of religious faith, are looking for interest free banking and finance. It is pertinent to mention here that Islamic Banking is not meant for Muslims only but non Muslims may also avail the benefit of it. It is feasible to have a parallel banking system based on Sharia along with a conventional one.

#### **Microfinance in India**

Inadequacies in access to formal finance has led to the growth of microfinance in India. In India microfinance operates through two main channels viz. a) banking system through the SHGs under SHG-Bank Linkage Programme (SHG-BLP) and JLG bank lending programme and b) through Micro Finance Institutions (MFIs) lending through individual and group approach.

Microfinance Institutions in India emerged in the late 1980s in response to the gap in availability of banking services for the unserved and underserved rural population. Their business proliferated in 1990s under the open economy regime. Most of the institutions that entered the field were from the social sector and hence they took the legal form of trusts or Societies. However, not-for-profit status of those institutions started becoming a limitation for the sustainability and scalability forcing them to morph as MFIs with the business growth. However, due to specificity of the business they were pursuing, these institutions were then registered as NBFC-MFIs under the category created by RBI based on Malegam committee recommendations.

MFIs have evolved into a vibrant segment of financial sector exhibiting a variety of business models in recent years. Non adherence to rules and going overboard, by some MFIs, had brought a setback to the sector, albeit temporarily. But the sector regained its traction from 2012 onwards and is showing a consistent growth. Spate of policy actions to strengthen the regulation of MF sector, including RBI guidelines on NBFCMFIs and inclusion of loans to MFIs by banks under priority sector had done a world of good for the sector. As a result, lending by MFIs exhibited a robust growth with 50% jump in loans disbursed consecutively during last three years from ` 23682 crore during 2013-14 to ` 37599 crore and further to ` 61860 crore during 2015-16 (as per MFIN data).<sup>3</sup>

Microfinance sector has responded to these challenges admirably in the last 20 years. NABARD is proud to say that the Self Help Group- Bank linkage programme, which is the largest microfinance programme in the world, today touches 101 million households through 7.9 million SHGs with thrift & deposits of about INR 1,36,914 million, annual loan offtake of INR 3,72,869



million and loan outstanding of nearly INR 5,71,192 million. Despite these milestones, a large section of the poor population still remains unreached and even majority who are in the SHG fold face the issue of inadequate credit. Bridging the last mile gap and forging partnerships to meet the myriad needs of the poor and to ensure sustainable livelihoods to them are the biggest challenges being faced today. I exhort all stakeholders viz. the banks, the SHG Federations, the NGOs, the MFIs, the Government agencies to put their compassionate foot forward to bring together complementary resources to address complex development problems that no one agency can address alone. Despite the positive trend being exhibited there is a lurking fear regarding overheating of the sector, multiple financing to the poor clients, poor financial literacy and some grey areas in regulation. Competition to secure and retain the clients by many MFIs both old and new may again lead to over indebtedness and the domino effect needs to be avoided at any cost.<sup>4</sup>

### **Why Interest Free Microfinance?**

The microfinance institutions have done a lot to provide financial services of rural poor and women in India. However, the model which is followed in India is not the only model of microfinance and not free from the challenges. It is true that one model of microfinance cannot serve the vast populace of India which has diverse financial need and different adherence to cultural and religious bindings. Muslims are one of them. A large section of Muslims do not avail financial services from these interest based financial institutions. Further interest free microfinance not only serve the people who have capacity to repay but it also embraces those who do not have any means to repay with its sharia based products like Qard Hasan, Zakah and Awqaf. In fact Islamic microfinance enhances inclusiveness by addressing the financial needs of poorest of the poor.

As CGAP emphasizes, "diverse approaches are needed—a one-size-fits-all solution will not work. Diverse channels are needed to get diverse financial services into the hands of a diverse range of people who are currently excluded. Making this vision a reality entails breaking down the walls—real and imaginary—that currently separate microfinance from the much broader world of financial systems."<sup>5</sup> So in this way Muslim society's need to integrate microfinance with the Islamic finance.

Microfinance and Islamic finance have much in common. Islam emphasizes ethical, moral, social, and religious factors to promote equality and fairness for the good of society as a whole. Principles encouraging risk sharing, individual rights and duties, property rights, and the sanctity of contracts are all part of the Islamic code underlying the financial system. In this light, many elements of microfinance are consistent with the broader goals of Islamic finance. Both advocate entrepreneurship and risk sharing and believe that the poor should take part in such activities. Both focus on developmental and social goals. Both advocate financial inclusion, entrepreneurship and risk-sharing through partnership finance. Both involve participation by the poor.<sup>6</sup>

There are however, some points of difference, discomfort and discontentment. Conventional microfinance is not for the poorest of the poor. There is a sizeable substratum within the rural poor whose lives are unlikely to be touched, let alone improved by financial services. They are not "bankable" in their own or their neighbor's eyes, even when the bank is exclusively for poor people. Yet they desperately need some sort of assistance. An Islamic microfinance system, on the other hand, identifies being the poorest of the poor as the primary criterion of eligibility for receiving zakah. It is geared towards eliminating abject poverty through its institutions based on zakah and sadaqah. Most conventional microfinance providers charge rates of interest that are found to be high when benchmarked against mainstream banking rates. Several reasons are usually given in defense.



First, returns on investment in micro-enterprise are very high, by the standards of banks and other investors – the reason being the miniscule size of investments compared to the earnings numbers. Hence, entrepreneurs can “afford” to pay high interest rates as cost of funds (sometimes as high as sixty-seventy percent) as long as the same are lower than rates of return. And that interest rates are much less important to micro-enterprises than access, timeliness and flexibility. Second, interest rates on microfinance are pegged relatively higher, since they entail higher administrative charges, monitoring costs and are by definition, riskier than a traditional financing portfolio.<sup>7</sup>

### **Fundamentals of Interest Free (Islamic) Microfinance**

There are some general principles that are of particular importance for Islamic, or perhaps more precisely termed “shariah compliant”, finance so that is valid for microfinance also and these include:<sup>8</sup>

- There must be some risk, whether funds are used in a commercial or productive venture.
- A financial transaction needs to have a “material finality”, that is, it should be directly or indirectly linked to a real, tangible economic activity as opposed to financial speculation.
- The product or service that is bought or sold must be clear to both parties.
- There should be no funding of haram or sinful activities such as the production of alcoholic beverages or gambling, and funds should preferably finance socially productive activity. In broad terms, Islam forbids all forms of economic activity, which are morally or socially harmful.
- Financial risk must lie solely with the lenders of the capital and not with the manager or agents who work with the capital. Furthermore, a financial transaction should not lead to the exploitation of any party in the transaction.
- Interest is forbidden in that it is a predetermined, fixed sum owed to the lender irrespective of the outcome of the business venture in which the fund is used. This does not imply in any way that capital is free of charge or that it should be made available without any cost or that there should be absolutely no return on capital. Rather, a return on capital is allowed, provided that capital participates in the productive process and is exposed to business risk.
- It is not permitted to sell what one does not own – therefore “short-selling” (selling something that one does not own in the hope that it can be bought cheaper at a later date) is impermissible.

Zakah and sadaqah as instruments of charity occupy a central position in the Islamic scheme of poverty alleviation. Zakah is the third among five pillars of Islam and payment of zakah is an obligation on the wealth of every Muslim based on clear-cut criteria. Zakah has been variously described by scholars as a tool of redistribution of income, a tool of public finance, and of course, as a mechanism of development and poverty alleviation. Rules of Shariah are fairly clear and elaborate in defining the nature of who are liable to pay zakah and who can benefit from zakah. The first and foremost category of potential beneficiaries is the poor and the destitute. A greater degree of flexibility exists with respect to beneficiaries of sadaqah. The primary issue with zakah and sadaqah-dependent institutions is the issue of sustainability as they are essentially rooted in voluntarism. Funds mobilized through charity could fluctuate from time to time and may not lend themselves to careful planning and implementation. The issue of sustainability is addressed in the institution of awqaf through creation of permanent and income-generating physical assets. Awqaf has historically



been the major vehicle for creating community assets. On the flip side, the restrictions on development and use of assets under waqf for pre-specified purposes introduce rigidity into the system.<sup>9</sup>

### **Modes of Interest Free (Islamic) Microfinance**

There are two categories of modes of Islamic microfinance a) Charity-Based and Not-For-Profit Modes b) Market-Based and For-Profit Modes (Business oriented)<sup>11</sup>

a) Charity-Based and Not-For-Profit Modes – It includes sadaqa, zakah, awqaf and qard-hasan. The term sadaqa is broader in meaning. It implies charity. Sadaqa - when prescribed and compulsory on Muslims - refers to zakah. Sadaqa in its definition may include various forms of charity, such as, tabarruat (donations), heba (gifts), infaq (charitable spending) and may indeed connote any act of kindness and charity. When benefits from sadaqa are expected to continuously flow over future, it is called sadaqa jaria (perpetual sadaqa) and involves waqf or endowment of land, property and physical assets for charitable purposes. Qard hasan implies loans that are free from any benefit return to the lender and is more commonly referred to as interest-free loan.<sup>10</sup> *zakah, awqaf* and *qard hasan* can be combined into a model of microfinance. This is a model may be non-profit modes or for-profit modes as well.

b) Market-Based and For-Profit Modes- It includes Microcredit in the form of wadia, qard hasan and mudaraba. Wadia is an Islamic deposit. Under this mechanism, the deposits are held as amana or in trust and utilized by the microfinance institution at its own risk. The depositor does not share in the risk or return in any form. Any profit or loss resulting from the investment of these funds accrues entirely to the microfinance institution.

Under mudaraba the microfinance institution now requires the depositors to authorize it (or appoint it as mudarib) for the purpose of investing the funds. Profits on investments if positive, are shared between depositor and microfinance institution as per a pre agreed ratio. Profits if negative are absorbed by depositor; effectively bringing down the value of the asset created with its investments and the value of the deposit. Under this mechanism, depositors have the right of withdrawal. Profits are calculated on the basis of the minimum balance maintained for a time period.

The Islamic alternative to interest-based conventional loan is trade based or lease-based credit that permits the ownership and/or use of commodities or physical assets needed for productive enterprise while deferring the payments to future time periods. There are several such products developed by mainstream Islamic financial institutions involving murabaha, bai-muajjal, ijara, bai-salam, bai-istisna, bai-istijrar etc.

Bai muajjal is a sale where payment of price is deferred to a future date. Often it includes features of a murabaha, which implies a sale on a cost-plus basis. As a micro-credit product, bai muajjal-murabaha is a very popular, and perhaps the most popular product among Islamic microfinance institutions.

Micro leasing or Ijara in simple terms implies leasing or hiring of a physical asset. It is a popular debt-based product in which the IsMFI assumes the role of a lessor and allows its client to use a particular asset that it owns. The client or (lessee) is in need of the asset. Through ijara, it receives the benefits associated with ownership of the asset against payment of predetermined rentals. Ijara is for a known time period.



Bai-salam is a deferred delivery contract. It is essentially a forward agreement where delivery occurs at a future date in exchange for spot payment of price.

Bai-Istisna is a contract of manufacture. A seller under an istisna agreement undertakes to develop or manufacture a commodity with clear specifications for an agreed price and deliver after an agreed period of time. The unique feature of istisna is that nothing is exchanged on spot or at the time of contracting.

Bai-Istijrar takes place when the buyer purchases different quantities of a given commodity from a single seller over a period of time. In other words, the seller delivers the total quantity of commodity purchased in installments. According to this view, the payment of price may be deferred to a future date and may indeed be based on a normal price or average price prevailing in the market. This mode is ideal for microfinance where micro-entrepreneurs often buy their raw materials and inputs in small quantities from the same vendor over extended periods.

### Conclusion

From the above discussion it may be concluded that the interest free (Islamic) microfinance not only addresses the specialized need of microfinance for the Muslims but also for the poor, downtrodden and under privileged people in general. On the other hand it may also remove the challenges that conventional microfinance faces and gives a sound and impeccable alternative microfinance as interest free (Islamic) microfinance.

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## EMERGENCE OF DIGITAL ADVERTISING – CHALLENGES AND OPPORTUNITIES

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### Abstract

*An advertisement on the internet is classified as Digital Advertising. Digital Advertising is a form of online advertising. It is also called online marketing or Internet advertising or web advertising. It is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers. It includes email marketing, search engine marketing (SEM), social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Digital advertising is widely used across virtually all industry sectors. With the web now readily available on smartphones, digital advertising has spread to the mobile platform. Companies are spending millions of dollars trying to find a way to advertise digitally.*

*This paper will study the emergence of Digital Advertising, its process and opportunities and challenges.*

**Keywords** – Online Advertisements, Digital, Social Media.

### Introduction

Twenty years ago, digital advertising was just a bunch of banners placed prominently on websites. Today, digital advertising is vast, and contains different types of online ads being produced based on target audience, website content, and call to action. *Digital advertising is also called Internet marketing.* Digital advertising, also called Internet advertising ("Internet marketing") is when businesses leverage Internet technologies to deliver promotional advertisements to consumers. Digital advertising includes promotional advertisements and messages delivered through email, social media websites, online advertising on search engines, banner ads on mobile or Web sites and affiliates programs. From banner ads (including rich media banners) to Search Engine Optimization (SEO), social networking, email marketing, online classified ads, site takeovers, and even SPAM, online advertising is one of the fastest growing ways to reach an audience.

Like other advertising media, online advertising frequently involves both a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies who help generate and place the ad copy, an ad server which technologically delivers the ad and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser. Many laws specifically regulate the ways online ads are delivered. For example, online advertising delivered via email is more regulated than the same ad content delivered via banner ads. Among other restrictions, the U.S. CAN-SPAM Act of 2003 requires that any commercial email provide an opt-out mechanism. Similarly, mobile advertising is governed by the Telephone Consumer Protection Act of 1991 (TCPA).



### **Emergence of Digital Advertising**

The first widely publicized example of online advertising was conducted via electronic mail. On 3 May 1978, a marketer from DEC (Digital Equipment Corporation), Gary Thuerk, sent an email to most of the ARPANET's American west coast users, advertising an open house for a new model of a DEC computer. Despite the prevailing acceptable use policies, electronic mail marketing rapidly expanded and eventually became known as "spam."

The first known large-scale non-commercial spam message was sent on 18 January 1994 by an Andrews University system administrator, by cross-posting a religious message to all USENET newsgroups. Four months later, Laurence Canter and Martha Siegel, partners in a law firm, broadly promoted their legal services in a USENET posting titled "Green Card Lottery – Final One?" Canter and Siegel's Green Card USENET spam raised the profile of online advertising, stimulating widespread interest in advertising via both Usenet and traditional email. Online banner advertising began in the early 1990s as page owners sought additional revenue streams to support their content. Commercial online service Prodigy displayed banners at the bottom of the screen to promote Sears products. The first clickable web ad was sold by Global Network Navigator in 1993 to a Silicon Valley law firm. In 1994, web banner advertising became mainstream when HotWired, the online component of Wired Magazine, sold banner ads to AT&T and other companies. The first AT&T ad on HotWired had a 44% click-through rate, and instead of directing clickers to AT&T's website, the ad linked to an online tour of seven of the world's most acclaimed art museums.

### **Process of Digital Advertising**

Display advertising conveys its advertising message visually using text, logos, animations, videos, photographs, or other graphics. Display advertisers frequently target users with particular traits to increase the ads' effect. Online advertisers (typically through their ad servers) often use cookies, which are unique identifiers of specific computers, to decide which ads to serve to a particular consumer. Cookies can track whether a user left a page without buying anything, so the advertiser can later retarget the user with ads from the site the user visited.

As advertisers collect data across multiple external websites about a user's online activity, they can create a detailed picture of the user's interests to deliver even more targeted advertising. This aggregation of data is called behavioral targeting. Advertisers can also target their audience by using contextual to deliver display ads related to the content of the web page where the ads appear. Retargeting, behavioral targeting, and contextual advertising all are designed to increase an advertiser's return on investment, or ROI, over untargeted ads.

Advertisers may also deliver ads based on a user's suspected geography through geotargeting. A user's IP address communicates some geographic information (at minimum, the user's country or general region). The geographic information from an IP can be supplemented and refined with other proxies or information to narrow the range of possible locations. For example, with mobile devices, advertisers can sometimes use a phone's GPS receiver or the location of nearby mobile towers. Cookies and other persistent data on a user's machine may provide help narrowing a user's location further.



## Objectives :

The objectives for digital marketing needs to be SMART (Specific, Measurable, Attainable, Relevant and Timely). An example of a SMART digital marketing objective could be to generate 30 new sales leads per month.

- Greater brand awareness
- An increase in visits to your website
- A greater market share
- An improved conversion rate

## ➤ Types of Digital Advertising

1. **Web banner advertising**- Web banners or banner ads typically are graphical ads displayed within a web page. Many banner ads are delivered by a central ad server.
2. Banner ads can use rich media to incorporate video, audio, animations, buttons, forms, or other interactive elements using Java applets, HTML5, Adobe Flash, and other programs.
3. **Frame ad (traditional banner)** - Frame ads were the first form of web banners. The colloquial usage of "banner ads" often refers to traditional frame ads. Website publishers incorporate frame ads by setting aside a particular space on the web page. The Interactive Advertising Bureau's Ad Unit Guidelines proposes standardized pixel dimensions for ad units.
4. **Pop-ups/pop-unders**- A pop-up ad is displayed in a new web browser window that opens above a website visitor's initial browser window. A pop-under ad opens a new browser window under a website visitor's initial browser window. Pop-under ads and similar technologies are now advised against by online authorities such as Google, who state that they "do not condone this practice".
5. **Floating ad** - A floating ad, or overlay ad, is a type of rich media advertisement that appears superimposed over the requested website's content. Floating ads may disappear or become less obtrusive after a preset time period.
6. **Expanding ad** - An expanding ad is a rich media frame ad that changes dimensions upon a predefined condition, such as a preset amount of time a visitor spends on a webpage, the user's click on the ad, or the user's mouse movement over the ad. Expanding ads allow advertisers to fit more information into a restricted ad space.
7. **Trick banners** - A trick banner is a banner ad where the ad copy imitates some screen element users commonly encounter, such as an operating system message or popular application message, to induce ad clicks. Trick banners typically do not mention the advertiser in the initial ad, and thus they are a form of bait-and-switch. Trick banners commonly attract a higher-than-average click-through rate, but tricked users may resent the advertiser for deceiving them.
8. **News Feed Ads** - "News Feed Ads", also called "Sponsored Stories", "Boosted Posts", typically exist on Social Media Platforms that offer a steady stream of information updates ("news feed") in regulated formats (i.e. in similar sized small boxes with a uniform style). Those advertisements are intertwined with non-promoted news that the users are reading through. Those advertisements can be of any content, such as promoting a website, a fan page, an app, or a product. Some examples are: Facebook's "Sponsored Stories", LinkedIn's "Sponsored Updates", and Twitter's "Promoted Tweets".
9. **Social media marketing** - Social media marketing is commercial promotion conducted through social media websites. Many companies promote their products by posting frequent updates and providing special offers through their social media profiles.

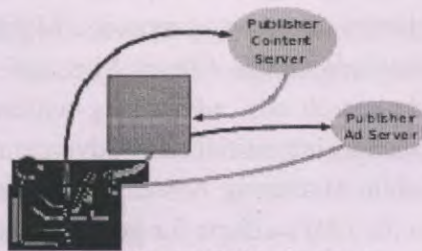


10. **Mobile advertising** - Mobile advertising is ad copy delivered through wireless mobile devices such as smartphones, feature phones, or tablet computers. Mobile advertising may take the form of static or rich media display ads, SMS (Short Message Service) or MMS (Multimedia Messaging Service) ads, mobile search ads, advertising within mobile websites, or ads within mobile applications or games (such as interstitial ads, "advergaming," or application sponsorship). Industry groups such as the Mobile Marketing Association have attempted to standardize mobile ad unit specifications, similar to the IAB's efforts for general online advertising.
11. **Email advertising** - Email advertising is ad copy comprising an entire email or a portion of an email message. Email marketing may be unsolicited, in which case the sender may give the recipient an option to opt out of future emails, or it may be sent with the recipient's prior consent (opt-in).
12. **Chat advertising** - As opposed to static messaging, chat advertising refers to real time messages dropped to users on certain sites. This is done by the usage of live chat software or tracking applications installed within certain websites with the operating personnel behind the site often dropping adverts on the traffic surfing around the sites. In reality this is a subset of the email advertising but different because of its time window.
13. **Online classified advertising** - Online classified advertising is advertising posted online in a categorical listing of specific products or services. Examples include online job boards, online real estate listings, automotive listings, online yellow pages, and online auction-based listings. Craigslist and eBay are two prominent providers of online classified listings.
14. **Adware** - Adware is software that, once installed, automatically displays advertisements on a user's computer. The ads may appear in the software itself, integrated into web pages visited by the user, or in pop-ups/pop-unders. Adware installed without the user's permission is a type of malware.
15. **Affiliate marketing** - Affiliate marketing (sometimes called lead generation) occurs when advertisers organize third parties to generate potential customers for them. Third-party affiliates receive payment based on sales generated through their promotion. Affiliate marketers generate traffic to offers from affiliate networks, and when the desired action is taken by the visitor, the affiliate earns a commission. These desired actions can be an email submission, a phone call, filling out an online form, or an online order being completed.
16. **Content Marketing** - Content marketing is any marketing that involves the creation and sharing of media and publishing content in order to acquire and retain customers. This information can be presented in a variety of formats, including blogs, news, video, white papers, e-books, infographics, case studies, how-to guides and more.

#### **Display advertising process overview :**

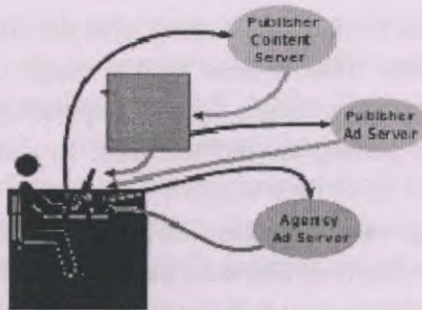
The process by which online advertising is displayed can involve many parties. In the simplest case, the web site publisher selects and serves the ads. Publishers which operate their own advertising departments may use this method.



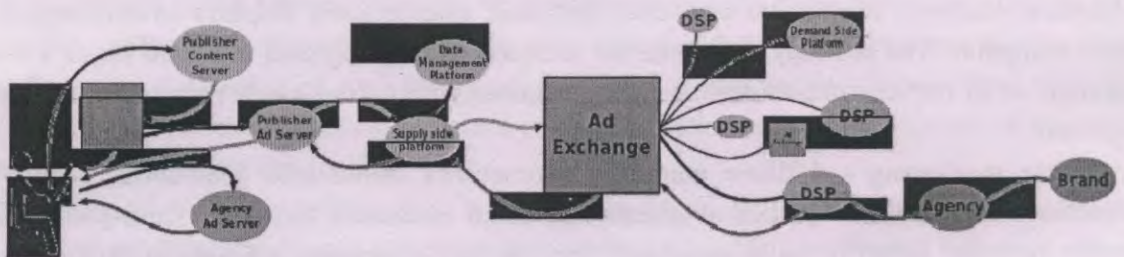


### Online advertising serving process - simple publisher case :

The ads may be outsourced to an advertising agency under contract with the publisher, and served from the advertising agency's servers.



### Online advertising serving process using an ad agency



### Online advertising serving process using online bidding :

#### Benefits of online advertising :

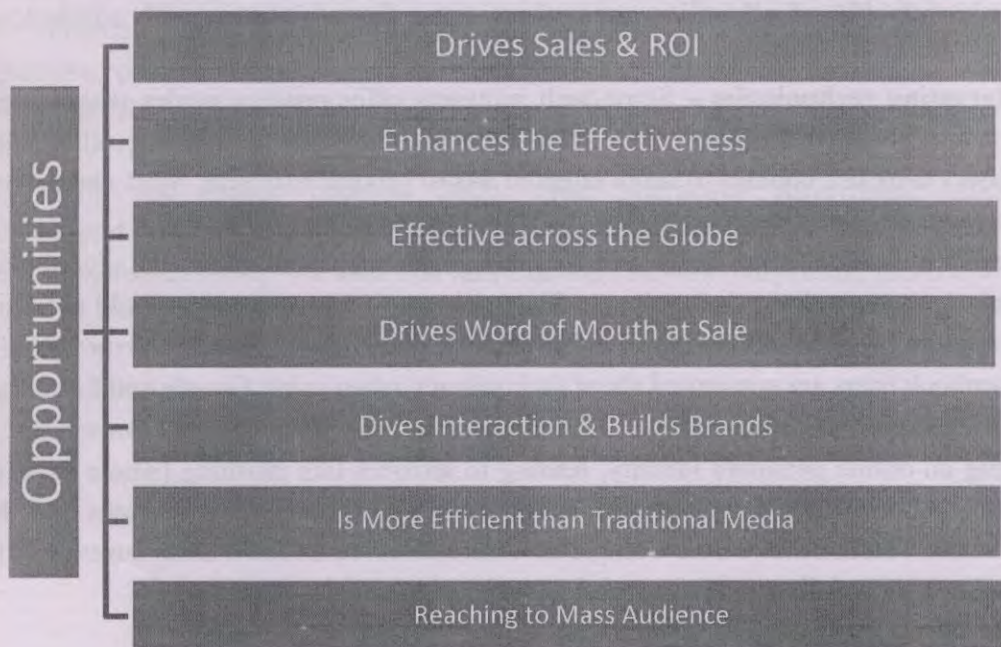
- **Cost** -The low costs of electronic communication reduce the cost of displaying online advertisements compared to offline ads. Online advertising, and in particular social media, provides a low-cost means for advertisers to engage with large established communities. Advertising online offers better returns than in other media.
- **Measurability** - Online advertisers can collect data on their ads' effectiveness, such as the size of the potential audience or actual audience response, how a visitor reached their advertisement, whether the advertisement resulted in a sale, and whether an ad actually loaded within a visitor's view. This helps online advertisers improve their ad campaigns over time.
- **Formatting** - Advertisers have a wide variety of ways of presenting their promotional messages, including the ability to convey images, video, audio, and links. Unlike many offline ads, online ads also can be interactive. For example, some ads let users input queries or let users follow the advertiser on social media. Online ads can even incorporate games.
- **Targeting** - Publishers can offer advertisers the ability to reach customizable and narrow market segments for targeted advertising. Online advertising may use geo-targeting to display relevant advertisements to the user's geography. Advertisers can customize each individual ad to a



particular user based on the user's previous preferences. Advertisers can also track whether a visitor has already seen a particular ad in order to reduce unwanted repetitious exposures and provide adequate time gaps between exposures.

- **Coverage** - Online advertising can reach nearly every global market, and online advertising influences offline sales.
- **Speed** - Once ad design is complete, online ads can be deployed immediately. The delivery of online ads does not need to be linked to the publisher's publication schedule. Furthermore, online advertisers can modify or replace ad copy more rapidly than their offline counterparts.

#### Opportunities – Digital Advertising -



#### Challenges -

- **Security Concerns** - According to a US Senate investigation, the current state of online advertising endangers the security and privacy of users.
- **Banner blindness** - Eye-tracking studies have shown that Internet users often ignore web page zones likely to contain display ads (sometimes called "banner blindness"), and this problem is worse online than in offline media. On the other hand, studies suggest that even those ads "ignored" by the users may influence the user subconsciously.
- **Fraud on the advertiser** - There are numerous ways that advertisers can be overcharged for their advertising. For example, click fraud occurs when a publisher or third parties click (manually or through automated means) on a CPC ad with no legitimate buying intent. For example, click fraud can occur when a competitor clicks on ads to deplete its rival's advertising budget, or when publishers attempt to manufacture revenue. Click fraud is especially associated with pornography sites. In 2011, certain scamming porn websites launched dozens of hidden pages on each visitor's computer, forcing the visitor's computer to click on hundreds of paid links without the visitor's knowledge.
- **Technological variations - Heterogeneous clients** - Because users have different operating systems, web browsers and computer hardware (including mobile devices and different screen



sizes), online ads may appear to users differently from how the advertiser intended, or the ads may not display properly at all. A 2012 comScore study revealed that, on average, 31% of ads were not "in-view" when rendered, meaning they never had an opportunity to be seen. Rich media ads create even greater compatibility problems, as some developers may use competing (and exclusive) software to render the ads (see e.g. Comparison of HTML 5 and Flash).

- **Ad-blocking** - Ad-blocking, or ad filtering, means the ads do not appear to the user because the user uses technology to screen out ads. Many browsers block unsolicited pop-up ads by default. Other software programs or browser add-ons may also block the loading of ads, or block elements on a page with behaviors characteristic of ads (e.g. HTML autoplay of both audio and video). Approximately 9% of all online page views come from browsers with ad-blocking software installed, and some publishers have 40%+ of their visitors using ad-blockers.
- **Anti-targeting technologies** - Some web browsers offer privacy modes where users can hide information about themselves from publishers and advertisers. Among other consequences, advertisers can't use cookies to serve targeted ads to private browsers. Most major browsers have incorporated Do Not Track options into their browser headers.
- **Privacy concerns** - The collection of user information by publishers and advertisers has raised consumer concerns about their privacy. Sixty percent of Internet users would use Do Not Track technology to block all collection of information if given an opportunity. Over half of all Google and Facebook users are concerned about their privacy when using Google and Facebook.
- **Trustworthiness of advertisers** - Scammers can take advantage of consumers' difficulties verifying an online persona's identity, leading to artifices like phishing (where scam emails look identical to those from a well-known brand owner) and confidence schemes like the Nigerian "419" scam. The Internet Crime Complaint Centre received 289,874 complaints in 2012, totalling over half a billion dollars in losses, most of which originated with scam ads.

#### **Costs Associated With Digital Advertising**

There are hundreds of different advertising models online, but most fall under one of the following three categories. Without a doubt, every ad you have seen online today was paid for by one of these methods:

- **CPA (Cost Per Action)** - In this model, all the risk falls on the publisher of the ad. The advertiser only pays the publisher if someone clicks AND completes a transaction.
- **PPC (Pay Per Click)** - The most common form of online advertising as it behoves both parties. The advertiser pays when someone clicks on the ad, but they do not have to complete a purchase for the publisher to get paid. Under this model, target keywords are highly important.
- **CPM (Cost Per Mille)** - More commonly known as CPT (Cost Per Thousand), the advertiser pays for exposure based on visitors to the website and eyes on an ad. If a website gets two million visitors per day, and the ad is seen on 50% of those pages, then a CPM of \$2 would be equal to \$2000.

#### **Conclusion :**

Digital advertising is proving its worth to marketers every day by creating new desire and demand, increasing engagement and loyalty, and ringing the cash register. It has become an integral part of business. As the consumers are aware of all digital devices and are using them on day to day basis hence this type of advertisement is a must.



As nowadays the world is turning into a global village with the use of Internet technology emergence of Digital Advertising is gaining roots. It has a vast coverage and a very high speed to reach the consumers and win them.

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## E-COMMERCE A NEED OF TIME

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### INTRODUCTION:-

Electronic Commerce is a general concept covering any form of business transaction or information exchange executed using information and communication technologies. E-Commerce system includes commercial transaction on the internet but their scope is much wider than this: they can classify by application type:

- **Electronic Markets:**

The principle function of an electronic market is to facilitate the search for the required product or service. Airline booking is an example of an electronic marketing. An electronic market is an inter-organizational information system that provides facilities for buyers and sellers to exchange information about price and product offering. The electronic market is most effective in assisting the buyer in a commodity market where products are essentially identical across all sellers. Electronic market exists in commodity exchange, financial markets. The importance of electronic markets in the sectors where they operate has increased but there has not been any dramatic expansion of the use of electronic markets to additional economic sector.

- **Electronic Data Interchange (EDI):**

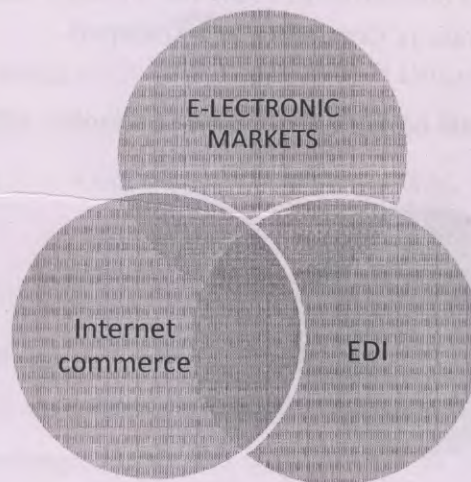
EDI provides for the efficient transaction of recurrent trade exchange between commercial organizations. EDI is widely used. EDI is based on a set of standardized message for the transfer of structured data between computer applications. EDI allows the stock control material management system of the customer to interface with the stock control/ production systems of the suppliers without the use of paper documents or the need for human intervention. EDI is part of schemes for Just in Time manufacture and quick response supply.

- **Internet Commerce:**

The internet can be used for advertising goods and services and handling one-off deals. Internet Commerce has application for both business and businesses to customer transactions.



## Classification of Commercial transaction by application type



### Objectives of research:

1. To study history of E-Commerce
2. To study the advantages of E-Commerce
3. To study rate of growth of online users in India.

### Research Methodology:

Primary Data: The data is collected for this research from various books, magazines, websites, News Papers, Research articles.

### History of E-Commerce

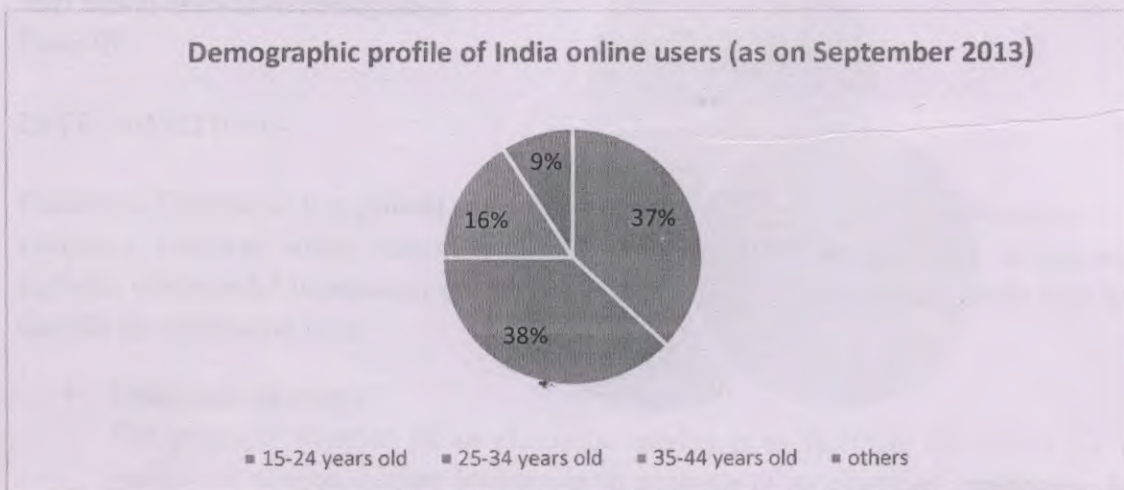
History of E-Commerce dates back to the invention of the very old nation of “sell & buy” electricity, cables, computers, modems and the internet. E-Commerce became possible in 1991 when the internet was opened to commercial use. Since that date thousands of businesses have taken up residence of web sites. The web and its engines provide a way to be found by customers without expensive advertising campaign. Even small online shops can reach global markets. Web technology also allows to track customer preferences and to deliver individually –tailored marketing.

E-Commerce provides ways to exchange information between individuals, companies and countries and most important of all between computers. E-commerce refers to marketing, selling and business over the internet. The beginning of large business organizations in the late 1800s and 1900s triggered the need to create and maintain formal records of business transactions. In the 1950s, the companies began to use computers to store and process internal transaction records, but the information flows between businesses continued to be on paper. Purchase orders, Invoice, bills of lading and other standard forms were used to document transactions.

In 1968, a number of freight and shipping companies joined together to form the Transportation Data Coordinating Committee (TDCC) which was charged with exploring ways to reduce the paperwork burden that shippers and carriers faced. In 1979, ANSI (The American National Standard Institute) chartered a new committee to develop uniform EDI standards. This



committee is called the Accredited Standard CommitteeX12 (ASCX12). The committee meets three times a year to develop and maintain EDI standards. In 1987, the United Nations published its first standards under the title EDI for administration, Commerce and Transport.



Source: [www.pwc.in/publications/.../ecommerce-in-india-accelerating-growth](http://www.pwc.in/publications/.../ecommerce-in-india-accelerating-growth).

An analysis of the demographic profile of internet users further states that e-Commerce will rise rapidly in India in coming years. Around 75% of Indian internet users are in the age group of 15 to 34 years. This category shops more than the remaining population, a demographic dividend that helps the growth of e-Commerce. In coming years, as internet presence increases in rural areas, rural India will yield more e-Commerce business.

#### **Advantages of E-Commerce**

- E-Commerce provides facility of faster buying and selling procedure.
- It helps in find various types of products.
- It provides better quality services to customers.
- It also helps to customers to enjoy buying process without moving around physically.
- It provides facility of comparison shopping.
- E-Commerce websites can run all the time; from customer's point of view "always open" store is more convenient.

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## INNOVATIVE PRACTICES AND CURRENT SCENARIO OF HRM

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### **Introduction:**

The information age has already passed the mid-point of its life cycle. Information has become a product which can be readily bought or sold. As a result, it too has become insufficient to define competitive advantage. Hence the rapid growth in intellectual assets as the new source of Competitive advantage. Intellectual assets can be defined as the sum total of the knowledge, skills and competencies that an organization possesses and canalizes for constructive assets provides. The term intellectual assets provides a link to other types of assets and puts knowledge and intellectual capital in the same field as fixed assets.

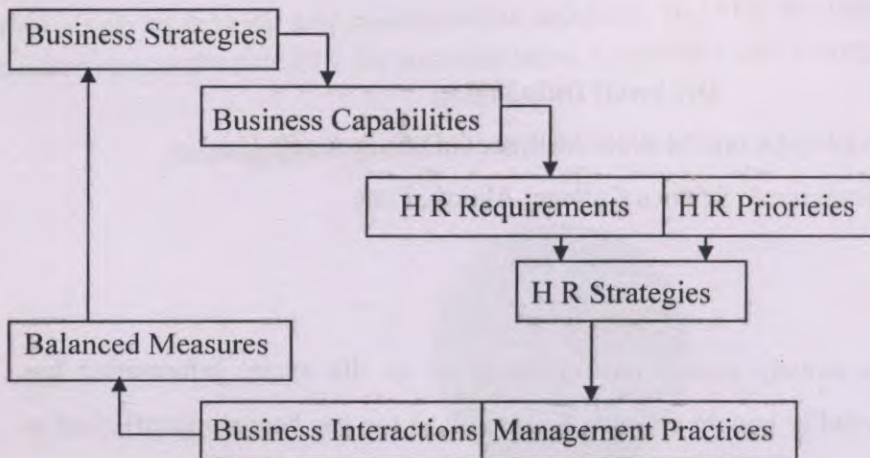
According to Thomas Stewart in this book Intellectual capital : the new wealth of organizations states that intellectual capital is the combination of Intellectual Material Knowledge, information, intellectual property, experiences that can be used to create wealth. Through it is still a relatively new concept for the business organizations, but it is also assuming that the role of new concept of HR has a greater importance in the competitive world. Price water house's activities towards creating intellectual assets are an integrated towards creating intellectual assets are an integrated efforts of knowledge management activities in training and learning.

### **Human Resource Perspective:**

Business strategies require specific business capabilities within an organization. Michel Porter and C.K.Prahalad have defined HR perspective as a core competence of an organization. For fulfillment of the core competence of the organization the capabilities of the need to be explored because these capabilities resemble the business capabilities of an organization. The requirements of the people determine the HR Strategy which is reflected through the management practices of the organization. A definite model of the HR function no longer exists. Every organization is unique and one organization's model will not work for the another. It is based on the size, the structure, the industry philosophy and the nature of the business.



### HR Functions:



Sources : HR Strategy Ashok Chandra & Shilpa Kabra.8.

The following graphs focused on an overview of how the HR function has evolved with the change in business environment over a period of time. It took a long time from 1850 to 1860 for the transformation of business and consequently the evolution of the H R function. Thus, HR function continued to transform itself over a period of time and with the organizational growth.

### Strategic Function of HR

1859-1990		1900-1940		1940-1960		1960-1980		1980-1995		1995 to date	
Industrial Revolution		Industrialization		Corporate Growth		Risk of MNC		Technology Revolution		Information Age & Global Linkage	
Bonded labour		Collective unionisation		Changing Mix of workforce		Professional Workforce		Important Stakeholder in business		Intellectual Assets.	
Labour relations		Industrial Relations		Personnel Management		People Management		H R M & Development		Strategic HRM	
Birth of product		Mass production		Product and Market Orientation		Customer satisfaction & quality		Customer Delight & Productivity		Value addition	
Men	IN	Value addition				Customer Satisfaction				Profit	
Machine	PUT	↑	↑	↑	↑	↑	↑	↑	↑	→	OUTPUT
Mate rail		H.R.	Fin.	Mktg.	Prod.	Other function					

Source : (HR Strategy Ashok Chandra & ShilpaKabra. P-34.



### **Quality of Work Life (QWL) :**

Quality of work life is a multifaceted concept. The premise of quality of work of life is having a work environment where an employee's activities become more important. This means implementing procedures or policies that make the work less routine and more rewarding for the employee. These procedures or policies include autonomy, recognition, belonging, progress and development and external rewards.

According to Johnstorn, Alexander and Robin, QWL is more than simply a concept, means or an end. It embodies the following inter-related sets of ideas.

- a) Ideas dealing with a body of knowledge, concepts experiences related to the nature, meaning and structure of work.
- b) Ideas dealing with the nature and process of introducing and managing organizational change. And
- c) Ideas dealing with outcomes or results the change process.

### **Criteria for Quality of Work Life:**

Professor Walton has identifies eight dimensions, which make up the quality of working life framework. They are as follows:

#### 1) Adequate and fair Compensation:

Motivation experts believe that money is still an important motive, which makes people work on the job. However, people also want to see fairness and adequacy in their pay rewards. Equal pay for equal work and pay that is linked to responsibility, skill, performance and individual accomplishment are viewed with great importance.

#### 2) Safe and Healthy Working Conditions:

An organization must create working conditions that are physically and psychologically sage for its worker. The emergence of ergonomics in the 1950s has significantly improves equipment design and plant layout to enhance the physical as well as psychological comfort and safety of the workers.

#### 3) Immediate opportunity to use and Develop Human Capacities:

An organization must be responsible for the growth and development of its workers. This involves training, skill, development, recognition and promotion. Work assignments should be made



challenging enough to expand skills, abilities and knowledge. They should create a positive effect on self-esteem, autonomy, involvement and motivation.

4) Future Opportunity for continued Growth and Security:

There must be employment which provides for continual growth in job and income security. Opportunities for training and advancement should be considered.

5) Social integrated in the work organization:

The work environment should provide opportunities for preserving an employee's personal identity and self esteem through freedom from prejudice, a sense of community, interpersonal openness and the absence of dissatisfaction.

6) Constitutionalism in the work organization:

There should be the right to personal privacy, free speech and equitable treatment in the work place.

7) Work and Total life space:

A person's work should not overbalance his life. Ideally work schedules, career demand and travel requirements should not take up too much of his leisure and family life.

8) Social Relevance of Work Life:

The standing of an organization in society can influence an employee's value of his work and career. Does the worker perceive the organization to be socially responsible in its products? Waste disposal, marketing techniques, employment practice and so forth?

**Popular quality of work life programme:**

The following variables have led to the success of quality of work life programmes.

1) Flexi time:

A system of flexible working hours. Flexible serves as a work scheduling scheme allowing individual employees, within establishing limits, to control and redistribute their working hours around organizational demands.

2) Job Enrichment:

A programme for redesigning employee jobs to allow greater autonomy and responsibility in the performance of work tasks.

3) Management by objectives:



Particulars of an employee with his superior in setting employee goals that is consistent with the objectives of the organization as a whole.

4) Staggered Hours:

A work hour arrangement of overlapping schedules of predetermined hours established for the total work force in staggered work-hour scheme, group of employee begin and end work at different intervals.

5) Socio-technical System:

A physical and technological redesign of the work place for employee with human considerations of the work force.

6) Job Rotation :

A programme in which employees periodically change work assignments to gain training and reduce monotony.

7) Job Enlargement :

A programmed in which employees continue their present jobs, but duties are added with the intent of making the job more rewarding.

8) Autonomous Work Group:

A form of participation in which the group of workers is given some control over decision making on production methods, distribution of tasks, recruitment of team members, selection of team leaders, work schedules so on.

9) Employee Participation:

A program aimed at a greater sharing of responsibility for decision making.

**Quality Circle:**

It is small group of employees in the same work area of doing similar type of work who on voluntary basis meet regularly for about an hour every week to identify, analyse and resolve work related problems not only to improve quality, productivity and the total performance of the organization but also to enrich the quality of work life of the employees.

**Objectives of Quality Circle:**

The basic objective of quality circle is to develop enhance and utilize human resources effectively.

- To improve quality of products/services, productivity and reduce cost of production per unit of output.



- To satisfy the workers psychological needs for self urge, participation, recognition etc. with a view to motivate them.
- Accomplishment of this objective will ensure enhancement of employing moral and commitment.
- To improve various supervisory skills like leadership problem solving interpersonal and conflict resolution.
- To utilize individual imaginative, creative and innovative skills through participation, creating and developing work interest, including problem solving techniques etc.

#### **Techniques of Quality Circles :**

The quality circles use certain techniques to identify, analyse and resolve problems, they are :

- Brain storming
- Data collection
- Pareto analysis
- Cause and affect diagram
- Line graphs
- Frequency distribution
- Scatter diagram
- Histograms

#### **Concept to make quality circle process effective:**

The following concepts should be followed to make the quality circle process more effective:

- Persuasion by all the parties concerned that there is more than one way to solve a problem successfully.
- Encouragement of all the members to clarify and build on each other's ideas.
- Periodic summarizing of the activities by the leader or by the member to ensure common understanding.
- Avoidance of heated arguments in favour of one particular position. In other words full-throated eloquence should not be a substitute for clarity and logic.
- Avoidance of such techniques as majority vote and division to obtain group agreement.
- Promotion of constructive disagreements in place of dodging arguments in search of artificial state of harmony.
- Suspicion of agreement that comes to quickly and easily. Circle leader who is also a supervisor must constantly beware of the influence of the supervisory position.



The fast paced corporate changes during the new century calls for a drastic review of HR policies. The threats facing management have been changing with time and what was a fine solution yesterday may no longer be valid tomorrow. The world is mobbing at an extremely fast pace and that the rate of change is continuing to accelerate. It can now be said that we have moved to the era if not just change but an accelerated rate of change. This demands that corrective steps too need to be taken fast. As compared to the past, the twenty first century corporations are getting to be globally market driven ones with invest any where and share everywhere concept. The impact of e-commerce with rapidly changing information technology will similarly transform conventional business structures dramatically. These will demand a totally different type of HR strategy and intervention.

#### **Challenges to HR function in IT industry :**

New economy thrives on knowledge workers who perform complex and highly skilled jobs. On account of the fast expansion of the IT industry and intense competition for skilled personnel, attracting and retaining people and reducing employee turnover is an area of challenge for the HR professionals. Managing unrealistically high expectations of the new entrants of IT organizations is another issue that is of concern to the HR functionaries. Another challenge faced by the HR function in IT organization is how to take creation and maintenance of a culture of flexibility, responsiveness and customer turnover, continual induction of large number of new people and increasing size of the organization. Some progressive IT organizations have adopted smart and innovative HR practices and were able to overcome these challenges.

#### **ISO-9000:**

The concept of unified Europe was first conceived in 1939 and treaty for the same was signed in 1958 one of the major fallout of this proposed unification was the emergence of Universal Standards for quality system management. These standards brought the style of management of enterprise on the principle of participative management under the guise of TQM.

#### **Objectives of Universal Standards:**

The ISO-9000 Standards aim at the following:

- Global acceptance of quality system standards.
- Compatibility with existing national standards on quality systems.
- Flexibility
- Universal application.
- Avoidance of multiple quality amongst companies about the need for a system approach based on synergy for quality.



- Inculcating the consistency of quality systems standards to enable their widespread use in international trade. Standardizing the terminology used in quality system so as to avoid confusion.

### **Conclusion:**

Human resource management is important in every sector of life. HRM is integral part of our life. There are various concepts in HRM due to the changing scenario such as quality of work life, quality circles, ISO-9000. There are various challenges to HR function in IT industry.

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# A STUDY OF OPPORTUNITIES AND CHANGING MIND SET OF INDIAN CONSUMER AND INDIAN MARKET

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## Abstract

*The Indian markets known for its diversity in a variety of aspects. In the past few decades this has undergone many changes due to globalization, rise of the service sector and a host of other factors. The rising income levels have led to increasing disposable income, exposure to international life style and easier financial credits. To tap into this market one has to understand the changes it is undergoing. This research paper puts forth a variety of changes in the mind set of the Indian consumer and impacts these changes have made on the Indian market.*

## Introduction

Indian market is well known for diversity in terms of demographic, economic, social and cultural conditions. Since the 1990s Indian market has undergone many dramatic changes. India with a population of more than a billion presents a market opportunity with rising income levels leading to increasing disposable income, exposure to international life style and easier financial credits. Socialists belonging to upper class prefer to shop in specialty stores, go to clubs or hotels on weekends and spend a good amount of money on luxury goods, purchase high value and exclusive products. Socialists are brand conscious and go for the best known brands in the market.

## Objectives of the Study:

- To Study changing mind - set off Indian Consumer
- To Study the opportunities in the Indian Market.
- To Study effect of this changing mind set on Indian Market.

## Research Methodology

This research is a descriptive study of consumer behavior and its effect on Indian markets. This study is based on secondary data which was collected from magazines and books.

## Segments of consumer behavior and their impact on the Indian market

The interplay of a host of factors has resulted in different manifestations and new trends in consumer behavior and their impact on the Indian markets. Some of these factors are discussed below:



## 1. Change in Demographics profile of the country

Nearly 50% India's population is below 30 years. This is regarded as a demographic wonder it will bring a revolution in terms of market opportunities in the years to come. The product and promotion strategies of markets will therefore be focused on the emerging demographic profile. Young adults much money spent on eating out, two - wheelers, cars, music systems etc.

Age (years)	2005	2010	2015
Below 4	108.5	113.5	112.8
5-14	239.1	221.2	259.5
15-19	109.0	122.4	120.5
20-34	246.8	279.1	301.3
35-54	207.3	239.2	268.9
55 and above	101.7	101.7	147.1
<b>Total</b>	<b>1012.4</b>	<b>1094.1</b>	<b>1210.1</b>

Table 1: Age distribution in Indian Population (Millions)

## 2. Smaller households

Indian urban areas have seen an increase in the number of nuclear families. Another distinct trend is the emergence of 'double income; no kids' family which has led to growth in demand for lower pack size of popular consumables. Many companies are marketing their products in smaller packs or sachets. These mini packets of around 10 ml of shampoo or hair oil, a small tube of skin cream or toothpaste are priced anything between Rs. 1-5. They have captured a significant portion of market share in many categories.

## 3. Increasing awareness

Besides conventional mass media, newer media such as SMS, MMS and internet are now playing major role in creating awareness in the mind of the consumers about a variety of choices. Also, the telecom revolution has made it very easy for companies to reach out to consumers. Currently advertisements are very intelligently created, which leaves a lasting impression on the minds of the consumers about a particular brand.

## 4. Westernization

In urban India many people have adopted the western consumption habits in the spheres of food, clothing, cosmetics, cars and many other visible categories. For example, we find that Indian families are now regularly consuming cereals like corn flakes, oats etc. instead of traditional, idly, chapatti etc.

## 5. Health Consciousness

There is increased consumer awareness about personal health and fitness. This has led the Indian consumer to pick brands which they perceive to be risk free and healthy.



The consumption of packaged food is on the rise. People are now purchasing packaged rice Atta etc. Packaged juices like Fruity, Apply are also increasingly consumed by Indian consumers because they perceived to be healthy and nutritious. People are willing to spend money to ensure that their family, especially children consume clean and disease free water. This increased demand for good quality drinking water, is being met by bottled or packaged water. This has created a market space for multiple players in sector which did not exist a decade ago. Today, bottled water has become a big business with international companies like PepsiCo, Coca Cola and Indian companies like Bisleri as well as the Indian railway marketing it in a big way.

6. **Convenience**

Life of many Indians has become extremely hectic, especially for urban people as they have to deal with longer hours of work. With growing number of female population joining the workforce, ladies find less time to cook traditional meals in the kitchen. This has given birth to a new generation of instant food which are fast to cook and ready to eat like MTR, Maggi etc. McDonalds is one of the first organized international fast food company which opened its outlets across the country. Nirulas and Haldirams, two of the major Indian companies, as also doing well in India.

With India rapidly doping to western dishes, has how to use western style cosmetics. The Indian art of dressing included eyeliner, kumkum, flowers in the hair and a perfume. But now-a-days with more and more urban women are gaining financial independence the adoption of western cosmetics has increased. Now-a-days urban women wear western type make up more confidently. Brands such as Revlon, Maybeline, Avon, L'Oreal, Garnier and other are now flooding and Indian market.

8. **Increased consciousness of beauty and appearance**

With economic affluence and regular global exposure women are getting increasingly more conscious about their beauty and figure. This has increased demand for beauty services, cosmetics, jewelers, fitness equipment etc. According to the All India beauty Specialist and Hairdryers Association, Delhi and Mumbai have as many as 5000 beauty parlors and Bangalore is estimated to have 2800 such parlors. During the last decade, several chains have entered the beauty market by opening salons and parlors. Lakme was the first company to open salons in major Indian cities.

Products like skin care items, shaving accessories and services like men's salons are growing at unprecedented rates in India.

9. **Increased Desire for "Leisure Time"**

It has increased the demand of convenience products and services such as microwaves, readymade food, direct marketing service business such as online shopping, banking etc.

10. **Home Delivery preferred to takeaway.**

The pizza chains like pizza Hut, Domino 'shave been successful in home delivery business. Several other companies have started home deliveries within specified distance limits for orders above certain amount. Home deliveries have now become more popular than take away meals.



### 11. **Changing food pattern across the country**

India's diversity extends to eating habits across region and states. Wheat is the main cereal in North India, while rice is preferred in the southern states. Tamarind and coconut gravies are common in south India. Similar eating habits are noticed in rural India. However the pattern offloads changing across the country. There has been a unification of the food consumption patterns

### **Lifestyle and its impacts**

In India, many distinct patterns of lifestyle have now emerged. The lifestyle of Indian consumers has undergone tremendous change over the past few years. Factors that have contributed to the changing lifestyle of urban Indian consumers are growth of retail sector. IT and BPO industry which has resulted in higher disposable incomes for individuals.

### **Conclusion**

Socio economic drives will continue to influence our opportunity land scape in the next decade. Rising literacy and improved connectivity are the making people aspiration increasingly homogeneous. Another major driver is globalization. The changing regulatory landscape, along with the global media and internet revolution will open up the Indian market. The impact of this change is that consumers will increasingly demand global standards of performance and quality.

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## POTENTIALITIES OF DEVELOPMENT OF PHARMACEUTICAL INDUSTRY IN INDIA

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### Abstract

*As Government of India has planned to develop Smart Cities as well as launched 'Make in India' initiative to develop different sectors. Smart Cities are those Cities which provide better services to its citizens including health services, better and useful drugs/medicines as well as huge business and employment opportunities in different sectors. Pharmaceutical Industry which is among the largest Industries of India as well as globally growing day by day because of inexpensive labor force, strong government support, and lower production costs. Since Government's mission to develop Smart Cities for better services to citizens can also need the development of Pharmaceutical Industry drastically. The research paper focusses on development Pharmaceutical Industry of India, its future potentiality and also government initiatives for again development to appear top most leading Pharmaceutical Industry in the world.*

**Key words:** Make in India, .Pharmaceutical Industry, Smart Cities, etc.

### Introduction:

The Indian pharmaceuticals market is the 3<sup>rd</sup> largest in terms of volume and 13<sup>th</sup> largest in terms of value, as per a report by Equity Master. India is the largest provider of generic drugs globally with the Indian generics accounting for 20% cent of global exports in terms of volume. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Presently more than 80 % of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

The UN-backed Medicines Patent Pool has signed six sub-licences with Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs, allowing them to make generic anti-AIDS medicine Tenofovir Alafenamide (TAF) for 112 developing countries.

**Market Size:** The Indian pharma industry expected to grow more than 15% per annum between 2015 and 2020, will outperform the global pharma industry. The market is expected to grow to US\$ 55 billion by 2020, thereby emerging as the 6<sup>th</sup> largest pharmaceutical market globally by absolute size, as stated by Mr. Arun Singh, Indian Ambassador to the US. Branded generics dominate the pharmaceuticals market, constituting nearly 80 % of the market share (in terms of revenues).

India has also maintained its lead over China in pharmaceutical exports with a year-on-year growth of 11.44% to US\$ 12.91 billion in 2015-16, according to data from the Ministry of Commerce and Industry. Imports of pharmaceutical products rose marginally by 0.80 per cent year-on-year to US\$ 1,641.15 million. Overall drug approvals given by the US Food and Drug Administration (USFDA) to Indian companies have nearly doubled to 201 in 2015-16 from 109 in 2014-15. The country accounts for around 30% (by volume) and about 10 % (value) in the US\$ 70-80 billion US generics market.



India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected to grow at an average growth rate of around 30 % a year and reach US\$ 100 billion by 2025. Biopharma, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 % of the total revenues at Rs 12,600 crore (US\$ 1.88 billion).

**Investments:**

The Union Cabinet has given its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 % under the automatic route for manufacturing of medical devices subject to certain conditions. The drugs and pharmaceuticals sector attracted cumulative FDI inflows worth US\$ 13.85 billion between April 2000 and March 2016, according to data released by the Department of Industrial Policy and Promotion (DIPP).

**Some of the major investments in the Indian pharmaceutical sector are as follows:**

1) India's largest drug maker Sun Pharmaceutical Industries Limited has entered into a distribution agreement with Japan's Mitsubishi Tanabe Pharma Corporation to market 14 prescription brands in Japan.

2) Syngene International Limited will set up its 4<sup>th</sup> exclusive Research and Development (R&D) center named Syngene Amgen Research and Development Center (SARC) for a US-based biotechnology company Amgen Incorporation in Bengaluru.

3) India's 3<sup>rd</sup> largest drug maker Lupin Ltd. plans to file its first biosimilar Etanercept for approval in Japan, world's second largest drug market, in 2017.

4) Rubicon Research Pvt Ltd, a contract research and manufacturing services firm, is in advanced talks with Everstone Capital and a few high-net-worth Individuals (HNI) to raise up to Rs 240 crore (US\$ 35.79 million), which will be used to increase the company's manufacturing capabilities.

5) Lupin Ltd plans to acquire a portfolio of 21 generic brands from Japan-based Shionogi & Co Ltd for Rs 10.08 billion (US\$ 150.3 million), which will help to strengthen its presence in the world's second largest pharmaceutical market.

6) International Finance Corporation (IFC), the investment arm of the World Bank, plans to invest up to US\$ 75 million in Glenmark, which is looking to raise around US\$ 200 million for expansion and the launch of several new products in India and other emerging markets over the next three years.

7) Cipla Limited plans to invest around Rs 600 crore (US\$ 89.47 million) to set up a biosimilar manufacturing facility in South Africa for making affordable cancer drugs and growing its presence in the market.

8) Rusan Pharma, a firm which specializes in de-addiction and pain management products, plans to invest Rs 100 crore (US\$ 14.91 million) in a R&D Centre and a manufacturing unit in Kandla, located in Kutch District in Gujarat.

9) Pink Blue Supply Solutions Pvt. Ltd, a clinical supplies provider, has raised Rs 1.5 crore (US\$ 0.22 million) in a seed round of funding from TermSheet.io, a transaction-focused service provider for start-ups and investors.

10) The Medicines Patent Pool (MPP) has signed a licensing agreement with six Indian drug makers for the generic manufacturing of four antiretroviral (ARV) and hepatitis C direct-acting antiviral drug Daclatasvir.

11) Dr Reddy's Laboratories, one of the major pharmaceutical companies of India, has entered into a strategic collaboration agreement with Turkey-based TR-Pharm, to register and subsequently commercialize three biosimilar products in Turkey.

12) Lupin has completed the acquisition of US-based GAVIS Pharmaceuticals in a deal worth US\$ 880 million, which is expected to enhance its product pipeline in dermatology, controlled substances and high-value specialty products.

13) Cipla Ltd, one of the major pharmaceutical and biotechnology companies in India, has acquired two US-based generic drug makers, InvaGen Pharmaceuticals Inc. and Exelan Pharmaceuticals Inc., for US\$ 550 million, which is expected to strengthen Cipla's US business.



14) Emcure Pharmaceuticals has acquired Canada's International Pharmaceutical Generics Ltd and its marketing arm Marcan Pharmaceuticals in order to boost its global expansion drive.

15) Cipla announced the acquisition of two US-based companies, InvaGen Pharmaceuticals Inc. and Exelan Pharmaceuticals Inc., for US\$550 million.

16) GlaxoSmithKline Pharmaceuticals has started work on its largest greenfield tablet manufacturing facility in Vemgal in Kolar district, Karnataka, with an estimated investment of Rs 1,000 crore (US\$ 149.11 million).

17) Lupin has acquired two US based pharmaceutical firms, Gavis Pharmaceuticals LLC and Novel Laboratories Inc, in a deal worth at US\$ 880 million.

18) Several online pharmacy retailers like PharmEasy, Netmeds, Orbimed, are attracting investments from several investors, due to double digit growth in the Rs 97,000 crore (US\$ 14.46 billion) Indian pharmacy market.

19) Stelis Biopharma announced the breakthrough construction of its customized, multi-product, biopharmaceutical manufacturing facility at Bio-Xcell Biotechnology Park in Nusajaya, Johor, Malaysia's park and ecosystem for industrial and healthcare biotechnology at a total project investment amount of US\$ 60 million.

20) Strides Arcolab entered into a licensing agreement with US-based Gilead Sciences Inc to manufacture and distribute the latter's cost-efficient Tenofovir Alafenamide (TAF) product to treat HIV patients in developing countries. The license to manufacture Gilead's low-cost drug extends to 112 countries.

#### **Government Initiatives:**

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

Mr Ananth Kumar, Union Minister of Chemicals and Petrochemicals, has announced setting up of chemical hubs across the country, early environment clearances in existing clusters, adequate infrastructure, and establishment of a Central Institute of Chemical Engineering and Technology.

#### **Some of the major initiatives taken by the government to promote the pharmaceutical sector in India are:**

1) Planning to set up around eight mini drug-testing laboratories across major ports and airports in the country, which is expected to improve the drug regulatory system and infrastructure facilities by monitoring the standards of imported and exported drugs and reduce the overall time spent on quality assessment.

2) India is expected to rank among the top five global pharmaceutical innovation hubs by 2020, based on Government of India's decision to allow 50 % public funding in the pharmaceuticals sector through its Public Private Partnership (PPP) model.

3) Indian Pharmaceutical Association (IPA), the professional association of pharmaceutical companies in India, plans to prepare data integrity guidelines which will help to measure and benchmark the quality of Indian companies with global peers.

4) Planning to incentivize bulk drug manufacturers, including both state-run and private companies, to encourage 'Make in India' programme and reduce dependence on imports of Active Pharmaceutical Ingredients (API), nearly 85 per cent of which come from China.

5) The Department of Pharmaceuticals has set up an inter-ministerial co-ordination committee, which would periodically review, coordinate and facilitate the resolution of the issues and constraints faced by the Indian pharmaceutical companies.

6) The Department of



Pharmaceuticals has planned to launch a venture capital fund of Rs 1,000 crore (US\$ 149.11 million) to support start-ups in the research and development in the pharmaceutical and biotech industry.

### Literature Review:

The researcher reviewed following the Literature.

#### “India Pharma 2020 propelling access and acceptance realizing true potential”,McKinsy& Company:

The researcher described that Indian Pharma Industry having unique feature of branded Generic market with 70to 80% retail market.Indian market along with China, Brazil and Russia growing drastically. The researchers described that Pharma market growing from 2009 with compound annual growth rate. With growth health insurance also increasing, Government’s spending on Health care also increasing .The reasons of growth are increase in urban and metro city population, increase in disposable oncome of population. The paper also tells the crucial role of government will be required for future development.

### Objectives:

- 1) To Study Make in India initiative and development of Pharma Industry.
- 2) To study Government policies and support towards development of Pharma Industry.
- 3) To study potentialities of development of Pharma Industry in future.

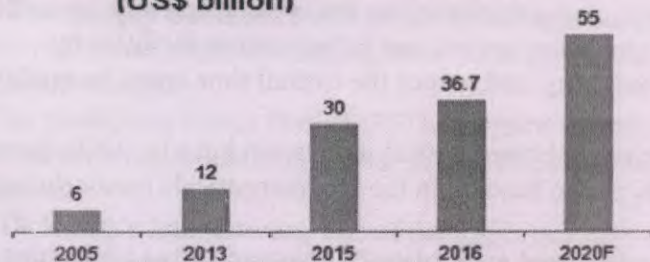
### Limitation:

The study is related to Pharmaceutical Industry only, other Industries are not taken into consideration and research is based on secondary data only.

### Methodology and sources of data collection:

Data collected from secondary sources such as special web portals such as [makeinindia.com](http://makeinindia.com), , [ibef.org/industry/pharmaceutical-india.aspx](http://ibef.org/industry/pharmaceutical-india.aspx),[marketrealist.com/2016](http://marketrealist.com/2016) and Indian Journal of Pharmac Practice,etc.

### Revenue of Indian pharmaceutical sector (US\$ billion)

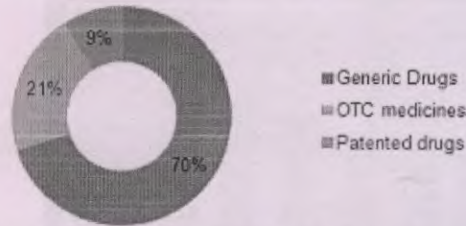


Source: Department of Pharmaceuticals, PwC, McKinsey, TechSci Research  
Notes: F - Forecast, CAGR - Compound Annual Growth Rate

The table shows Revenue of Indian Pharma Sector from 2005 to 2016 and expected future growth up to 2020.From 2005 to 2013 it became double .i.e. 100% growth while up to 2016 it goes to 6 times in 2005(670%) and it is expected that up to 2020 it may grow up to 910%(55US\$billion).

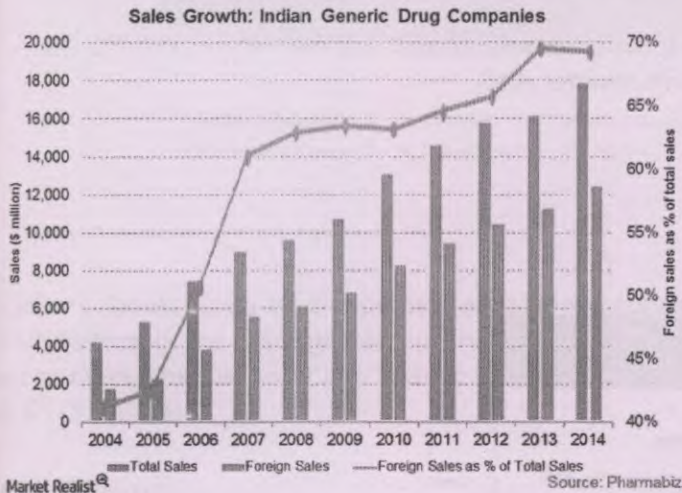


### Revenue share of Indian pharmaceutical sub-segments in 2015 (%)



Source: Business Monitor International, FCCI Indian Pharma Summit 2014-15, TechSci Research

The diagram shows revenue share of Indian Pharma sub-segments. Generic Drugs segment has largest share of 70% while OTC (Over the Counter) medicines having 21% share and patented drugs the smallest share of 9%.

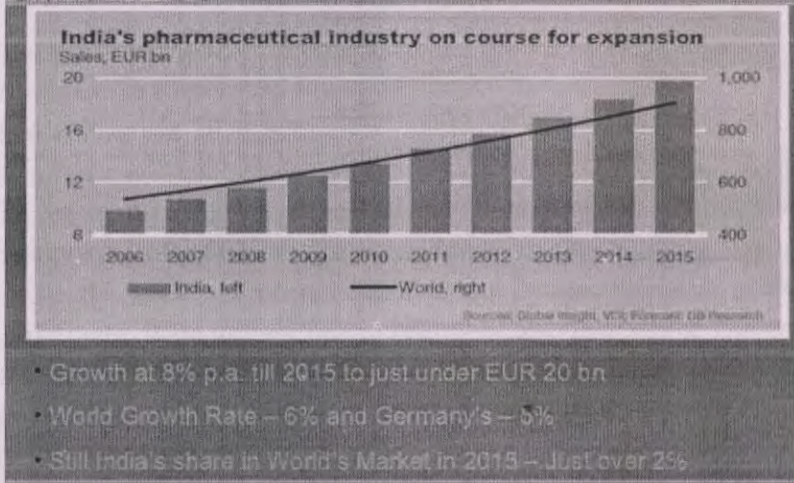


The above table shows sales growth of Indian Generic Drug Companies in foreign countries as well as sales growth in India from 2004 to 2014 in million annually. Foreign sales shown by orange vertical bar while the total sales shown by blue vertical bar while the difference between the two is sales growth in India. 2005 to 2007 growth is very fast while from 2007 growth is slow showing upward trends.



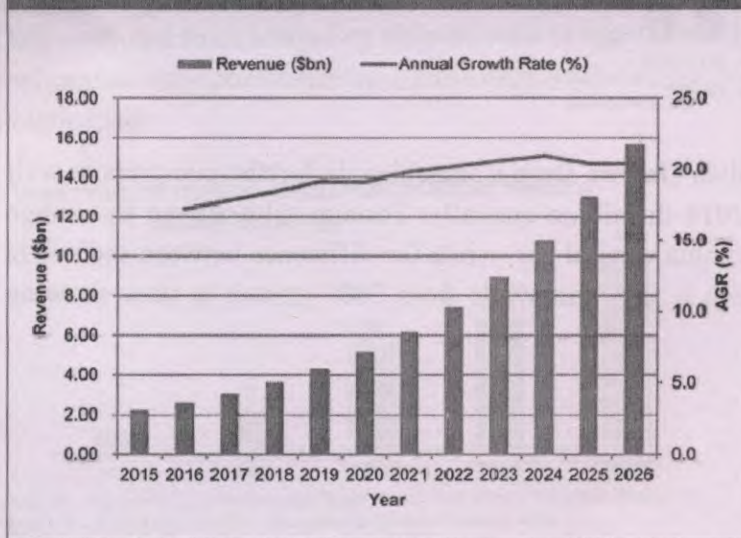


## Growth Projections



The table shows that expansion of Indian Pharma Industry from 2006 to 2015. It indicates the Industry is expanding at average 8% and in future the trend will continue Also.

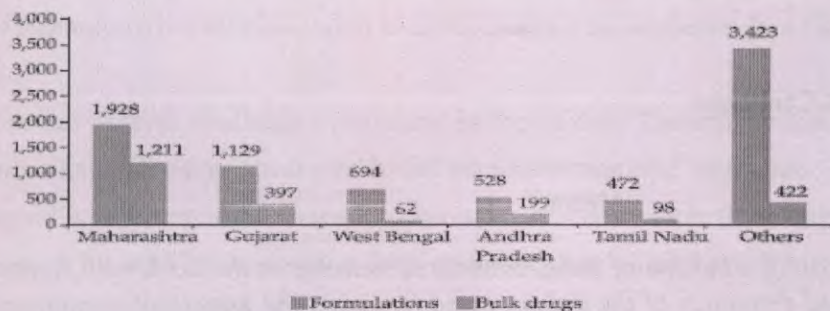
Figure 5.7 The Indian Cardiovascular Drugs Market: Revenue (\$bn) and AGR (%), 2015-2026



The table shows that Indian cardiovascular drugs market revenue in billion and annual growth rate in % from 2015 to 2026 on the basis of trends going on in this industry.

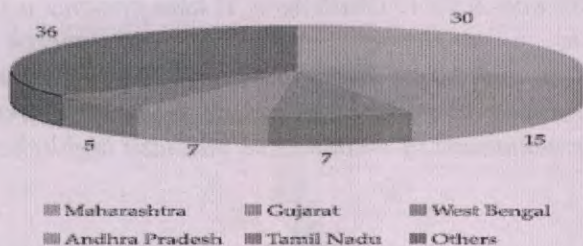


Chart 3.1: State-wise number of pharmaceutical manufacturing units in India



Source: Department of Pharmaceuticals, Govt

Chart 3.2: Concentration of pharmaceutical manufacturing units in India (%)



Source: Department of Pharmaceuticals, Govt

Table shows State-wise number of pharmaceutical manufacturing units in India in which Maharashtra is the State got second rank having maximum manufacturing units(30%) as the two metro cities Mumbai and Pune is there in Maharashtra whereas Gujrat is 3<sup>rd</sup> (15%)while Tamil Nadu is 6<sup>th</sup> (5%)in rank .

### Conclusion:

Pharmaceutical Industry one of the largest Industries in India has been growing in India as well as outside India. Government has planned to develop Smart Cities involving overall better services to citizens including better drugs/Medicines and Healthcare services. Make in India step taken by Government is supportive to develop this sector more and more. As with growth it will generate huge business opportunities and employment opportunities in upcoming Smart Cities of India in future due to which one of the major unemployed problems can be solved while government will get huge tax from this Industry. As Conferences, Seminars and Workshops are also useful to make the idea of development of this sector clearer. Due to Government’s supportive role it can said that in future India may become number one in Pharmaceutical Industry globally and move towards Economic development.

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## E-COMMERCE –CHALLENGES &ISSUES IN UAE

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### **Abstract**

*This report examines the prevailing situation of the E-commerce industry in the UAE with respect to the current size, key market and dynamics of the industry and forecasts the growth of ecommerce in the future.*

*The report provides an overview of Business to Consumer (B2C) E-commerce sector globally, with specific focus on the UAE market. With respect to the UAE E-commerce industry, it focuses on the key emerging trends, basic growth drivers and notable challenges. It also presents a future outlook for the UAE business to consumer (B2C) e-commerce industry. In addition, it analyzes the major barriers and issues in regards to proper implementation of e-commerce in the country, followed by the current trend of e-commerce usage. It emphasis on the Government policies regarding the implementations of e-commerce and also highlights the growing demand for e-commerce in UAE.*

### **Background**

Retailers all over the world are prospering from the burgeoning trend of online shopping. Yet Middle Eastern countries lag behind as late bloomers, and are still struggling to grow their ecommerce markets.

Many retailers are not embracing ecommerce for a number of reasons, such as challenges in delivering goods and being discouraged by the failure of other companies in setting up ecommerce sites, said Rammohan Nair, director of strategic accounts for the Middle East and India at Retail Pro, a global retail management software company.

“The addressing system that we have in Dubai is not easy... also, there have been players in the market that have had high expectations but did not meet them. There are bad experiences that have deterred people,” he said on the sidelines of an event organised by Smart Stores Expo in Dubai on Monday. He also pointed out that some franchisees in the country are not allowed to set up an ecommerce site. “The big retailers are franchisees and certain franchisee business agreements don’t allow the franchisee to have their own ecommerce sites,” he said, adding that while consumers in the UAE are buying more online, many still prefer to shop at brick and mortar stores.

Interestingly, various countries in the Middle East have some of the world’s highest Internet and mobile penetration rates. Alternative payments are quickly expanding, and having access to some of the world’s most coveted natural resources allow countries in this region to have some of the highest GDP in the world. There are over 190 million consumers living in the Middle East, and the total



GDP has been estimated at about \$1.6 trillion, reported **Cash & Trade magazine**. So, if the funding and technology is available, what is slowing down eCommerce growth in the Middle East?

There are several challenges prevalent in the Middle Eastern market that will require international merchants to develop strategies based on innovation and vigilance. This is a unique region that is plagued with complications many other countries have little to no experience with, which highlights the need for retailers to have a deep understanding as to how this region operates before they can begin finding solutions.



• **Delivery, Interrupted**

RohitMisra, former VP at Havas Worldwide (a global marketing and advertising agency) explains her experience while working in Dubai for seven years:

“My responsibilities were managing the group’s presence across nine countries in the region and spearheading the introduction of new services and new media,” she said. “One of the challenges that we faced as regards eCommerce was the lack of postal addresses. There were no street addresses, only P.O. boxes. So this ruled out mail as a means of shipping.”



A GPS is essentially useless in Dubai since no home delivery postal system exists. This means there are no street addresses for residential or business locations within the city. Drivers in Dubai must be familiar with the city's layouts since locals commonly provide buildings and landmarks as a means of navigation.

Online businesses struggle when only provided with a district name and a city postcode for delivery. P.O. boxes are available, but not common. Local online businesses have the advantage of knowing how to get around Dubai and will often make deliveries by motorcycle if the order is small enough. However, international merchants have a hard time with shipping items to cities like Dubai and are hesitant to do so. Dubai acknowledges this is a major problem for eCommerce, but it could take years before the infrastructure can be corrected.

- **Lack Of Confidence**

There have been great improvements in regards to Internet access and smartphone usage in the Middle East, which indicates technology is not a barrier for eCommerce growth.

The issue is a lack of confidence – amongst both consumers and merchants – in online payments. According to Biz Report, only 6 percent of Internet users regularly shop online, and almost half (43 percent) of users said they do not purchase online because they don't trust the region's online payments process.

Despite the region's improvement in building a more mature financial market and banking infrastructure, it still suffers from an inadequate clearing and settlement process, and underdeveloped electronic channels for money transfers. And of course, the Arab population's long love of cash does not help, either.

The Middle East card industry needs improvement since most regional and national card processors are fragmented, which leads to high cost-per-transaction fees.

The governments and banks of the Middle East need to actively educate merchants and explain how accepting more card payments can be better for online and international sales. Currently the majority of merchants in Arab countries prefer to accept payments in cash, because they do not trust the banking system and have a lack of alternative payments acceptance knowledge.

Some are even unsure of the differences between credit and debit card payments. An increase in card acceptance would also decrease risk of theft and counterfeit currency in shops.

- **Vulnerable To Fraud**

Unfortunately for the ecommerce market, the Gulf region is also highly susceptible to online cyber attacks. A study by Norton from Symantec reported that two-in-five mobile shoppers in the



MENA region have become a victim of cybercrime. The same study revealed that 71 percent of the respondents said they witnessed cyber attacks in the region.

The issue is not limited to the virtual world, but is permeating to all financial transactions across the region.

Rania Saghir, who is from the Middle East and has worked with market movers in Syria, Lebanon and the UAE, explained her experience with fraud while out in Dubai:

“We were in Dubai couple of years ago and we were dining at a restaurant. We gave our credit card to the waiter so he could charge us for the dinner we ate. The guy went to the kitchen, Xeroxed the credit card, and at night while we were sleeping, he went online and bought goods for about \$3,500. Upon our return we were faced with this problem and we had to convince the credit card company that it wasn't us who did it.”

### **Middle East Etiquette**

Jim Angleton, the President for Aegis Prepaid Debit Card Financial Institution, works in the Middle Eastern market often for eCommerce and eCatalog sales. Angleton reminded PYMNTS.com of a difference between business in the Middle East and elsewhere, but one that is crucial for international retailers to understand.

“It is a mixed bag, and very difficult to conduct business in the MENA countries,” explained Angleton. “Needless to say, it's extremely challenging as you must be vigilant about understanding the customs for proper business and business conduct in this market.”

Before retailers decide to do online business in this market, it is important for them to study the business culture and proper etiquette. Differences can include meeting protocols, conducting the right communication practices and understanding techniques on how to negotiate business in way that is not offensive.

There is great diversity in the Middle East, as well as a high respect for religion. The culture does not differentiate the professional and personal world, which is an important concept for retailers to keep in mind. The Kwantessential reported that the Islamic faith is saturated **in nearly all aspects of life.**

Arabs generally address others by their first name when doing business, and handshakes are commonly used when greeting others for business. Moreover, gender roles are more sensitive in the Middle East compared to other regions, and how you interact with the opposite gender is



important. More women are joining the eCommerce industry, but male merchants must be careful to avoid prolonged eye contact and shaking hands as this is condemned in their culture.

Retailers hoping to increase eCommerce sales in this region need to pay attention to the daily routines of Muslims to avoid disrespect and establish professional networks.



### A Promising Future

The Middle East may be late bloomer of global ecommerce, but in a short period of time the region managed to become the new up-and-coming market. A recent Visa study estimated a 45 percent year-on-year sales increase in the MENA region—jumping from \$10 billion to \$15 billion from 2011 to 2012. Moreover, Visa named MENA as the fastest-growing eCommerce region in the world. Saghir predicted, “The middle east will be in the future the place to be for eCommerce in 10-15 years.” The ecommerce market in the Middle East and North Africa is valued at \$15 billion, according to Nair. The number of ecommerce users in the region is 90 million and only 15 per cent of businesses have an online presence, he said.

“In the GCC [Gulf Cooperation Council] ... half of internet users purchase something on the web at least once [a month],” he added. On his outlook for the local retail industry, Nair said that brick and mortar “is here to stay” and that ecommerce will still be “complimentary to the shopping experience.” “[Ecommerce] is where people learn more about a product or where should they go and buy it,” he said.

With more than 28% of the population in the region aged between 15 and 29, the Middle East is an exciting territory for payments. Young people are the fastest growing demographic, making this one of the most youthful regions in the world, with a median age of 22 compared to the global average of 28. However, local economies remain cash orientated, with an estimated 85-90% of retail



transactions being carried out by cash and cheque. The cultural tradition of doing business face-to-face is hard to break, and whilst card usage is on the rise, the religious implications of using a credit card remain. Add on top the regional misconception that digital channels aren't secure, changing the culturally ingrained behaviours in this geography won't be easy.

The large young population, the rising popularity of internet shopping, and the surge in adoption of mobile phones, make the region the ideal environment for a digital revolution. In 2015, ecommerce sales are expected to exceed \$15 billion, an increase of \$6 billion since 2012. The region as a whole boasts over 95 million online shoppers whilst the UAE has one of the highest global mobile penetration rates with 78% of the population owning at least one smartphone.

Despite the rise in popularity of internet shopping, people are still paying for goods and services in cash. Cash on delivery is rife, with over 60% of all online purchases being paid for on the doorstep. This is a huge issue for merchants as there are high return rates (approximately 40%), a big time lag between the order and payment, and the need for delivery people to carry cash. Although card issuance has grown significantly, only 23.5% of online shoppers own a card and in many countries cards are mostly used to withdraw cash from ATMs. In Saudi Arabia, for example, 90% of card transactions are ATM withdrawals.

Cash on delivery is expected to decline as consumers become more confident in online security. The increased uptake of shopping over the internet helps solidify merchant trust, especially across more well-known and established brands and consumer education is a top priority for all ecommerce businesses. A small number of online merchants have removed cash on delivery from the payment options available to their customers, however this approach has not been well-received. Larger e-tailers are spending serious amounts of money on educating the public, whilst others either add charges for cash on delivery or offer incentives such as discounts to encourage their customers to pay online, hoping to establish this behaviour as a habit. Unfortunately, as soon as the incentive is removed, customers have been quick to revert back to like, making this option financially unviable in the long term.

So how can the Middle East move their ecommerce business away from a cash-first mentality towards a less-cash society? The obvious solution is to find a way to use electronic payment channels to provide consumers with a better experience than they get with cash, a compelling alternative that addresses any issues they may have.

The Middle East is stratified, with large areas of underbanked populations, for example in Egypt only 7% of the population has a bank account, to consumers with large spending powers and pockets of expatriate communities, for example the UAE. Whilst credit card issuance is growing in the UAE,



other countries are turning to alternative payment methods to reach the underbanked. Banking products need to be tailored to meet consumers' online needs in order to cater for such diversity.

In recent years the Gulf States have become some of the most progressive in terms of investing in payments infrastructure. In the UAE in particular, the combination of strong support from both the regulatory authorities and the government is laying the foundations for a significant increase in electronic payments in the years to come. As behaviours begin to shift, market opportunities for new products are emerging. One such solution-driven product that is increasingly becoming a consumer favourite is the prepaid card.

Prepaid as a term shouldn't be solely assigned to cards; the mobile is another channel that can support the prepaid model whilst serving more remote geographies. Prepaid is a smart way for financial institutions to grow their business in what is largely an underbanked (80% of the population), cash-led environment. It is an ideal fit with the Sharia finance principles by not offering credit, and provides a more secure way to make payments online.

Popular across all age groups, prepaid has been heavily adopted in Saudi Arabia, where, according to Euromonitor International, the number of prepaid card transactions increased from 0.6 million in 2012 to 2.8 million in 2014. Kuwait has also been an early adopter of prepaid for online shopping, whilst it remains in its infancy in other countries across the region. The key drivers around prepaid circle around online security, no prerequisite to have a bank account, and the attractiveness of budget management tools.

In countries with more established payments infrastructure, prepaid can offer a short term solution to encourage the transition between cash and cards or cash and mobile payments to quell issues around online security; essentially using prepaid as a stepping stone to other banking products. In countries with less developed infrastructure, prepaid can be used as a longer term solution to reach the larger populations of unbanked and underbanked by instilling trust in financial systems. To ensure success, prepaid would need to be packaged differently for each market, and for different demographics within those markets.

As attitudes shift, market opportunities for new payment channels will emerge and solution-driven products will pave the way for a less cash-focused approach. The Middle East is set for change, however, change takes time and the challenges facing ecommerce continue to grow. Prepaid could be a smart way of addressing these issues as a flexible solution that can be tailored to anyone.

The region's e-commerce sector is being held back by cash-on-delivery (COD), industry experts say. About 60 per cent of all online purchases are paid once the goods are delivered and increasingly customers are refusing to hand over cash if they are unsatisfied with an item resulting in pointless delivery costs for the merchant. "Cash on delivery is the biggest challenge for e-commerce players in

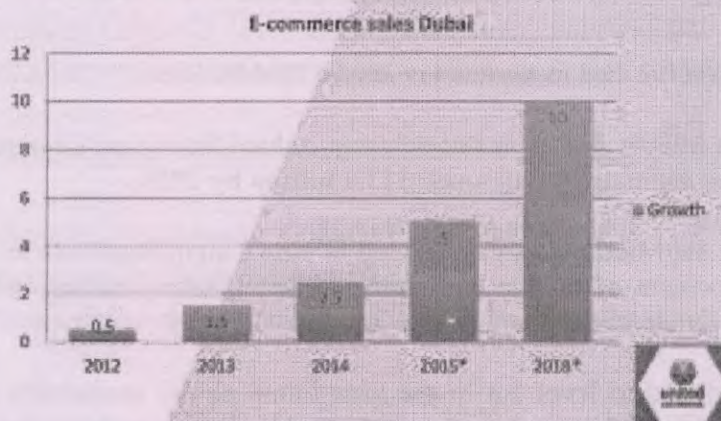


the region,” said Abdul Malik Jaber, the chairman of Middle East Payment Services (MEPS). “There are high return rates, a big lag time between order and payment and the need for delivery people to carry cash is a major risk.” In 2012 the e-commerce sector was worth \$9bn in the region, next year it is set to be worth \$15bn across the Middle East & North Africa (Mena).

MasterCard is about to launch its mobile payment system, MasterPass, over the next few weeks in the UAE. Similar to Paypal, it logs the users credit card details and allows them to purchase goods via their mobile phones by simply logging in with their user name and password.

Providing incentives and discounts for paying online or via mobile digital wallets is one way to cut down on cash on delivery and help merchants be more efficient and save costs.

### E-commerce Sales in Dubai 2011- 2015 Graph



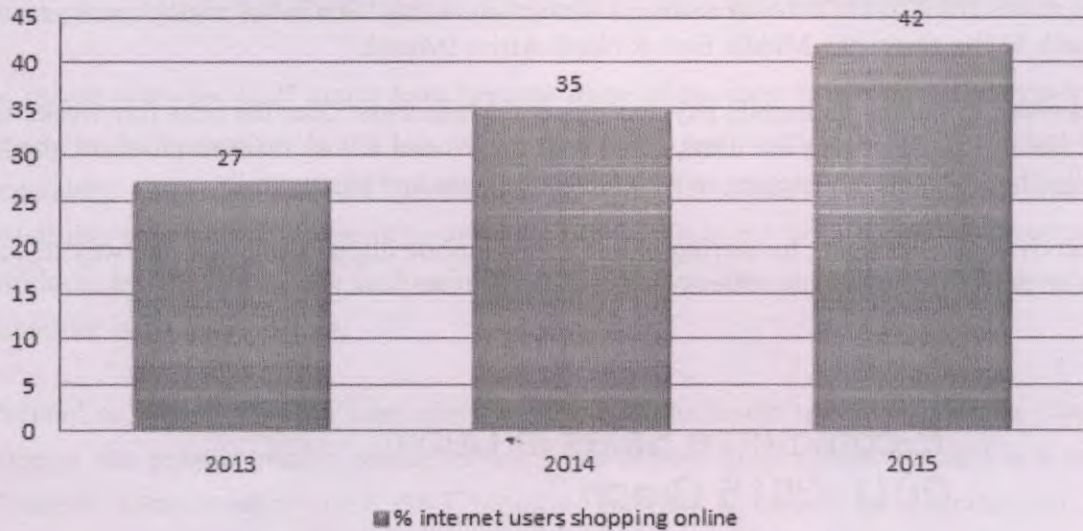
#### Ecommerce trends in the UAE and rest of the Middle East

A sure sign of the immense potential of the ecommerce market in a region is when payment gateway companies flock to the region, working hard to document the scope and attract ecommerce players to the region. So we have MasterCard, Visa, PayPal, all presenting reports on the state of ecommerce in the Middle East. It's not surprising though. The Middle East is well known for having **one of the highest global per capital internet penetration.**

MasterCard has been conducting its Online Shopping Behavior Study annually in the Middle East. Over the past three surveys, it has noted a steady increase in the **number of internet users who have shopped online:**



## Online Shopping Behavior Study: Middle East



### The growth of ecommerce and m-commerce in the Middle East

A study by Payfort, a Middle East payment gateway, valued the region's ecommerce market value at \$7 billion in 2014, and estimates it will touch **\$13.4 billion by 2020**.

Mobile commerce in the Middle East is predicted to play a significant role in this growth-according to MasterCard, the percent of mobile and general internet users making online purchases ranges greatly, from 37% in Oman to a high of 95% in Kuwait.

This disparity is predicted to level out in the near future as the availability of technology grows. Ronaldo Mouchawar, CEO of Souq.com, the Arab world's largest multivendor ecommerce platform, says the mobile is the biggest platform for most ecommerce merchant sales in the region.

In the Payfort study, released in early 2015, Mouchawar was quoted: *"In many online shopping categories, such as fashion, mobile sales are already higher than web-based transactions, and by the end of 2015 we expect mobile to completely overtake web."*

The challenges: What's been holding back the Middle East ecommerce market from developing so far?

"The No. 1 challenge has always been the **last mile of logistics**," says Chris Schroeder, an investor and author of a book on entrepreneurship in the Middle East. Souq.com's Mouchawar too acknowledges the challenges in delivering to areas without a dependable mail service or, sometimes, even a proper address system to speak of.

And according to Payfort's State of Payments 2015 study, the biggest problem cited by merchants surveyed was **capturing market share**, followed by delivery.

But Habib Haddad, CEO of Wamda, a Dubai-based organization that supports entrepreneurs through research, accelerator programs and events, has been quoted saying, "I think there is a lot of room for many players. I don't think they are obsessed about competitors at this point. And I don't think they should be," he said. "They need to be obsessed about the customer."



## Role of Ecommerce Technology and an Ecommerce Consultant

A good shopping experience is a compelling factor in attracting and retaining customers at a webstore. To deliver such an experience, your web-store should be equipped with user-friendly features, streamlined workflow and fulfillment processes.

This feature implementation and backend integrations with ERP, CRM and other systems require in-depth technology expertise. It also requires extensive project experience with popular ecommerce platforms like SAP hybris and Magento/Magento 2.0 platforms. Thus, only an experienced and trustworthy technology vendor should be appointed, allowing the management to focus on core business activities without having to worry about the technology implementation.

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## A STUDY OF INNOVATIVE HUMAN RESOURCE PRACTICES AND ORGANIZATIONAL COMMITMENT

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### **ABSTRACT:-**

India is a very fast developing country .Because of globalization everyone wants to do business with us .This has given lot of opportunities for our country to grow further but it posed lot of Challenges to establish themselves more competitive than the foreign companies. Moreover competitive pressures are built on the organizations to be proactive in diagnosing HR problems and to adopt more innovative HR practices for survival. Hence the corporate have started formulating and adapting innovative strategies in the areas such as Policies, Motivation, Relations, Change agent and Quality Consciousness. Nowadays it is not possible to show a good financial or operating report unless your personnel relations (HR) are in order. Human resource management is a process of bringing people and organizations together so that the goals of each other are met. Indian organizations are witnessing a change in systems, management cultures and Philosophy due to the global alignment of Indian organizations. Over the years, highly skilled and knowledge based jobs are increasing while low skilled jobs are decreasing. This calls for future skill mapping through proper HRM initiatives. The recent quality management standards ISO 9001 and ISO 9004 of 2000 focus more on people centric organizations. Organizations now need to prepare themselves in order to address people centered issues with commitment from the top management, with renewed thrust on HR issues, more particularly on training. Due to the new trends in HR, in a nutshell the HR manager should treat people as resources, reward them equitably, and integrate their aspirations with corporate goals through suitable HR policies. Indulge in continuous quality improvement through TQM and HR contributions like training, development, counseling etc.

**Key words:** Human Resource, rewards, performances, Technology, administration, Employees behaviour, commitment.

### **INTRODUCTION:-**

The role of Human Resources is changing as fast as technology and the global marketplace. Historically, the HR Department was viewed as administrative overhead. HR processed payroll, handled benefits administration, kept personnel files and other records, managed the hiring process, and provided other administrative support to the business. Those times have changed. The positive result of these changes is that HR professionals have the opportunity to play a more strategic role in the business. The challenge for HR managers is to keep up to date with the latest HR Innovations - technological, legal, and otherwise. Human capital is a key, and by all accounts increasingly important, part of the resource-base of firms. Human resources have been called the “**key ingredient to organizational success and failure**” The organizational set-up of the firm, notably its human resource management practices, also matter to the contribution of human capital to innovation performance. Thus, management deploys training arrangements, makes decisions on reward structures, sets up teams, allocates decision-rights and so on, and these arrangements have implications for the contribution of human capital to innovation. HRM Practices The notion of “modern HRM practices” has become an increasingly used way of referring to high levels of delegation of decisions, extensive lateral and vertical communication channels, high reward systems



often linked to multiple performance indicators, and other practices that either individually or in various bundles are deployed to achieve high levels of organizational performance.

#### **OBJECTIVES:**

1. To study the innovative HRM practices adopted by the organizations.
2. To study the wellness programs which throws a positive impact on the employees behavior.
3. To understand the Health Factors having an impact on the employees performances.
4. To analysis the use of Technology, Security and Legal Liability by the organization.
5. To study, how the Copy Right, System Integrity helps organizations to maintain confidential informations.
6. To study the various innovative practices like Hiring and Retention strategy, Developing performance profiles, Business Specific Recruitment, Assessment and Selection, Establishing Code of Ethics, Diversity Programs, Reward and Recognition, Compensation Benefits etc adopted by the organizations.

**RESEARCH METHODOLOGY:** The study is purely on the basis of secondary data collection, the data is collected from few international journals, reference books, websites based on Human Resource practices and Article.

#### **INNOVATIVE HRM PRACTICES:**

1. Globalization Competitive Pressures Technology, Security, and Legal Liability.
2. Attract and Access the Talented.
3. Develop and Grow the potential.
4. Engage and Align the best.
5. Involving knowledge incentives.
6. Involving knowledge sharing.
7. Involving employee training.
8. Hiring and retention.
9. Wellness Programs.
10. Non –discrimination.
11. Performance in terms of process and/or product innovation.
12. Economic performance (productivity/profitability).
13. Diversity Programs.

**Wellness Programs:** There is little question that employers can have a positive impact on employee behavior. Done well, employer-sponsored wellness programs have been successful in helping employees make better choices. Some such activities are full blown programs. Others are small, finite activities that are part of overall HR and safety.

Wellness programs include:-

1. Exercise and fitness.
2. Smoking cessation.
3. Blood pressure management.
4. Weight management.
5. Stress management.
6. Cholesterol management.
7. Nutrition Best Practice.

#### **Health factors are:**

1. Health status.
2. Medical condition, including both physical and mental illnesses.
3. Claims experience.
4. Receipt of health care.



5. Medical history.
6. Genetic information.
7. Evidence of insurability; and
8. Disability.

**Technology, Security, and Legal Liability:**

Employees who send out abrasive, harassing, or discriminatory e-mail messages or news group postings or who visit inappropriate websites are subject to discipline. Your Internet policy should be coordinated with other company policies establishing proper standards of employee conduct and prohibiting harassment or other forms of offensive and/or unethical behaviour by employees. Under no circumstances should an employee's use of the Internet compromise the legitimate business interests of the company or result in illegal activity.

**Limiting access:** If necessary to prevent abuses, install monitoring and filtering software to block out or curtail access to specific websites or newsgroups.

**Copyright:** With the use of the Internet comes the proliferation of data. Some of this data may be copyrighted by others. You should establish a policy to periodically review your system to identify any illegal copyrighted items.

**System integrity:** When choosing the best alternative for protecting your employees and your company from identity theft, consider the four types of protection available:

1. Computer protection: Anti-virus, anti-spyware, wireless security, etc.
2. Guidance on protecting against a variety of exposures of personal data from shredding documents, to opting out of marketing databases, to tracking data in Social Security, driving, medical, and financial databases.
3. Credit monitoring at varying levels of frequency, sometimes with alert services in the event of credit inquiries or changes.
4. Insurance coverage.

**Hiring and Retention:** Hiring and keeping good employees is not only important to business - it's essential. For HR professionals, this means the race to locate, hire and retain qualified employees is on. As your organization prepares to address staffing needs in the coming year, consider the following steps to effective and efficient hiring and retention.

**Developing a Hiring Strategy:** Hiring should not be an issue that you think about only on the day that an employee gives notice and you are faced with the immediate need to fill his or her position. Particularly in a tight labour market, attracting and retaining top talent requires a thoroughly thought out hiring strategy that is tailored to the individual characteristics and needs of your company.

**Recruiting Strategy:** After extensive research and planning, the staffing organization identified five major processes for its recruiting strategy: People planning. HR partners with Finance at a business-group level to evaluate how many and what type of positions will need to be filled in a given time frame and to ensure that the business group's financial plan will support its hiring plan.



**Developing performance profiles:** These extensive versions of job descriptions focus not just on what the job entails, but also on what needs to be accomplished by a person in that position, and what the job expectations are.

**Business-specific recruiting:** Organizations has recruiters dedicated to each of its major businesses in the United States. These recruiters work directly with hiring managers to land the candidates.

**Assessment and selection:** The Company uses team-based interviews to select the best job candidates. Interviewers ask both behavioral questions (e.g., how the candidate would approach something from an interpersonal communications perspective) and technical questions (e.g., how he or she would solve a technology or process issue).

**Retention:** Top Concern of HR Professionals Once an employer has hired a quality employee -how do they keep him or her on board? Nearly half of 1,000 HR professionals report that retaining workers is their biggest concern regarding “the bottom-line profitability” of their company, according to a survey by Express Personnel Services. Why are the great employees leaving? Seventy-one percent of top-performing employees say pay is one of the top three reasons they would leave an organization, but only 45 percent of employers cite pay as a top retention issue. Employers were more likely to cite promotion opportunities (68 percent) and career development (66 percent) as one of the top three reasons top-performing employees leave.

1. Bonuses Gaining Popularity for Retention.

2. Competitive Benefits Crucial for Retention.

3. Train Bad Managers to Boost Retention It is often said that “people quit managers, not companies.”

In order to combat the loss of employees caused by bad managers, employers must enact long-term, sustainable, behavioral change in those managers. An employee’s relationship with his or her immediate supervisor is the determining factor of whether the employee will stay and how productive he or she will be. When a company learns that employee morale is low, the first reaction is often to conduct leadership training among managers. Another component to successful behavioral change is to hold the manager accountable for the success of the training. If participants know that they are going to be held accountable, they don’t treat training as “a day off” from work, but are instead highly motivated to acquire and use the skills taught.

**Establish a Code of Ethics:** For senior management and HR executives of many small companies, it may seem a formidable task to undertake the development of a code of ethics. However, constructing one may have long lasting, positive effects on the business culture in your organization. It may also enhance your employees’ dedication and commitment to their work and positively influence their behavior in the workplace. A code of ethics illustrates for customers, employees, and the community your organization’s expectations for corporate conduct. The code of ethics becomes the game plan from which employees can develop appropriate business strategies and managers can implement work policies and procedures.



**Reviewing the Code:** Once a code of ethics has been put into place, HR executives and senior leadership should review the code on an annual basis and solicit employee feedback with a mechanism such as an anonymous employee survey or discussion facilitated by an outside objective resource. Such practices allow employees to share their experiences with adhering to the code of ethics and their observation of other employees and managers regarding their ethical behavior.

**Diversity Programs:** Employers that embrace diversity are likely to build morale, retain employees, and increase productivity. Through training, employers can encourage workers to appreciate the differences between themselves and their co-workers and create a work environment that not only recognizes those differences, but leverages them as well. A successful diversity training program encourages participants to manage their minds. Employers and employees need to look at the bigger picture and embrace differences in the workforce. They should adopt a broad definition of diversity to include not only race and culture, but also gender, religion, age, nationality, and lifestyle.

### **TOP BEST PRACTICES IN HR MANAGEMENT FOR 2016:**

The company's legal obligations to comply with federal Equal Employment Opportunity requirements. Training Tips Consider the following tips to help make diversity training for managers successful:

1. **Stay up to Date:** Stay up to date on current events related to diversity and regularly update managers on what you find.
2. **Effective Techniques:** To Study diversity initiatives implemented in other companies and explore which techniques would be most effective in your workplace.
3. **Provide managers with tips for promoting diversity:** For example, when creating teams to work on particular projects, managers should group employees across cultural, racial, and gender lines, giving them a reason to interact.
4. **Encourage managers to model the behavior of Employees:** Managers should encourage modeling the behavior they want employees to exhibit, challenge stereotypical assumptions, and increase understanding about cultural differences.
5. **HR for the Future:** HR professionals will continue to be challenged by the driving need to develop professionally, to stay up to date with legal and other HR-related information, and to continue to increase their credibility in the workforce.
6. **Research and Development:** The best HR practices include keeping an eye on how to train existing employees internally and dedicate a substantial part of the company budget to research and development. This means hiring workers who can act as skill trainers and instructional leaders. Moreover, finding the best people to utilize as trainers means being able to identify desirable traits and talents desired in company trainers, and then to successfully recognize those qualities in both internal and external candidates for the position.



7. **Quality Recruitment:** This is also known as finding 'passive' job candidates, and it involves strategies such as networking, focusing on growth and satisfaction in job descriptions, and communicating with recruits as people, rather than potential job candidates.

8. **Diversity and Innovation:** A recent Forbes article by Adam Hartung points out the importance of diversity and the need for HR to make a concerted effort to recruit outside the company—if only to gain a new and different perspective of the usual order of business. Innovation only comes as a result of change, and change is not possible without somebody being willing to rock the proverbial boat. In other words, you need to be willing to take a risk and hire someone from outside the inner sanctum, so to speak, to have the chance to gain knowledge and insight from someone with a different perspective.

9. **HR, IT and Data Analytics:** expertise as an HR professional should include the ability to relate to employees as people, rather than merely team members or experts in their field. Relating to employees as people requires the capacity to look beyond what's on paper and initial impressions, and to ask the right questions.

10. **Research and Development and Training:** The best HR practices include keeping an eye on how to train existing employees internally and dedicate a substantial part of the company budget to research and development. This means hiring workers who can act as skill trainers and instructional leaders. Moreover, finding the best people to utilize as trainers means being able to identify desirable traits and talents desired in company trainers, and then to successfully recognize those qualities in both internal and external candidates for the position. Making sure that the trainers you pick are born teachers, rather than experienced project managers or product developers, can help avoid future frustration and lack of productivity.

11. **Rewards and Recognition:** MAD (Mutual Admiration): Is an event where every employee is given green cardboard leaves on which they scribble messages of appreciation and pin them on to the MAD tree in the cafeteria. The leaves are a way of reaching out to colleagues and teams who have mattered. And at the end of the week, the foliage gets thick. Surely, the employees like being around each other.

**Smart Work and Smart Reward:** It directed towards improving employees productivity. It rewards those who complete tasks in fewer working hours than stipulated." The reward process is well defined and transparent. It has helped in ensuring better work – life balance and promotion within the organization.

12. **Compensation And Benefits:** Paternity leave, Extra three months maternity leave at half the salary leave, No attendance monitoring, unlimited sick leave, equal privileges for employees across levels: employees at all levels travel in the same class, stay in similar hotels, work out of standard cubicles, log in their own leave.

## CONCLUSION:

In the present competitive world, the companies are facing lot of skill shortage, talent crunch and attrition those reached historically height ever, that made the companies feel the internal customer also more important equally with external customers, so every company try to devise innovative HR practices to attract best talent , giving them nice environment to work with, that enables the company



to retain talents, the above said practices are conceived and implemented and found successful by the leading companies in India. It is found that convergence of practices of different companies in different HR areas, if any company wants to apply those practices that will benefit for the company to become more competitive in the global market.

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# CYBER CRIME: FRAUDS IN BANKING SECTOR AND JUDICIAL APPROACH

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**1. INTRODUCTION:** To define cyber crime, we can say, it is just a combination of crime and computer. To put it in simple terms 'any offence or crime in which a computer is used is a cyber crime'. Cybercrime is a term used to broadly describe criminal activity in which computers or computer networks are a tool, a target, or a place of criminal activity and include everything from electronic cracking to denial of service attacks. It is also used to include traditional crimes in which computers or networks are used to enable the illicit activity.

The Cyber crime can halt any railway where it is, it may misguide the planes on its flight by misguiding with wrong signals, it may cause any important military data to fall in the hands of foreign countries, and it may halt e-media and every system can collapse within a fraction of seconds<sup>1</sup>.

## **Definition - What does Cybercrime mean?**

Cybercrime is defined as a crime in which a computer is the object of the crime (hacking, phishing, spamming) or is used as a tool to commit an offense (child pornography, hate crimes). Cybercriminals may use computer technology to access personal information, business trade secrets, or use the Internet for exploitive or malicious purposes. Criminals can also use computers for communication and document or data storage. Criminals who perform these illegal activities are often referred to as hackers.

Common types of cybercrime include online bank information theft, identity theft, online predatory crimes and unauthorized computer access. More serious crimes like cyberterrorism are also of significant concern.<sup>1</sup>

Cybercrime encompasses a wide range of activities, but these can generally be broken into two categories:

- Crimes that target computer networks or devices. These types of crimes include viruses and denial-of-service (DoS) attacks.
- Crimes that use computer networks to advance other criminal activities. These types of crimes include cyberstalking, phishing and fraud or identity theft.

## **History**

The first recorded cyber crime took place in the year 1820 which is not surprising considering the fact that the abacus, which is thought to be the earliest form of a computer, has been around since 3500 B.C. in India, Japan and China. The era of modern computers, however, began with the analytical engine of Charles Babbage. In 1820, Joseph-Marie Jacquard, a textile manufacturer in France, produced the loom. This device allowed the repetition of a series of steps in the weaving of special fabrics. This resulted in a fear amongst Jacquard's employees that their traditional



employment and livelihood were being threatened. They committed acts of sabotage to discourage Jacquard from further use of the new technology. This was the first recorded cyber-crime<sup>2</sup>.

### Need for Cyber Laws

Information technology has spread throughout the world. The computer is used in each and every sector wherein cyberspace provides equal opportunities to all for economic growth and human development. As the user of cyberspace grows increasingly diverse and the range of online interaction expands, there is expansion in the cyber crimes i.e. breach of online contracts, perpetration of online torts and crimes etc. Due to these consequences there was need to adopt a strict law by the cyber space authority to regulate criminal activities relating to cyber and to provide better administration of justice to the victim of cyber crime. In the modern cyber technology world it is very much necessary to regulate cyber crimes and most importantly cyber law should be made stricter in the case of cyber terrorism and hackers<sup>2</sup>.

### VI. Categories Of Cyber Crime

Further Cybercrimes can be basically divided into four major categories:

#### A) Cyber crimes against persons.

Cyber crimes committed against persons include various crimes like transmission of child-pornography, cyber porn, harassment of a person using a computer such as through e-mail, fake escrow scams.

Cyber-harassment is a distinct Cyber crime. Various kinds of harassment can and do occur in cyberspace, or through the use of cyberspace. Different types of harassment can be sexual, racial, religious, or other. There are certain offences which affect the personality of individuals can be defined as:

- 1) **Harassment via E-Mails:** Harassment through sending letters, attachments of files & folders i.e. via e-mails.
- 2) **Cyber-Stalking:** It is expressed or implied a physical threat through use of internet, e-mail, phones, text messages, webcam, websites or videos.
- 3) **Defamation:** Intent to lower down the dignity of a person by hacking his mail account and sending vulgar mails to unknown persons mail account.
- 4) **Hacking:** It means unauthorized control/access over computer system and act of hacking completely destroys the whole data as well as computer programs. Sections 43, 66, 66A, 66C, 67, 67A and 67B of IT Act2008 deals hacking.
- 5) **Theft of Confidential Information**[Sections 43, 66, 66B of IT Act and Section 426 of Indian Penal Code] ;Many business organizations store their confidential information in computer systems. This information is targeted by rivals, criminals and disgruntled employees.
- 6) **Spam and Phishing**[Section 66, 66A and 66D of IT Act and Section 420 of IPC] :Spam is basically unwanted emails and messages. Phishing is a method where cyber criminals offer bait so that you take it and give out the information they want. The bait can be in form of a business proposal, announcement of a lottery to which you never subscribed, and anything that promises you money for nothing or a small favor.



- 7) **E-Mail Spoofing:** A spoofed e-mail may be said to be one, which misrepresents its origin. It shows it's origin to be different from which actually it originates.
- 8) **Carding:** Cloned ATM cards i.e. Debit and Credit cards used by criminals for their monetary benefits through withdrawing money from the victim's bank account.
- 9) **Child Pornography:** Create, distribute, or access materials that sexually exploit underage children.
- 10) **Assault by Threat:** It refers to threatening a person with fear for their lives or lives of their families through the use of a computer network i.e. E-mail, videos or phones<sup>2</sup>.
- 11) **Identity Theft:** A major problem with people using the Internet for banking services. In this cyber crime, a criminal accesses data about a person's bank account, credit cards, Social Security, debit card and other sensitive information to siphon money or to buy things online in the victim's name<sup>3</sup>.

#### B) Cyber crimes against property:

The second category of Cyber-crimes is that of Cyber crimes against all forms of property. These crimes include computer vandalism (destruction of others' property) and transmission of harmful viruses or programs - which are as follows:

- 1) **Intellectual Property Crimes:** The most common type of IPR violation may be said to be software piracy, infringement of copyright, trademark, patents, designs and service mark violation, theft of computer source code, etc.
- 2) **Cyber Squatting:** It involves two persons claiming for the same Domain Name either by claiming that they had registered the name first on by right of using it before the other or using something similar to that previously.
- 3) **Cyber Vandalism:** Vandalism means deliberately damaging property of another. Thus cyber vandalism means destroying or damaging the data or information stored in computer when a network service is stopped or disrupted.
- 4) **Hacking Computer System:** Hackers attacks those included Famous Twitter, blogging platform by unauthorized access/control over the computer.
- 5) **Transmitting Virus:** Viruses are programs written by programmers that attach themselves to a computer or a file and then circulate themselves to other files and to other computers on a network.
- 6) **Cyber Trespass:** It means to access someone's computer or network without the right authorization of the owner and disturb, alter, misuse, or damage data or system by using wireless internet connection.
- 7) **Internet Time Thefts:** To get access to someone else's ISP user ID and password, either by hacking or by gaining access to it by illegal means, uses it to access the Internet without the other person's knowledge<sup>3</sup>.

#### C) Cyber crimes against government.

The third category of Cyber-crimes relates to Cyber crimes against Government. Cyber terrorism is one distinct kind of crime in this category. This crime manifests itself into terrorism when an individual "cracks" into a government or military maintained website.



#### D) Cybercrimes Against Society at large:

An unlawful act done with the intention of causing harm to the cyberspace will affect large number of persons. These offences include:

- 1) **Child Pornography:** In this act there is use of computer networks to create, distribute, or access materials that sexually exploit underage children. It also includes activities concerning indecent exposure and obscenity<sup>4</sup>.
- 2) **Cyber Trafficking:** It involves trafficking in drugs, human beings, arms weapons etc. which affects large number of persons. Trafficking in the cybercrime is also a gravest crime.
- 3) **Online Gambling:** Online fraud and cheating is one of the most lucrative businesses that are growing today in the cyber space. In India a lot of betting and gambling is done on the name of cricket through computer and internet.
- 4) **Financial Crimes:** Culprit tries to attack by sending bogus mails or messages through internet. Ex: Using credit cards by obtaining password illegally.
- 5) **Forgery:** It means to deceive large number of persons by sending threatening mails as online business transactions are becoming the habitual need of today's life style<sup>5</sup>.

India had enacted its first Cyber Law through IT Act 2000. It has been amended and now in 2008 the revised version is under implementation.

#### Cyber Laws in India

The following Act, Rules and Regulations are covered under cyber laws:

1. **Information Technology Act, 2000:** The primary source of cyber law in India is the **Information Technology Act, 2000 (IT Act)** which came into force on 17 October 2000. **Section 66A of the IT Act** attempts to address this situation by penalizing the sending of:
  - i. any message which is grossly offensive or has a menacing character
  - ii. false information for the purpose of causing annoyance, inconvenience, danger, insult, criminal intimidation, enmity, hatred or ill-will
  - iii. any electronic e-mail for the purpose of causing annoyance or inconvenience, or to deceive the addressee about the origin of such messages;

This offence is punishable with imprisonment upto three years and with a fine

The IT Act also penalizes various cyber crimes and provides strict punishments (imprisonment terms upto 10 years and compensation up to Rs 1 crore).

- 1) **The IT Act was amended by the Negotiable Instruments (Amendments and Miscellaneous Provisions) Act, 2002.** This introduced the concept of electronic cheques and truncated cheques.
- 2) **Information Technology (Use of Electronic Records and Digital Signatures) Rules, 2004** has provided the necessary legal framework for filing of documents with the Government as well as issue of licenses by the Government. It also provides for payment and receipt of fees in relation to the Government bodies.
- 3) **The Indian Penal Code (as amended by the IT Act)** penalizes several cyber crimes. These include forgery of electronic records, cyber frauds, destroying electronic evidence etc.
- 4) Digital Evidence is to be collected and proven in court as per the provisions of the **Indian Evidence Act (as amended by the IT Act)**.



- 5) In case of bank records, the provisions of the **Bankers' Book Evidence Act (as amended by the IT Act)** are relevant. Investigation and adjudication of cyber crimes is done in accordance with the provisions of the Code of Criminal Procedure and the IT Act.
7. The Reserve Bank of India Act was also amended by the **IT Act**.
8. **Information Technology Amendment Act 2008** was placed in the Parliament and passed at the end of 2008 (just after Mumbai terrorist attack of 26 November 2008 had taken place). The IT Amendment Act 2008 got the President assent on 5 Feb 2009 and was made effective from 27 October 2009. The Act essentially deals with the following issues<sup>6</sup> :
- Legal Recognition of Electronic Documents
  - Legal Recognition of Digital Signatures
  - Offenses and Contraventions
  - Justice Dispensation Systems for cyber crimes.

### **Cybercrimes in Banking Sectors**

After giving an elaborate meaning to these terms related to cyber crime, the article has given emphasis on banking frauds, as since the advent of internet technology, the banking sector saw a paradigm shift. To enhance their customer base banks introduced many platforms through which transactions could be done. These technologies enabled the customer to access their bank finances 24 x 7 and year around through, ATMs and Online banking.

However, with the enhancement in technology, banking frauds have also increased likewise. Cyber criminals are using different means to steal one's bank information and ultimately their money as well. It is therefore, a collective consensus of banks and regulators to make policies and adopt measures in order to protect banking platforms from cyber threats. A number of technical defence and control measures like increased realtime supervision on transactions have been undertaken by the banks, however, even today the problem persists. The reason behind this is that the defence measures currently available with banks are often reactive, time consuming and available in public domain which can be accessed even by the cybercriminal who in turn adopts measures to combat from these defences. The attackers allocate their time in developing new means for cybercrime and also simultaneously work on finding the solutions to bridge these defense measures<sup>6</sup>.

**Judicial Approach:** Judiciary from time to time has always protected the interest of the general public whenever there is a violation of rights judiciary has shown interest in protecting and safeguarding those rights, in this research paper some judgments have mentioned related to banking frauds where judiciary has awarded compensation to those victims of cyber crimes, the cases are like.

**Case No.1 : Shri Prabhakar Sadekar and others v/s Punjab National Bank Limited and others,** Adjudicating officer, Information Technology, Govt of Maharashtra, Complaint No. 29 of 2013 dated 27th September 2013<sup>6</sup>. Brief Facts of the Case as per Complainant are as follows:



- I. Complainant has a legitimate current Account in name of M/s Hazardous Waste Management system and M/s Star Engineering with PNB. Both these accounts were linked to his mobile connection issued by Vodafone.
- II. The Complainant at the time of his visit to the Goa office found his mobile become dead on 31<sup>st</sup>August, 2013 at 11.00 hours. He learnt that SIM was changed by Vodafone. On return to Mumbai complainant got a new SIM card from Vodafone
- III. On 7<sup>th</sup>September, 2013 his mobile become again dead, he again visited Vodafone gallery and changed the SIM card. His mobile become active at 19.30 hours and he learnt the fraudulent transfer of the funds at 20.14 hours. The fraudulent transfer of Rupees 54,24,000 in various branches of Respondents in different amounts was made by unknown persons.
- IV. Between 31<sup>st</sup>Aug to 15<sup>th</sup>Sept'13 and again from 7<sup>th</sup>Sept to 8<sup>th</sup>Sept'13 total 28 fraudulent transactions took place.
- V. Complainant made a complaint regarding fraudulent transfer with cyber cell Thane on 10<sup>th</sup>Sept'13
- VI. The Complainant filed application before Adjudicating Officer to claim damages of Rupees 57,24,000 with interest rate of 24 % . He has deposited an amount of Rupees 1,17,418 as application fee.

**Verdict:** Vodafone, by not following the reasonable security practices and procedure and the established guidelines before issuing a duplicate SIM card, has led to the access of sensitive personal data and information of the Complainant to an unauthorized person and thereby caused wrongful loss to the Complainant. Role of Vodafone franchisee at Kandivili (East) is extremely critical. They were not only negligent, but by giving alternate card twice within a span of one week, they have deeply facilitated this crime. Hence they must share major share of loss. Accordingly, court ordered Vodafone India to pay damages to the tune of Rupees 20,00,000 by way of compensation to the Complainant, within a month of this order, failing which compound interest of 12% compounded monthly will also be chargeable.

**Case No.2 : M/s. RAATRONICS & others vs. Central Bank Of India (Branch Manager, Juhu Vile Parle Branch, Mumbai) & others.** Adjudicating officer, Information Technology, Govt of Maharashtra, (Complaint No. 35 of 2013 dated 21st October 2013)<sup>6</sup>

This is proceedings of a complaint filed by the complainant for Adjudication under section 46 of the Information Technology Act, 2000. Brief Facts of the Case as per Complainant are as follows:

- I. Complainants had opened an overdraft account with Central Bank of India. While submitting KYC Document complainant had given his two contact numbers. Complainant No 3 was authorized signatory for the said account.
- II. On 3<sup>rd</sup>May'13 the available credit balance in the said account was Rs. 5,99,178.98/- plus unused OD fund of amount Rs. 10,80,000 by pledging and fixed deposit of Rs. 12,00,000 was there in the said account.
- III. On 6<sup>th</sup>May 2013 Central Bank of India informed to the complainant that a cheque of Rs 4,000 is going to be dishonored due to insufficient fund. Upon viewing the accounts details complainant found that fund amounting Rs. 16,75,000 was transferred vide five fraudulent transactions to two different accounts held with Respondent No 1 & 6. on 4<sup>th</sup>May'13.



- IV. On 7th May 2013 when complainant visited Central Bank of India, they further learnt that the funds were further transferred to various account held with Respondent State Bank of Bikaner and Jaipur Corporate Banking, Mumbai & HSBC Limited. Complainants state that they did not receive any SMS alert on their registered mobile and there has been nodisruption in the mobile service when the fraudulent transaction took place.
- V. Complainant learned that their registered mobile number was changed in Central Bank of India's record without any written instructions from them.
- VI. Complainant intimated about fraudulent transaction to Central Bank of India on 6<sup>th</sup> May '13 and requested to block the fund and minimize the loss, but the Central Bank of India acted very slowly which resulted in heavy loss to complainant. Complainant lodged complaint with Bandra Kurla Police Station on 6<sup>th</sup> May '13 and FIR under Section 419, 420 of IPC 1860 and Section 66C and 66D of IT Act 2000 was registered on 7<sup>th</sup> May '13
- VII. Interim order was issued on 29<sup>th</sup> Nov '13 to release the frozen amount available with Respondent No 2, 3 and also to other banks. Complainant could recover Rupees 2,52,000 from Respondent No 2 (Rupees 40,000) & Respondent No 3 (Rupees 2,12,000).
- VIII. Complainant is claiming damages Rupees 20,00,000 as compensation from the Respondent. Complainants also claimed for the return of fixed deposit receipts amounting to Rupees 12,00,000 which are kept with Respondent No 1 as a security against overdraft.

**Held:** Banks have defaulted on multiple counts. Their omissions fall within the ambit of Section 43A of the IT Act. Main negligence is of Central Bank of India and Royal Bank of Scotland NV. Hence the court ordered Central Bank of India and Royal Bank of Scotland NV each to pay damages to the tune of Rupees 8,00,000 by way of compensation to the Complainant, within a month, failing which interest of 12% compounded monthly will also be chargeable.

**Case No.3 : Dr. Vijay Gopal Kulkarni & others vs. SBI Card & Payment services Pvt. Ltd.** Adjudicating officer, Information Technology, Govt of Maharashtra (Complaint No. 11 of 2014 dated 28th February 2014)<sup>6</sup>

This is proceedings of a complaint filed by the Complainant for Adjudication under section 46 of the Information Technology Act, 2000. Brief Facts of the Case as per Complainant are as follows:

- I. The Complainant No. 1 received his first SBI Credit Card in the year 2008. After the expiry of this card in Jan'13 he received another SBI Credit Card. This card was used sparingly. The Complainants also hold saving bank account with SBI Bank. This account was used for making Credit card payments. The Complainant states that after Jan'13, he never went abroad, he never used credit card at any other location other than his own house and his own personal computer.
- II. The Complainants alleges that after the midnight of Sunday 30<sup>th</sup> June '013, within half an hour about six fraudulent transactions amounting Rs. 1,39,094.34 took place. The complainant came to know about these transactions when he received SMS on his mobile. Subsequently complainant disabled the credit card and lodged complaint with SBI. On 3<sup>rd</sup> July '13 Complainant made a police complaint and On 13<sup>th</sup> Aug '13, complaint was also made with Cyber Police cell at Bandra Kuria Complex.
- III. Complainant states that as per Cardholder Agreement available on Respondent No. 1 website, "International Transactions" means the transactions entered into by the cardholder on his/her card outside of India, Nepal and Bhutan". As per Respondent No 1 all these fraudulent transactions



have occurred in Russia. Complainant is claiming damages of Rupees 1,39,094 with interest and additional Rupees 60,000 as compensation from the Respondent. Complainant has paid application fee Rupees 7,000 through demand draft.

IV. Respondent claims that all transactions are valid as they have been performed in a Secure Electronic Commerce Environment and have been validated by complainant Card CVV and Date of Birth over the Internet.

**Held** that the Respondent in violation of Section 43A of the IT Act, **and order them to a compensation of Rupees 1,30,000 (Rupees One Lakh Thirty Thousand) to the Complainant** to partly cover his loss within a month of this order, failing which compound interest of 12 percent compounded monthly will also be chargeable.

**Case No.4 : Dr. Sagar Bharat Kelkar vs. State Bank Of India (Branch Manager, Nashik Main Branch) & others**. Adjudicating officer, Information Technology, Govt of Maharashtra, (Complaint No. 43 of 2013 dated 30st November 2013)<sup>6</sup>. Brief Facts of the Case as per Complainant are as follows:

- I. The Complainant is a Medical Practitioner and has a Savings Bank Account with State Bank of India, Nashik Branch. He is also holding State Bank Gold International Debit Card. The Complainant had travelled to USA during period 31<sup>st</sup> Oct to 18<sup>th</sup> Nov'13. During the visit he used his card only for Point of Sales (POS) transactions, within the allowed limits and not for any other purposes. The Complainant was very diligent and careful while using his Debit Card.
- II. On 14<sup>th</sup> Nov'13, five repetitive fraudulent transactions amounting to Rupees 1,33,464.92 were made to the unknown beneficiaries from this card when the card was in custody of the Complainant. The Complainant has not used ATM PIN to authorize any transactions during his stay and always signature on receipt was authorizing mode for the transactions made by his debit card. The Complainant learnt about this fraudulent transactions when he updated his passbook. Complainant has lodged complaint with Sarkarwada Police Station, Nashik on 25<sup>th</sup> Nov'13.
- III. Complainant is claiming damages of Rupees 2,00,000 as compensation from the Respondents.

**HELD** that State Bank of India in violation of Section 43A of the IT Act, **and order them to a compensation of Rupees 1,50,000 to the Complainant** to cover his loss and legal costs, within a month of this order, failing which compound interest of 12 percent compounded monthly will also be chargeable.

#### **Preventive Measures For Cyber Crimes:**

Prevention is always better than cure. People should take certain precautions while operating the internet and should follow certain preventive measures for cyber crimes which can be defined as<sup>7</sup>:

- a) One should avoid disclosing any personal information to strangers via e-mail or while chatting. One must avoid sending any photograph to strangers by online as misusing of photograph incidents increasing day by day.
- b) An update Anti-virus software to guard against virus attacks should be used and should also keep a back up so as to avoid data loss in case of virus contamination.
- c) Never send credit / debit card number and CVV no to any unsecured site, to guard against frauds.



- d) Parents should keep a watch on the sites children are accessing, to prevent any kind of harassment in children.
- e) Website owners should watch traffic and check any irregularity on the site. It is the responsibility of the web site owners to adopt some policy for preventing cyber crimes as number of internet users are growing day by day. Web servers running public sites must be physically separately protected from internal corporate network.

### **Conclusion**

In conclusion, computer crime does have a drastic effect on the world in which we live. It affects every person no matter where they are from. It is ironic that those who in secret break into computers across the world for enjoyment have been labeled as deviance. Luckily, the government is making an effort to control the Internet. Yet, true control over the Internet is impossible. Most of the recorded computer crimes cases in most organization involve more than individual and virtually all computer crime cases known so far are committed by employer of the organization. Though judiciary as a guardian is protecting the victims right who are getting prey of hackers of bank frauds, new developing trends in cyber crime need strict laws and strict punishment for such offenses.

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# AN ANALYTICAL STUDY OF INFRASTRUCTURE SECTORS IN INDIA

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## Abstract

*Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. The infrastructure sector in India has evolved from purely Government funded projects to newer business models involving partial or complete ownership of the private sector. Currently, the infrastructure sector is in a state of flux, with the sector being hit by slowdown in the economy and strain being faced by various infrastructure developers. Going ahead, the sector is poised to bounce back with new opportunities. But growth of the infrastructure sector is dependent on solving some key challenges related to reducing regulatory uncertainty, developing appropriate financing mechanisms and ensuring efficient project management (from bid to execution).*

**Key Words:** Infrastructure, Private Sector, Regulatory uncertainty & project management

## 1. Introduction

There has been a growing emphasis on infrastructure development in the post liberalisation era. This is in stark contrast to previous years where there was little emphasis on infrastructure asset creation, with government being both facilitator and provider of infrastructure. But this situation has undergone a change in recent years, with an increased focus on infrastructure development. The start of the last decade has witnessed increased investments in infrastructure sector, accompanied by a transformation in the business models with more proactive participation from private sector in the form of Public-Private-Partnership (PPP) projects, particularly in roads and power sector. The Gross Capital Formation (GCF) (as an indicator of investment in infrastructure) grew from 5.6% of GDP in FY07 to 6.5% of GDP in FY12. Overall share of investment in infrastructure (as a share of GDP) over the XIth Plan period was 7.1%, up from 5% in Tenth Plan. The share of private sector participation in the XIth plan, envisaged at ~ 30% at the start of the plan, was ~ 37% during the Plan duration.

## 2. Objectives:

- To study the market size of infrastructure sector in India
- To study the recent development in this industry
- To study the government initiatives to promote this sector

## 3. Market Size

India needs Rs 31 trillion (US\$ 465 billion) to be spent on infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments. Following are given the report on assistance given by institutions to finance the infrastructure projects



**DISTRIBUTION OF INSTITUTIONALLY ASSISTED PROJECTS (2005-6 TO 14-15)**

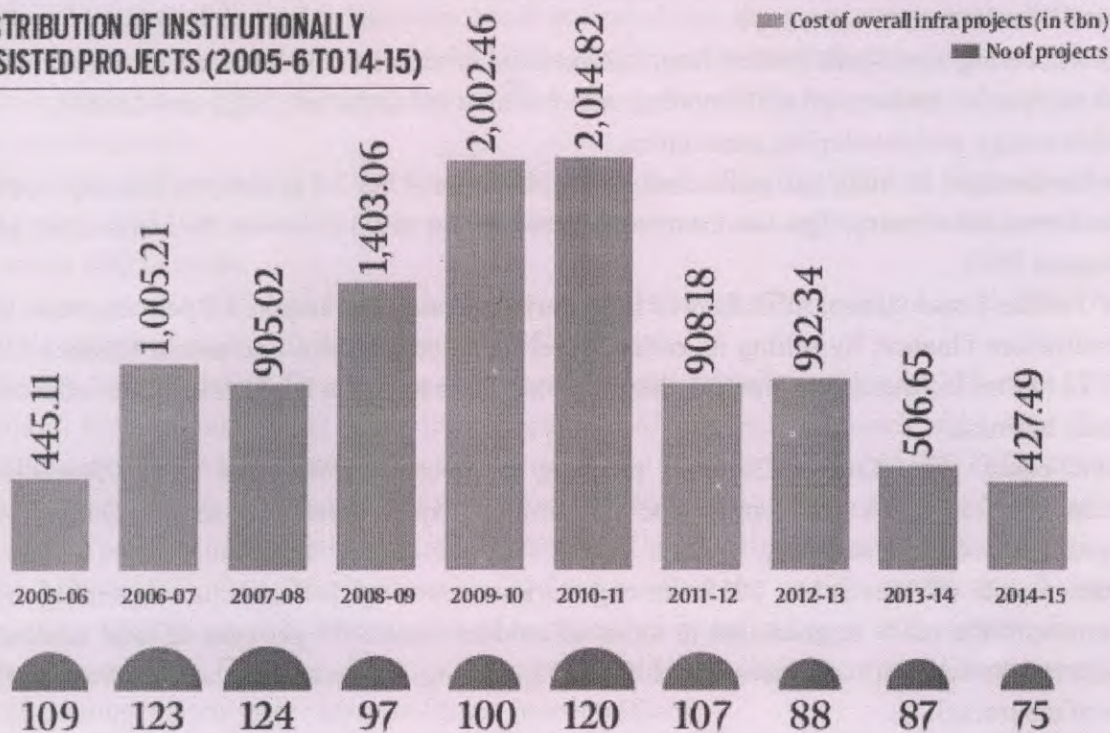


Fig.1.

As it looks from fig. the year 2009-2011 recorded the highest investment and financial support in infrastructure sector and this kept on decreasing year by year.

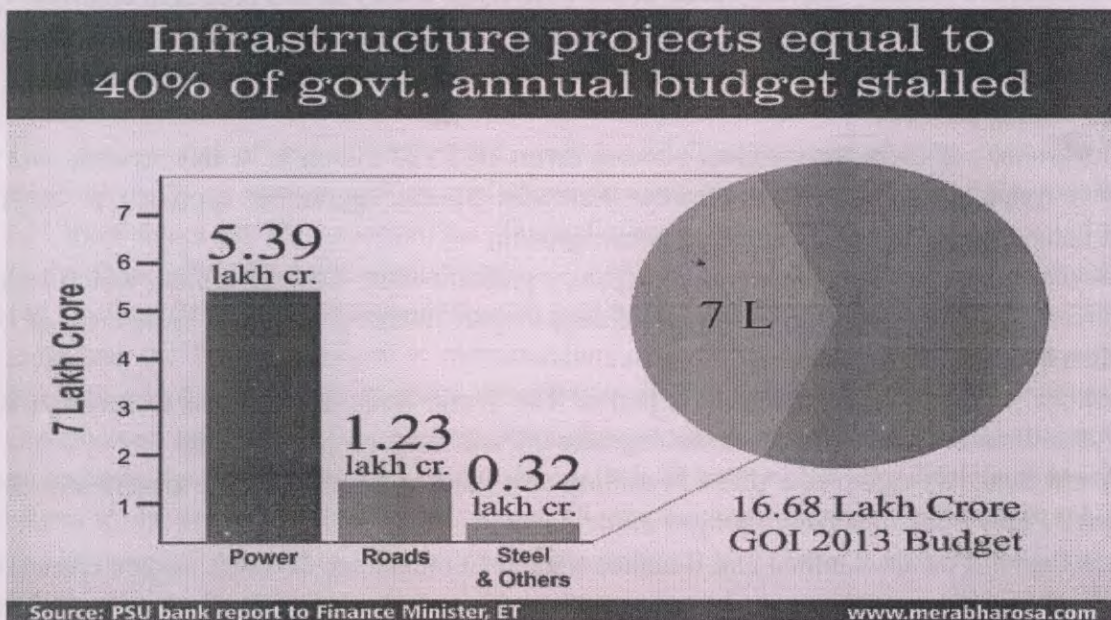


Fig.2.

But fig 2 shows the highest investment in the infrastructure by institution when 40 % of annual budget of india were earmarked for this sector. Power sector was allotted the highest with 5.39 lakh crores followed by 1.23 lakh crore for Road and .32 lakh crore for Steel and other sectors



#### 4. Recent Developments

India is witnessing significant interest from international investors in the infrastructure space. Many Spanish companies are keen on collaborating with India on infrastructure, high speed trains, renewable energy and developing smart cities.

- The Government of India has earmarked Rs 50,000 crore (US\$ 7.5 billion) to develop 100 smart cities across the country. The Government released its list of 98 cities for the smart cities project in August 2015.
- BNP Paribas Lease Group, subsidiary of BNP Paribas Group, has acquired 5 per cent stake in Srei Infrastructure Finance, by selling its entire 50 per cent stake in Srei Equipment Finance Limited (SEFL) to Srei Infrastructure Finance, thus allowing them to play a larger role in the infrastructure finance business.
- Private equity giant Carlyle Group is planning to invest Rs 500 crore (US\$ 75 million) in Feedback Infra, which could make the US firm a major shareholder in the Gurgaon-based infrastructure services company.
- In the month of November 2015, among various areas of infrastructure spending by the government, the roads segment led in terms of tenders issued (59 per cent of total tenders) and contracts awarded, with an increasing shift to Engineering, Procurement and Construction (EPC) type of contracts<sup>3</sup>.
- PTC India Financial Services (PFS) and India Infrastructure Finance Company Limited (IIFCL) have signed a Memorandum of Understanding (MoU) to jointly provide funding for infrastructure projects in India, particularly in the energy sector.
- France has announced a commitment of € 2 billion (US\$ 2.17 billion) to convert Chandigarh, Nagpur and Puducherry into smart cities.
- The Construction Industry Development Board (CIDB) of Malaysia has proposed to invest US\$ 30 billion in urban development and housing projects in India, such as a mini-smart city adjacent to New Delhi Railway Station, a green city project at Garhmukhteshwar in Uttar Pradesh and the Ganga cleaning projects.
- The Government of India has unveiled plans to invest US\$ 137 billion in its rail network over the next five years, heralding Prime Minister Narendra Modi's aggressive approach to building infrastructure needed to unlock faster economic growth.
- The Government of India has announced highway projects worth US\$ 93 billion, which include government flagship National Highways Building Project (NHDP) with total investment of US\$ 45 billion over next three years.
- International Finance Corporation (IFC), part of The World Bank group, plans to invest at least US\$ 700 million in existing transport and logistics infrastructure projects in India.
- The World Bank has approved a US\$ 650 million debt funding for a part of the eastern arm of the Dedicated Freight Corridor (DFC) project in India.
- Indostar Capital Finance Limited and Reliance Capital Limited have invested Rs 200 crore (US\$ 30 million) in Alliance group, a real estate company. The consortium of institutions has invested in the holding company of Alliance group, Alliance Infrastructure Projects Private Limited.

#### 5. Government Initiatives

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.



- Prime Minister of India Mr Narendra Modi indicated that the government has rolled out stuck projects worth Rs 4 lakh crore (US\$ 60 billion) in the past six months (ending November 2015), while stating that infrastructure development is the government's top priority in order to improve economic growth.
- The Union Cabinet has approved several reforms such as allowing National Highways Authority of India (NHAI) to extend the concession period for current incomplete projects in build-operate-transfer (BOT) mode.
- Government of India plans to launch the National Infrastructure Investment Fund (NIFF) with an initial corpus of at least Rs 40,000 crore (US\$ 6 billion).
- The Ministry of Urban Development has approved an investment of Rs 19,170 crore (US\$ 2.88 billion) for improving basic urban infrastructure in 474 cities in 18 states and Union Territories (UTs) under Atal Mission for Urban Rejuvenation and Transformation (AMRUT) for 2015-16.
- Department of Industrial Policy and Promotion (DIPP) has set up an online monitoring system for on-going projects under the Industrial Infrastructure Up gradation Scheme (IIUS).
- The Ministry of Urban Development has decided to allow the use of construction & demolition waste up to 20 per cent in construction of load bearing items and up to 100 per cent for non-load bearing purposes. This provision is expected to significantly help in reuse of such waste, in line with ongoing efforts under Swachh Bharat Mission (SBM).
- The central government has approved amendments to 'The National Waterways Bill, 2015' which will provide for enacting a central legislation to declare 106 additional inland waterways, as the national waterways.
- The Government of India plans to award 100 highway projects under the public-private partnership (PPP) mode in 2016, with expectations that recent amendments in regulations would revive investor sentiments in PPP projects in the infrastructure sector.
- The Reserve Bank of India (RBI) has notified 100 per cent foreign direct investment (FDI) under automatic route in the construction development sector. The new limit came into effect in December 2014.
- The Government of India has relaxed rules for FDI in the construction sector by reducing minimum built-up area as well as capital requirement. It has also liberalised the exit norms. In fact, the Cabinet has also approved the proposal to amend the FDI policy.
- In the Budget 2015-16, the capital outlays for roads, and railways have been increased by Rs 140.3 billion (US\$ 2.11 billion) and Rs 100.5 billion (US\$ 1.51 billion) respectively.
- India and the US have signed a memorandum of understanding (MoU) in order to establish Infrastructure Collaboration Platform. The document showcases the relationship between both the Governments which intend to facilitate US industry participation in Indian infrastructure projects to improve the bilateral relationship and benefit both economies. The MoU's scope envisages efforts in the areas of Urban Development, Commerce and Industry, Railways, Road Transport and Highways, Micro Small and Medium Enterprises, Power, New & Renewable Energy, among others.



## 6. Conclusion

Indian port sector is poised to mark great progress in the years to come. It is forecasted that by the end of 2017 port traffic will amount to 943.06 MT for India's major ports and 815.20 MT for its minor ports.

Along with that, Indian aviation market is expected to become the third largest across the globe by 2020, according to industry estimates. The sector is projected to handle 336 million domestic and 85 million international passengers with projected investment to the tune of US\$ 120 billion. Indian Aviation Industry, which currently accounts for 1.5 per cent of the gross domestic product (GDP), has been instrumental in the overall economic development of the country. Given the huge gap between potential and current air travel penetration in India, the prospects and possibilities of growth of Indian aviation market are enormous.

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## E-COMMERCE - CHALLENGES AND OPPORTUNITIES

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### Abstract

*Large youth population, rising living standard, changing lifestyle, rapid growth in ICT, availability of broadband, 3G technologies, etc. are opportunities for increasing e-commerce in India. But, the economic disparity, poor transport and telecommunication infrastructure, social and cultural attitudes to e-commerce, lack of e-commerce legal framework, etc. factors inhibit the growth of e-commerce in the quality education in India. E-commerce has still not taken deep roots in Indian education system unlike in America, Europe and China. But it is growing at a fast pace in recent times. This research paper examines the challenges and opportunities for electronic commerce as an alternate channel for quality education especially in management education in India.*

**Keyword** - E-commerce, E-business, E-learning, Ethical issues, Challenges, Customer Service.

### Introduction

Electronic commerce (e-commerce) refers to all commercial transactions of buying and selling products and services over electronic systems covering the various stakeholders viz., manufacturers, marketers, government, service providers and consumers. It facilitates on-line purchase of products and services. Almost everything such as groceries, electronic goods, computers, laptops, mobile sets, apparels, jewelries can be purchased online. Besides products, people can avail of online services such as train / air ticket booking, insurance premium payment, etc. Consultants, businessmen, lawyers, retailers, manufacturers and service providers are using this alternate channel for offering their services to potential clients.

For customers it is a new enticing channel available to transact online. Moreover, there is enough freedom as well as privacy in online shopping. Customers can surf in the internet and look for products, make comparisons of different models and evaluate their prices. They can also go to other online product review sites, and discuss in various social network forums. Once the customer likes a product after all research, sitting in the comfort of his home, he can order for it online. E-commerce has also made it easy to make payments using various options such as credit cards, debit cards, direct online money transfers, etc. Once the payment is made, the dealer dispatches the product, which reaches the doorstep of the customers within few days.

E-commerce has grown five fold in the last four years in India from USD 1.750 million in 2007 to USD 6.790 million in 2010. India's e-commerce market is forecast to reach USD 25 billion in 2015. E-commerce market in India was largely dominated by online travel industry with 80% market share while electronic retail (E-Tailing) held second spot with 6.48% marketshare. E-Tailing and digital downloads are expected to grow at a faster rate, with online travel continuing to retain market leadership. Due to increased e-commerce initiatives and awareness by brands, e-Tailing is experiencing decent growth. As far as digital mobile downloads are concerned, the increasing use of smart phones, availability of 3G services and cheap data plans are helping to boost the growth process.



## **Growth and Spread of E-commerce**

- Technology induction at a fast pace in the industrial and services sector and increasing familiarity among people to emerging technology have resulted in growth of e-commerce in India some of which are highlighted below.
- Banks provide an array of value added services such as credit cards, debit cards, internet banking, etc. Through internet banking customers can make online payments of their utility bills such as electricity bills, telephone payments, etc. It also facilitates payment of government taxes, donations, etc.
- Many companies, marketers, retail shops such as Big Bazaar, Shoppers Stop, Crossword, etc. have their own web sites enabling customers to make online purchases. More and more people in urban areas are moving towards on line shopping.
- Travel industry is one of the more organized sectors providing online booking of travel tickets and hotel accommodation.
- More and more people in India are resorting to online booking of air tickets and railway tickets due to its convenience.
- All retail shops provide POS facility to customers who can use their credit / debit cards for cashless shopping.
- Using RFID technology, banks have made inroads in rural areas facilitating banking services to the poor people.
- 3G and mobile technology have enabled people across the country to buy products and services from their homes.
- ITC Chaupal Sagar is one of the first organized retail effort in rural area extending its warehouses in to rural shopping-cum-information center to attend to the needs of the rural consumers. Farmers have access to latest local / global information on weather, scientific farming practices as well as market prices through their web portal in Hindi. It provides wide range of products such as hair oils, mixer grinders, toothpastes, televisions, motor cycles, water pumps, shirts, etc., besides, providing farmers all the information, products and services they need to enhance farm productivity, improving farm-gate price realization and cutting transaction costs.

### **➤ Objectives of the study**

- i) To study growth and spread of e-commerce.
- ii) To identify the relevance of e-commerce in Management Education.
- iii) To identify the challenges and opportunities of e-commerce in Management Education.
- iv) To suggest strategies for speeding up e-commerce.

### **➤ Research Methodology :**

This research paper is exploratory in nature and is confined to study of e-commerce in management education in India. Sources of data and information were gathered from secondary published sources viz. Books, Journals, Newspapers, Websites, Research Studies, etc. Analysis of data and information collected from published sources were made keeping the objectives of the study in mind.

### **➤ Findings of the Study:**

Growth drivers of e-commerce in India, the key drivers of e-commerce in India are:-

- Favorable Demographics (50% population in 0-25 age group).



- Growing aspirations of people.
- Accelerated growth of consumer class with increasing purchasing power.
- Increase in use of plastic cards - credit / debit cards.
- Rise in expectations of younger generation.
- Changing consumer behavior.
- Consumers have paucity of time and they prefer efficient/ speedy one stop shopping.
- Growing ranks of working woman; a youthful population that is not afraid to splurge.
- Increasing Literacy Levels.
- Increasingly wealthy middle class wanting to imitate lifestyle of rich and wealthy.
- Encouraging consumption pattern.
- Better banking facilities - with co-operative banks and PSBs taking lead in rural areas.
- Rural income and purchasing power has also increased due to remittances from Indians working abroad. Availability of broadband.
- Availability of home computers, laptops, mobiles, etc. at affordable prices.
- Increasing affinity among people to internet.

➤ **Strategies for Growth of E-commerce :**

- **Poor Infrastructure Facility:** Infrastructure is the biggest bottleneck in India. There are many states and districts deficient in infrastructure facilities such as transport, electricity supply, roads, etc.
- **Lack in Technology:** Many states are lagging behind in technology. Many people in rural areas are illiterate. They don't have knowledge about e-commerce. It is very difficult to make them aware about the importance of E-commerce. Due to illiteracy they are not able to do transactions through internet.
- **Logistics:** Logistics is a concern for both buyers and sellers. Sellers have to deliver the product safe and secure to the right person and in right time frame. Regular postal services does not offer an acceptable level of service, couriers charge high rates and have limited reach. Insurance for high value articles leads to higher cost. Similarly, low value articles will have significant shipping cost which will make them costly.
- **Risk in online shopping and quality assurance:** There is inherent risk in online shopping as regards the authenticity of the web sites. Fraudsters may imitate web sites and hoodwink customers.
- **Collection of payment and transfer of payment:** It is still difficult to make payments through internet in India due to unstable internet connections and nascent legal structure.
- **Delivery problem:** Even when customers placed order for the goods or products through internet there is no guarantee that same products will delivered.
- **Expensive Broadband:** Though many payment options are available, broadband is still expensive.
- **Computer Illiteracy:** Only computer literate person can handle computer and internet. People have to secure their password which is a weakest link and exposes them to risk of theft, etc.
- **Poor Internet Connectivity:** Connectivity is a major issue faced by individuals as well as companies. Internet connections are still largely volatile and unreliable making online shopping nightmarish experience many times.
- **Social and cultural attitudes to e-commerce** are another factor inhibiting growth of e-commerce in India.
- **Inadequacies in payment gateway systems** in terms of quality, reliability and uptime.



- Lack of e-commerce legal framework.

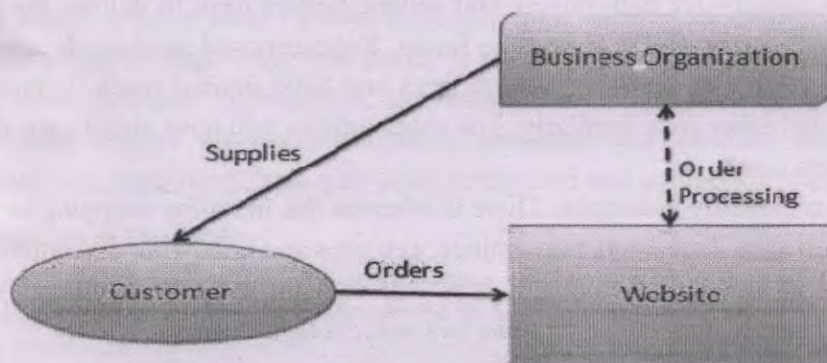
➤ **Opportunities for E-commerce :**

Notwithstanding the above constraints, e-commerce offers marketing opportunities for manufacturing, retail and services sectors to promote their goods and services .some of which are listed below.

- Leveraging the websites for client communication and process automation, companies and marketers can reduce operating costs and customer acquisition costs.
- E-commerce can help promote Brand and enhance Brand Image.
- With proper planning and scalable architecture, e-commerce site can accommodate additional requirements, features and functionality in the future making customers make more repeat shopping.
- Banks are providing smart cards to rural people using RFID technology.
- Mobile telephony and social sites are major trends influencing people across the country.
- Faster cellular networks and smart phones equipped with powerful processors are fueling growth in mobile, while social features, such as sharing content with friends, are now common place across the Web.
- The combination of mobile and social is a potent one because mobility ups the amount of time consumers spend on the Web, while social features increase interactivity with Internet content; mobile and social web thereby are driving e-commerce

➤ **Challenges of E-commerce in India :**

Following are the major challenges slowing growth of e-commerce in India.



Banks should educate customers on use of net banking and encourage them to do so.

- Retail shoppers can give incentives to customers for making online purchases.
- By planning and implementing a search-engine friendly architecture new customers can be targeted.
- By streamlining the online sales processes and improving the online shopping experience, marketers can increase the conversion rate and the average ticket price.
- An enhanced, usable, and pleasing e-commerce experience generates greater user satisfaction and trust which can lead to customer loyalty and retention.



- Providing Superior Customer Service and Communications engaging and encouraging customers to use e-commerce tools, online support, and by providing them with comprehensive and timely production formation.

### **Conclusion**

E-commerce as an alternative marketing channel is making slow but steady progress in India. With spread of education and increasing number of people becoming technology friendly, they are slowly gaining confidence in online services. Infrastructural bottlenecks, economic disparity, vulnerabilities of the payment gateway systems, inadequate legal framework are challenges that need to be addressed by all stakeholders to promote e-commerce in the country.

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# HAPPINESS AND ITS IMPACT ON BUSINESS DEVELOPMENT AND PROFITABILITY

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## Abstract

*Stress alone can impact the organization through increase turnover, decreased productivity, and high absenteeism of employees. Lost productivity from employees in the US costs organizations approximately \$200 billion each year. Happiness have always been an important aspect of every business activity. Although the term has meant different things at different times on different lands of different people. Happiness affects positively on the efficiency as well as the effectiveness of the people. Ultimately people affects on business activities. Without human being business activities can not performed well. Hence if as a businessman we want more profit as well as quality work, we should focus on the happiness of the workers. If workers are happy, they perform very honestly and sincerely. Happiness is not only depends on money but also much more things. It differs from person to person. In this paper the author examines the impact of happiness on business activities.*

**Key Words:** - Happiness, Happiness destroyers, Business.

## ➤ INTRODUCTION :

Happiness is more than just an ideal emotion with no place in the business world. Research has shown that happiness at work dramatically effects productivity. Policies centered on strict rules, output, and profit maximization may be counterintuitive in that they displace employee happiness, negating the possible benefits of such programs. In addition, improving employee happiness is inexpensive and can be attained simply by treating employees with respect and recognizing their successes. By implementing policies aimed at promoting workplace happiness, corporations and other businesses will not only improve the workplace environment, but also their bottom line.

Our greatest happiness does not depend on the condition of life in which chance has placed us, but is always the result of a good conscience, good health, occupation and freedom in all just pursuits.

----- Thomas Jeffrson

Happiness is not an emotion or a mood, for mood is a biochemical condition and emotions are transitory feelings. Happiness is a way of life a positive outlook with qualities like love, courage, optimism, hope and fulfillment. Happiness is about cherishing everyday and it doesn't change depending on a person's mood. India has become a wealthier nation and Indians have accumulated a lot of wealth too, but happiness has not increased in Indian households sadly.

For the purpose of greatest performance, human being plays essential role. Happiness is one of the most important factors which affect on the efficiency of the employees. Ultimately it affects on the profitability as well as the quality work. Happiness differs from people to people. For e.g. If we asked to the employee of any organization that what would make you really happy? Most of the people would answer, that is "If I get a promotion , I would be happy." If we asked same question to any student – student reply "If I get in to my college of choice, I would be happy."



And once they get that promotion or their choice of college they are happy for some time until they get to the next level.

➤ **OBJECTIVES :**

- 1) To study the concept of happiness and its importance in business world.
- 2) To study how to create happiness in the organization.

➤ **RESEARCH METHODOLOGY :**

In this research work secondary data has been applied. An attempt has been made to study various books, research papers. An attempt has been made to make the analysis from the Indian point of view in learning from Indian experiences.

**Guiding principles for lasting happiness**



**Showing appreciation/ gratitude :**

Showing appreciation to others is the two way beneficial activity. It means both the person who appreciate others and who gets appreciated are beneficial to the happiness. When we appreciate something or someone from the bottom of our heart, we feel happy. It is the purest form of love that we can ever show a person because it expects nothing in return. We genuinely feel thankful and blessed and we express that to those we love. Everyone likes to be appreciated. Automatically it affects on the efficiency of the workers.

• **Freedom to make choices**

It is also one of the important factors, which affect on the happiness of the employee. If they are having freedom to make choices, they can make good choices for ourselves. If there are no choices or options, it makes useful constrained, which causes anxiety and depression.

• **Taking responsibility for actions**

We have to take responsibility for our actions, instead of blaming others for the situation that we are in. It makes us realize our true power and the fact that our life belongs to us alone. It makes us realize that we are not victims. So when we do a mistake only we have to take action to rectify the mistake. This gives us enormous power.



• **Leading with strengths**

We have to count our blessing and focus on the strengths that we have. We have to let go of negativity and negative thoughts that makes us feel even sadder. When we concentrate on our strengths we feel better about ourselves. This gives us confidence and empowerment that we can accomplish anything that we want in our lives.

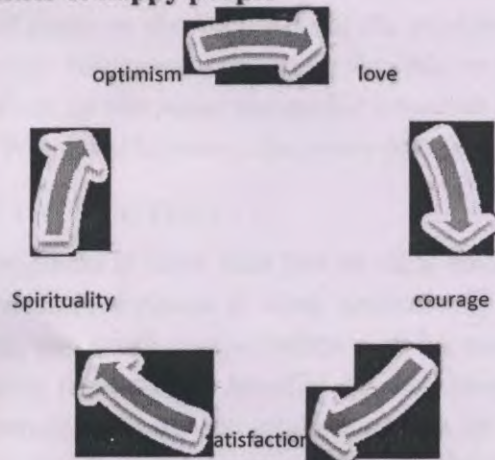
• **Make peace with yourself**

Many people have a past that they are not proud of. They feel that they have been wronged or have made a decision that they regret. In such situation, we have to forgive ourselves. This does not mean that we did was correct. When you make peace with yourself and learn to accept your past, it helps you release the anger.

• **Showing love and compassion**

Love is the most divine of all emotions. To love someone truly without reservations makes fear vanish. It has been proved that love and fear cannot be felt at the same time. If somebody has hurt you, understand that they are also hurt. When we understand the sufferings of our fellow human beings, it transforms negativity and hatred to compassion and forgiveness occurs.

**Qualities of happy people**



➤ **Happiness destroyers :**

Happiness destroyers are those who block or destroy the inner satisfaction as well as feature of happiness. Following are the destroyers of happiness:

- Fear** ----- **Insecurity**----- **Worries**----- **Constant complaints**-----  
**Ego**----- **Jealousy** ----- **Blaming others** ----- **Blaming self** -----  
**Feeling shame.**

For removing above destroyers we should consider the above points very positively. Some can be removed with the help of organization and some can removed by themselves only. For e.g. Organisation can remove fear in the minds of the employee about the job, provide them a job security. Do not overloaded with work, do not blame with any reason.



## CONCLUSION:

The easiest and perhaps most important place to start when gauging happiness at your business is with your employees. Your employees help you keep your business afloat. They help your customers, they come up with solutions that can make your business better, and they're really your biggest brand advocates unless they are unhappy. When your employees are unhappy, they aren't as engaged, they aren't as productive, and they don't care as much about the success of your business. A lot of factors can affect how successful your business is over time. Happiness is one of the big ones. As a business owner, you must take time to invest in keeping people happy throughout your organization from your customers, to your partners, and even the people who no longer do business with you. To wrap up, here are a few quick tips for boosting happiness:

### Tips for boosting happiness:

- Be proactive. Find out if people are happy and if they aren't, find out what would make them happy.
- Listen. Don't assume that people are happy, or why they aren't.
- Make happiness a priority. Don't put it on the back burner anymore.

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## SUSTAINABILITY FRAMEWORKS

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### Abstract

*Business sustainability is not just a buzzword—for many industry leaders and businesses, it has become an invaluable tool for exploring ways to reduce costs, manage risks, create new products, and drive fundamental internal changes in culture and structure. However, integrating sustainability thinking and practice into organizational structure is not a trivial task and it requires a vision, commitment and leadership. It also requires a systems approach with an appropriate management framework that enables design, management and communication of corporate sustainability policies.*

*This paper highlights on the concept of sustainable development and discusses about internationally accepted top five sustainable frameworks for a Business Sustainability Management System, which enables translation of the general principles of sustainable development into business practice by providing a systematic, step-by-step guidance towards a more sustainable business. The frameworks are designed to help improve the triple bottom line through sustainable economic development and environmental protection, while encouraging socially responsible business values. The paper points out various models which are implemented in the business by considering specific needs of individual companies and the contexts in which they operate.*

**Key words:** business, sustainability, top, frameworks,

### 1.0 Business sustainability

Business sustainability is often defined as managing the triple bottom line - a process by which companies manage their financial, social and environmental risks, obligations and opportunities. These three impacts are sometimes referred to as profits, people and planet. Sustainable business, or green business, is an enterprise that has minimal negative impact on the global or local environment, community, society, or economy—a business that strives to meet the triple bottom line. Often, sustainable businesses have progressive environmental and human rights policies. In general, business is described as green if it matches the following four criteria:

- It incorporates principles of sustainability into each of its business decisions.
- It supplies environmentally friendly products or services that replaces demand for nongreen products and/or services.
- It is greener than traditional competition.
- It has made an enduring commitment to environmental principles in its business operations.

A sustainable business is any organization that participates in environmentally friendly or green activities to ensure that all processes, products, and manufacturing activities adequately address current environmental concerns while maintaining a profit. In other words, it is a business that “meets the needs of the present world without compromising the ability of the future generations to meet their own needs.” It is the process of assessing how to design products that will take advantage



of the current environmental situation and how well a company's products perform with renewable resources.

The Brundtland Report emphasized that sustainability is a three-legged stool of people, planet, and profit. Sustainable businesses with the supply chain try to balance all three through the triple-bottom-line concept—using sustainable development and sustainable distribution to affect the environment, business growth, and the society. Everyone affects the sustainability of the marketplace and the planet in some way. Sustainable development within a business can create value for customers, investors, and the environment. A sustainable business must meet customer needs while, at the same time, treating the environment well. In order to be successful in such an approach, where stakeholder are balancing and joint solutions is key, a structural approach is needed.

### 1.1 Sustainability Reporting

In this era business organisations have understood the importance of the sustainable development and each business organisation is taking effort to contribute sustainable development. Companies have pressure from stakeholders to be transparent about their performance of sustainable development, principles and values of the company towards sustainable development. Sustainability reporting is a tool to communicate the efforts for sustainable development to the stakeholders.

Sustainability reporting is a practice to measure, disclose and being accountable to the stakeholders for economic, environmental and social impact caused by the activity of the business. In sustainability reporting both positive and negative aspect of the business regarding sustainability must be disclosed, i.e. report must be balanced. It is a voluntary initiative and structured, continuous process. It includes collecting, monitoring and reporting information about the economic, environmental and social performance of the company

### 1.3 Sustainability Framework

The Sustainability Framework (SF) is a way to organize thinking about **sustainability** as well as inform planning, management, and evaluation of activities in order to improve and maintain health outcomes at a population level. The SF is implemented by project staff and local stakeholders. Following are the top 5 sustainability frameworks which provide a representation of the flavours of sustainability reporting, both industry-specific and industry-agnostic, integrated and non-integrated.

#### 1.3.1 Carbon Disclosure Project (CDP)

The CDP (which was called the Carbon Disclosure Project until the end of 2012) is a not-for-profit organization which aim is to **study the implications of climate change for the world's principal publicly traded companies**. The CDP has a permanent administrative office based in London and a staff of 50. Since 2003, the CDP has conducted an **annual survey to collect information on greenhouse gas (GHG) emissions** by companies. A greenhouse gas is any gaseous compound in the atmosphere that is capable of absorbing infrared radiation, thereby trapping and holding heat in the atmosphere. By increasing the heat in the atmosphere, greenhouse gases are responsible for the greenhouse effect, which ultimately leads to global warming

Its questionnaire of more than 100 questions has included a specific Oil & Gas section since 2010. In 2010, **the CDP expanded its scope** and now conducts an annual survey on water management by companies, called CDP Water, and, since 2013, another on their impact on forests: CDP Forests. CDP



holds the largest repository of corporate GHG emission and energy use data in the world and is backed by merely 800 institutional investors representing more than \$90trillion in assets. Its transparent scoring methodology helps respondents understand exactly what is expected of them. CDP was regarded as world's most credible sustainability rating during the year 2013. Companies receive two separate scores for disclosure and performance using 100 point scale. CDP recognises top scoring companies in the Carbon Disclosure Leadership Index (CDLI). Public and private companies, government companies, NGOs, supply chains can report over the matter.

### **1.3.2 The Dow Jones Sustainability Indices (DJSI)**

The Dow Jones Sustainability Indices (DJSI) launched in 1999, are a family of indices evaluating the sustainability performance of the largest 2,500 companies listed on the Dow Jones Global Total Stock Market Index. They are the longest-running global sustainability benchmarks worldwide and have become the key reference point in sustainability investing for investors and companies alike. In 2012, S&P Indices and Dow Jones Indexes merged to form S&P Dow Jones Indices. The DJSI is now managed cooperatively by S&P Dow Jones Indices and Robeco SAM.

- The DJSI family contains one main global index, the DJSI World, and various indexes based on geographic regions such as: Europe, Nordic, North America and Asia Pacific. The DJSI also contains industry-specific indexes called "blue chip indexes". In addition, the DJSI methodology facilitates the design, development and delivery of customized sustainability indexes; e.g., indexes covering different regions, indexes covering different segments of the leading sustainability companies, indexes covering additional exclusion criteria and indexes denominated in different currencies.
- To be incorporated in the DJSI, companies are assessed and selected based on their long-term economic, social and environmental asset management plans. Selection criteria evolve each year and companies must continue to make improvements to their long-term sustainability plans in order to remain on the Index. Indexes are updated yearly and companies are monitored throughout the year.
- The Environmental Sustainability Index (ESI) was a composite index published from 1999 to 2005 that tracked 21 elements of environmental sustainability covering natural resource endowments, past and present pollution levels, environmental management efforts, contributions to protection of the global commons, and a society's capacity to improve its environmental performance over time.
- The DJSI is based on an analysis of corporate economic, environmental and social performance, assessing issues such as corporate governance, risk management, branding, climate change mitigation, supply chain standards and labour practices. The trend is to reject companies that do not operate in a sustainable and ethical manner. It includes general as well as industry-specific sustainability criteria for each of the 58 sectors defined according to the Industry Classification Benchmark (ICB).
- CDP and DJSI are considered to be the most credible and familiar reporting frameworks by sustainability experts, according to a recent Globe Scan/Sustainability survey.



### 1.3.3 Global Reporting Initiative(GRI)

GRI is an international independent organization that helps businesses, governments and other organizations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others. It has pioneered sustainability reporting since the late 1990s, transforming it from a niche practice to one now adopted by a growing majority of organizations.

GRI's Sustainability Reporting Standards are foundational to this success. With thousands of reporters in over 90 countries, GRI provides the world's most widely used standards on sustainability reporting and disclosure, enabling businesses, governments, civil society and citizens to make better decisions based on information that matters. In fact, 92% of the world's largest 250 corporations report on their sustainability performance.

The vision is to create a future where sustainability is integral to every organization's decision making process. The mission is to empower decision makers everywhere, through our sustainability standards and multi-stakeholder network, to take action towards a more sustainable economy and world. GRI believes

- In the power of a multi-stakeholder process and inclusive network
- Transparency is a catalyst for change
- Our standards empower informed decision making
- A global perspective is needed to change the world
- Public interest should drive every decision an organization makes
- GRI and CDP signed a Memorandum of Understanding on 24 May 2013 that will see the two organizations work together to align areas of their reporting frameworks.

### 1.3.4 Global Real Estate Sustainability Benchmark (GRESB)

Global Real Estate Sustainability Benchmark (**GRESB**) is an investor-driven organization committed to assessing the Environmental, Social and Governance (ESG) performance of real assets globally. More than 200 members, of which about 60 are pension funds and their fiduciaries, use GRESB data in their investment management and engagement process, with the clear goal to optimize the risk/return profile of their real asset investments. Founded in 2009, this dynamic benchmark provides real assets investors with actionable information and tools needed to proactively monitor and manage the ESG performance of their investments and prepare for increasingly rigorous sustainability issues at the forefront of business decision-making. GRESB is one of the fastest growing, industry-specific standards, as well as Measurabl's first commercial reporting solution.

- GRESB provides institutional investors with actionable information and the tools needed to accurately monitor and manage the sustainability risks of real estate and infrastructure investments, and prepare for increasingly rigorous environmental, social and governance obligations.
- GRESB data is used by about 60 pension funds and their fiduciaries, jointly representing a total of more than \$7.5 trillion in assets under management. In total, GRESB has covered more than 1,000 listed property companies and private equity funds.
- GRESB runs annual assessments on participating companies and funds to capture information regarding the ESG performance and best practices of real estate portfolios, real estate debt providers and infrastructure assets. The GRESB assessments are informed by what investors






consider to be key issues in ESG integration in real asset investments and is aligned with international reporting frameworks such as GRI and PRI.



- After a rigorous validation process, the data is scored with each company, fund or asset receiving a GRESB score, which is compared against peers in the same property type for real estate, sector for infrastructure, and by region. In this way, ESG is made measurable.
- GRESB is widely recognized as the leading global ESG data provider for real assets, collecting information via annual assessments – GRESB Real Estate Assessment, GRESB Developer Assessment, GRESB Debt Assessment and GRESB Infrastructure Assessment.
- GRESB's mission is to enhance and protect shareholder value by evaluating and improving the sustainability performance of real assets.
- GRESB has developed its benchmarking framework to give real asset investors tools to monitor, manage and engage with investment managers.
- Benchmarking sustainability performance helps generate and strengthen the market forces needed to bring environmental, social and governance issues to the forefront of business decision-making. By participating in GRESB's annual assessments, companies and funds are able to better manage portfolios, funds and assets in the face of more volatile energy prices, stricter legislation to combat climate change, increased energy efficiency requirements and changing preferences of corporate tenants.
- Benchmark results provide member companies with the opportunity to identify areas for improved sustainability performance, both in absolute terms and relative to industry peers.

### **1.3.5 Sustainability Accounting Standards Board (SASB)**

The Sustainability Accounting Standards Board (SASB) is a US non-profit organization incorporated in 2011 to develop and disseminate sustainability accounting standards. While the FASB has for the past forty years developed the accounting principles currently used in financial reporting in the United States, other social and environmental measures are now understood to be of relevance. The SASB aims to integrate its standards into the Form 10-K which must be filed by public companies with the U.S. Securities and Exchange Commission; in this sense it differs from initiatives such as the GRI, by working within the current system of financial regulation. The general principle is, in Peter Drucker's phrase, "what gets measured gets managed". The SASB aims to meet the need for industry-specific reporting standards, to ease comparison and benchmarking. In order to do so, a Sustainable Industry Classification System covering ten sectors and 80+ industries has been devised. From Q4 2012, industry-specific working groups are to convene to pursue the goal of completing the standards within two and a half years. Key performance indicators will then be updated annually. There is recognition that establishing what is material in information that is fundamentally non-financial is complex. GRI is a household name in the CSR world and SASB soon will be one in the financial reporting world. The chart below navigates the "who, what, how and when" of these world's top reporting frameworks at a glance.



STANDARD	FOCUS	WHY REPORT	SCORING	WHO REPORTS	REPORTING RECORD
	Primary GHG emission but has grown to address water and forestry issues as well.	CDP holds its largest repository of corporate GHG emission and energy used data in the world and is backed by nearly 800 institutional investors representing more than \$90 trillion in assets. Its transparent scoring methodology helps respondents understand what is exactly expected of them. It was regarded as the world's most credible sustainability rating in 2013.	Companies receive two separate scores for disclosure and performance using 100 point scale. CDP recognises top scoring companies in the Carbon Disclosure Leadership Index (CDLI)	Public and Private Companies, Government Agencies, NGO's, Supply Chains etc.	<ul style="list-style-type: none"> <li>Climate change program 1<sup>st</sup> February to 29<sup>th</sup> May</li> <li>Supply Chain Program 1<sup>st</sup> April to 3<sup>rd</sup> July</li> <li>Cities Program 1<sup>st</sup> January to 31<sup>st</sup> March</li> <li>Water and Forestry Programs 1<sup>st</sup> February to 30<sup>th</sup> June</li> </ul>
	Industry specific criteria considered material to investors. Equal balance of economic, social and environmental indicators.	Membership in DJSI is prestigious as it represents the top 10% of the 2500 largest companies in the S & P Global Board Market Index. The Corporate Sustainability Assessment(CSA) brings a sector specific focus and need to know simplicity to disclosure for public companies. This index was regarded as the World's second most credible sustainability rating after CDP.	Companies receive a total sustainability score between 0-100 and are ranked against peers, includes a media and stakeholders Analysis; those scoring within the top 10% are included in index.	The 2500 largest public companies in the world.	3 <sup>rd</sup> April to 28 <sup>th</sup> May
	Corporate social responsibility with an equal weight on environmental, social and governance factors. Heavy on stakeholder engagement to determine materiality.	GRI was announced as the official reporting standard of the UN Global Compact, making it the default reporting framework for the compacts more than 5800 associated companies. Its amongst the oldest, most widely adopted and most widely respected reporting methodologies in the world. Its thorough focus on social and governance aspects of ESG is unparalleled.	Focus is on transparency so no true scoring methodology. New G4 framework requires entity reporting to choose 'Core' or 'Corporate' reporting.	Public and private companies, cities, government agencies, universities, hospitals, NGOs	Anytime but typically integrated into a companies 's traditional annual report.

	Environmental, social and governance in the global commercial real estate sector only. Includes asset and entry level disclosure	Private and public institutional investors look to GRESB's annual survey as the barometer of sustainability performance in the commercial real estate industry. Its niche target audience allows it to give deeper and more accurate insights into industry performance and reveal 'investment grade' results.	Responses scored out of a possible 140.5 points distributed across two categories of data. Heavy weighting placed on implementation and asset level performance.	Commercial real estate owners, asset managers and developers	1 <sup>st</sup> April to 30 <sup>th</sup> June.
	US public companies only- industry specific issues deemed material to investors	SASB's standards enable comparison of peer performance and benchmarking within an industry. Studies by Such and Deutsche Bank have shown the stock of companies who disclose on sustainability outperforms that of companies who do not. SASB is backed by the likes of Bloomberg LP and the Rockefeller Foundation, giving it extra clout with capital markets.	No scoring system. Instead, SASB is a standardised methodology for reporting sustainability performance through the form 10-K.	No one yet- they have just released their first sector reporting guidelines.	Integrated into quarterly 10-K filings.

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# INNOVATIVE TRENDS & TECHNIQUES IN ONLINE MARKETING

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### Abstract

*India, the second largest internet industry, has become the hub of the digital marketing sectors. It is providing huge opportunities to those who seek to enter the online marketing industry. For most people running a company in the 21st century, Internet marketing strategies are an indispensable part of the business plan. While small businesses such as local shops may require some form of web marketing, any business that wants a broad customer reach should research the potential of a solid Internet marketing strategy and must have a thorough understanding of the current trends prevalent in the market today. This paper seeks to analyse the current trends that have emerged in the digital world, and will provide insights to the online marketers to formulate strategies to grow and expand their online consumer base.*

**Keywords:** Online Trends, Marketing Strategies, Digital Marketing, Search Engine Optimisation, Social Media Marketing, e-marketing, e-retailing.

### Introduction

The internet impacts business innovation by expanding reach and minimizing the time-lag to market. Not so long ago the goal of an online marketing campaign might only have been to entice the consumer to click through to a company's website, but now the objective is to create "sustained engagement" with the consumer. The growing popularity of websites such as YouTube and Facebook demonstrates how the internet is changing; users are no longer simply downloading static data, but are increasingly uploading and sharing content among themselves, leading to a proliferation of social networks and other user-generated content sites.

### Objectives of the Study

- To study the current innovative trends prevalent in the digital world
- To evaluate the most popular marketing techniques adopted by the online marketers to entice and expand the consumer base.

### Research Methodology

The study is descriptive in nature and is based on secondary data collected from various journals, books, and websites.

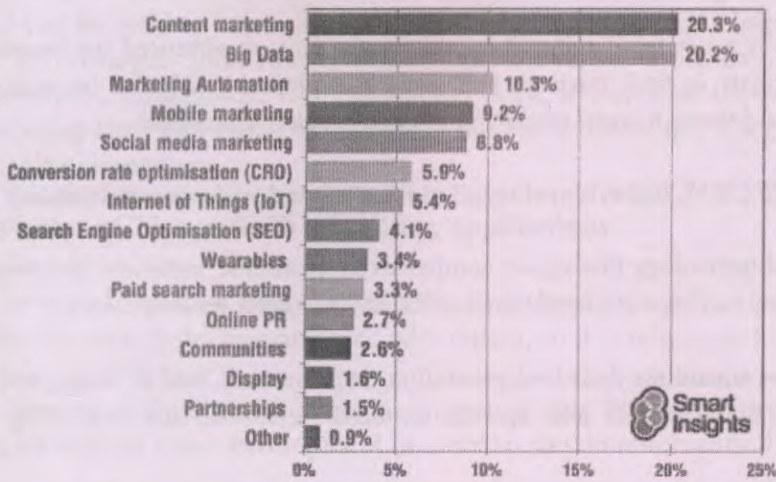
### Current Online Marketing Trends

Many major companies and IT sectors have adopted the innovative trends of online marketing in order to enhance their business scopes and expertise. **Digital marketing agency India** is providing a large spectrum of digital interface in various commercial projects.



The following are the most popular Trends surfacing the digital world.

### Top-rated digital marketing techniques 2017



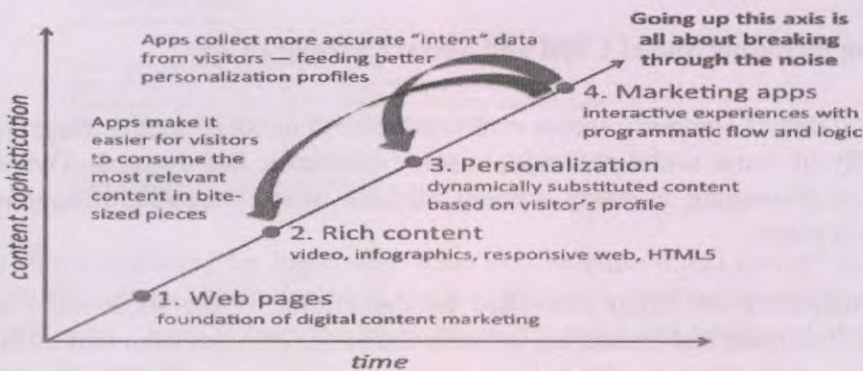
#### 1. Content marketing trends

Content marketing has been in the top 3 for the last 3 years. Content is the cornerstone of online marketing strategy. Creating good content in a sea of competition and distraction is a challenge. Budgets for search-engine optimization (SEO), pay per click (PPC) and media could be impacted by the need for more frequent and higher quality content.

Content is also a Google ranking factor and will help sites attract high-quality inbound links, build trust, credibility and authority with your audience.

When creating content, the goals should be focused on the audience with respect to a mobile view. This can be tricky as longer content is generally better for a desktop experience while mobile needs to remain highly informative but stated with a lower word count.

Using images is a good way to keep people on the page longer and increase engagement. Forty percent of people respond more when there's an image in the content.





## **2. Big Data**

Big Data marketing applications include market and customer insight and predictive analytics.

The 3Vs of Big Data show why this is a key trend selected by many, who have experienced the increase in volume, real-time data and data formats in their business and want to exploit the value to increase sales through personalisation on websites and through email marketing through predictive analytics.

## **3. Marketing Automation (including CRM, behavioural email marketing and web personalisation)**

Marketing automation is a category of technology that allows companies to streamline, automate, and measure marketing tasks and workflows, so they can increase operational efficiency and grow revenue faster.

Marketing automation helps marketers streamline their lead generation, segmentation, lead nurturing and lead scoring, customer lifecycle marketing, cross-sell and up-sell, customer retention, and marketing ROI measurement.

## **4. Mobile marketing (Mobile advertising, site development and apps)**

Mobile was in the top 3 three years ago, but as more companies have adopted mobile responsive web design and email templates they have seen less need to focus on it, or at least there are fewer opportunities for growth.

However, research shows that retail conversion rates are significantly lower on smartphone, so there is work to be done for many businesses to optimise conversion on mobile, although they will likely always stay lower than desktop.

The importance of mobile will grow in each and every aspect of business, online marketing included. People use mobile devices all day long and in various contexts, allowing marketers to target them in a longer stretch of time and during different phases of the day – at work, during rest or play.

Mobile also has a large impact on search marketing as Google vigorously follows its mobile first mantra. However, it's a somewhat misleading mantra, since the reality is that many web users are still using desktop, laptop and tablet devices and there is a danger with mobile responsive designs that conversion on higher resolution screens may fall if mobile optimised. Instead, leading companies are looking at adaptive mobile design approaches which have the benefit of serving more relevant, contextual content and CTAs for users and reducing load times.

## **5. Social media marketing including Social CRM and Social Customer Care**

The social media research statistics summary shows continued growth in social media usage overall, but with reduced popularity of some social networks in some countries. For example Twitter and Facebook are in decline or plateauing in many western markets while Snapchat, Instagram and Pinterest are still growing in usage.

Trends in social media marketing are often controlled by the efforts of the social networks to monetise and this has seen Facebook and Instagram, in particular make changes such that businesses now need to 'pay to play' to get the reach needed to have an impact. They have continued to innovate in their targeting and remarketing options.



## 6. Conversion rate optimisation (CRO) / improving website experiences

CRO is the method of using analytics and user feedback to improve the performance of your website. CRO can be used to improve any metric on the website that's important to the business—often called key performance indicators (KPIs)—but it's often associated with acquiring new customers, registrations, downloads, etc. Put another way, it increases the percentage of website visitors who experience the “aha moment” (or the must-have user experience) that turns passive browsers into valuable conversions.

## 7. Internet of Things (IoT) marketing applications

IoT is one of the most important marketing technology applications of the last 2-3 years, but it is of most relevance to devices makers and retailers, so it is relatively high-up in this ranking of priorities.

The Internet of things will create a completely new kind of environment and marketers will have to keep up with its rapid development in order to stay in touch with the changing needs of consumers.

## 8. Search Engine Optimisation

Search engine optimization (SEO) is the science of increasing traffic to your Website by improving the internal and external factors influencing ranking in search results.

Mobile marketing SEO techniques will be particularly important in 2017 with Google's recent announcements about the mobile index and AMP. We have seen huge increases in AMP smartphone traffic since September 2016 when Google rolled AMPs out beyond Google News.

The image shows a Google search interface. The search bar contains the text "used cars in pune direct owner". Below the search bar, there are navigation tabs for "All", "News", "Images", "Maps", "Videos", "More", and "Search tools". The search results are displayed below, starting with "About 1,22,000 results (0.49 seconds)". The first result is titled "Used Cars at Low Price - Get best deal in 2nd hand cars" and includes a link to "www.cartrade.com/Buy-Used-Car". The second result is titled "Used cars for sale by owner in Pune - Quikr.com" and includes a link to "www.quikr.com/India-Classifieds". The third result is titled "Used cars in pune direct owner - Find your second-hand car" and includes a link to "cars.trovit.co.in/Cars". The fourth result is titled "Used cars for sale by owner in Pune" and includes a link to "pune.quikr.com/used-cars-for-sale-by-owner..used-cars...owner/x33". The fifth result is titled "direct owner — Pune Cars for Sale in Pune Second Hand ..." and includes a link to "www.puneusedcars.com/direct-owner-mdash-pune-h41.html".

In the above example, the keywords “used cars in pune direct owner” is important, the first three links are that of the paid marketers, there is always a rush to top the first ranking in terms of the keywords used. Search Engine Optimisation improves the listings of the Companies position and enhances the visibility of its site.



## 9. Wearables

Wearables are one of the hottest consumer consumable commodities (e.g. Apple Watch, activity trackers, augmented reality) It is gaining a lot of momentum these days, the marketers need to take cue of this technology.

## 10. Paid search marketing

Google AdWords is the most important form of Pay Per Click and here Google has been pursuing their 'Mobile-first' strategy by building out these features.

## 11. Online PR (including influencer outreach)

Online PR activity is closely associated with improving results from many of the other digital marketing communications techniques in particular social media, SEO (link-building), partnership marketing and viral marketing / word-of-mouth marketing.

Online PR can be a great, low-cost technique for making more people aware of your brand or website.

Online PR today is inextricably linked with Content marketing, SEO and Social media.

## 12. Lead Nurturing

It is the latest addition and a fast catching upon trend in the digital world today. **It is a form of email marketing in which you set up a series of customized emails that automatically send to prospects in the early and middle stages of the buying cycle. You may also hear these types of emails called "trigger" emails.** The bulk of marketing is mostly effective lead nurturing. Whether it is marketing through email, content or phone calls, the meat and bones of most marketing activities consist of channeling leads through the marketing funnel to become customers.

## Other trends

- Account Based Marketing (ABM) - relevant for B2B marketers targeting large accounts we have a new guide in our B2B toolkit on this early in the new year.
- Digital OOH (Out-of-home) - A surprising one for the number one technique
- Employee advocacy and feedback - interesting to see the internal marketing perspective - again surprising to see as the main growth point
- Omnichannel and multichannel attribution - both good for reminding us that it is the way that these channels work together to support each other that is often most important - the reason why many members are looking for advice on an integrated marketing strategy

## Conclusion

In order to stay effective, online marketing strategies should immediately respond to the preferences and behaviors of their targeted audiences and follow consumers in their daily use of the web. Considering the above trends there's no doubt about one thing – marketers will find next few years inspiring deep changes in the ways in which consumers interact with online environments.

Innovation is crucial for great marketing because there will always be room to improve brand relationships and experience with consumers. Ensuring that innovative practices are able to exert their influence on a brand's marketing efforts allows brands to be consumer-centric and challenge for the future.



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## BRIEF ASSESSMENT:

### INTEGRATED RISK MANAGEMENT SOLUTION FOR LIVESTOCK AND ITS ROLES IN SECURING RURAL LIVELIHOODS

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Since the very beginning of human civilisation, the process of rearing the domestic animals has been evolved. Amongst all the other useful animals the cattle and buffaloes were always preferred. Because of this preference, the wealth of any individual was calculated on the number of good animals; one possesses and is benefited relatively on their yield of milk. In the religion the cow has an aesthetic value. There are many spiritual stories in Indian scriptures, stating 'cow' comprising of 33 crores of different Gods and Goddesses whereas the male buffalo is considered as the vehicle of "Yama", the God of death. The bull 'Nandi' is the vehicle of "Lord Shiva", who represents death and distortion. As the cow is involved from breeding to feeding processes, she symbolizes the nature – Goddess Earth.

Since ancient civilisation, utilizing the services of the livestock was practised. They were using strictly scientific breeding techniques. The land was made available for grazing of cattles and the milk produced by them was used for drinking, & products like ghee were used in Vedic rituals.

In Lord Krishna's period, people used to carry the curd & butter from Vrindawn to Mathura. In those days after 100% feeding of the calves the remaining milk was taken by the owner to his house. Only after the family requirement of the milk is fulfilled, the surplus milk was converted into other products and sold in market. "Selling milk was thought to be equal to selling one's own child". Similar thoughts were also observed till 1980's in northern states of India.

Later on, the milkmen started starving their families and selling the milk in market. Subsequently, the calves were starved for the milk of cow and the milkmen sold the milk in the market. To resist the greed of the milkmen, Lord Krishna started "Dahihandi" where he used to break the pots carrying milk, preventing the sale in the market. It is worth noticing, in Mahabharat Nakul and Sahadev, are expert in rearing of livestock.

In today's scenario, the rise in industrialization and automation has generated craze for faster life. This has resulted in fast food and quick returns techniques. This has led to the practise of milk adulteration leading to greedy and unhealthy practises.

Considering the food chain the fodder, crops, herbs etc. are consumed by the herbivorous animals. And they are eaten by carnivorous animals. The dead bodies are decayed and converted, into manure which is then, consumed by the plants for their growth.

If we look at the ancient civilization, men used to settle on the banks of the rivers where the crops for fodder & grains were cultivated. The grains were eaten by human beings & the left over was utilized by the livestock which in turn produced milk, for human beings.

Milk contains fats, proteins, carbohydrates, vitamins and minerals making it a complete food.

The dung of the livestock with the crop residue gets converted into manure. This is a very efficient eco friendly conversion.



In this era of industrialization, people opt for industrial employment other than Agro Dairy industries for better income. In the 1960; when I was studying in school, the children were more inclined to become a farmer than being a businessman or an employee. Today, the situation is totally changed, other roles have taken over farmers' role.

This situation is because of negligence of each and every department of the agro – dairy sector. This is evident by the papers published by central Government on the Dairy development in India (Ref 1) and different problems observed with their comments on the same issue of the paper submitted by the Maharashtra Gov. Animal husbandary department. (Ref 2).

There have been trends where the countrymen have opted for various other drinking options, in spite of the fact, man drinks throughout his lifetime. The Government tends to declare tea as a national drink, although tea gardens are owned by a few landlords and not by ordinary farmers. Government supports distillery or wine producing units or hard drinks. The aerated drinks like different fizzy and soft drinks, are promoted through all the advertised media i.e. audio-visuals, hoardings, newspaper etc.

The Government should first decide to advertise milk on the line of NECC (National Egg Coordination Committee) to promote drinking milk. The advertisement for egg as "*Sunday ho ya Monday Roj Khavo Ande*" is noticeable. The advertisements for other health drinks states that milk is not nutritive and needs additives to make it complete food. These advertisements should be studied carefully. Ayurveda states that the human beings should drink a glass of water in the morning, a glass of buttermilk in the afternoon & a glass of milk in the night. But today, the day starts with bed tea, lunch with the aerated drink while the day ends with alcoholic drinks.

Mahatma Gandhi (Father of the Nation), tried to ban hard drinks, but because of tax revenues, it was in vain. The distilleries are owned by a few people & could be counted on the finger tips.

Govt. should treat milk as the basic necessity. The farmers' business should always be monitored, supported & controlled by the Government, as it forms the backbone of our country's economy.

At this junction, the dairy business is not at all profitable because (1) the fluctuation in prices of cattle feeds, (2) milk collection, (3) the milk distribution cost (marketing of milk), (4) milk adulteration threats/ competition . In contrast to developed countries, in our country, the services of agriculture & dairy sectors as well as the guidance is a major concern.

There is no micro planning because of which agriculture or dairy production is more than the demand. Being a perishable commodity, the surplus is disposed, at a throw away price.

Sometimes there are huge losses, so farmers opt out of the production of agriculture or dairy sector resulting in sacristy of production, which results in the price hike of dairy and agriculture products attracting the individuals to business again.

It is worth noting irrespective of profit or loss at the farmers' level, there is always profit at the commission agents' level. The commission agents are either of co-operative, private or Government sector, they may be traders, they may be consultants, and they may be financiers like Bank and or different institutions.

We know at times the onion is sold at 80 paise per kilo and sometimes onion prices shoots up to 80 rupees per kilo. Similar hundred times fluctuation is never observed in any other industry sector. That is why everyone prefers other industry sector than agriculture dairy sectors.



The present scenario is that children of farmers get educated and migrate to urban areas. They are not at all interested in farming. This is because the agriculture and dairy sector are not a profit making businesses. The profit and production is always dependant on the fluctuation in the market. This situation can be easily controlled by systematic micro planning, of the different products in different areas. The planning should be provided by government employees or the concerned employees of different sector who are genuine, loyal, responsible and accountable. In case of wrong decision resulting in loss to agriculture and dairy sector, strict actions must be taken on the defaulters, organisations, and departments.

The punishment for milk adulteration is a long process. The considerable delay reminds us of saying - 'Justice delayed is justice denied.'

Popular political decision such as, waiving of interest and principle of the loan amount is an eyewash. One should analyse, why the farmers are not able to pay back their loans? What is the root cause? Only external dressing would not save the life of the vulnerable agro-dairy business. There should be correct antidotes treatment for this snake bite like situation. Helpless farmers commit suicide in thousands. These cases are to be studied in reference with the economics of each and every business sector. There should not be the duplication of work. If the sources of land and water are carefully utilised e.g. if the water is provided for irrigation, then those people should be taxed accordingly to compensate for the displaced people because of that irrigation. The water made available should not be used for only cash crops, but it should also be used to grow common staple food and fodder crops for the livestock.

I have attached some newspaper clippings where, because of famine conditions people are selling their animals, shifting their homes from one place to another and Government is spending huge funds on them. But this is as good as dressing the wound, only the superficial treatment. It does not solve the problems at the root cause.

Insurance to protect the rural livelihoods is an additional expense. First, food, shelter - clothes, other basic needs must be fulfilled, through available profit, then people may think of add on. Cow milk basic cost is around 20 rupees per litre but Government rate is 17 rupees. So clearly one has incurred loss of 3 rupees per litre of production. Where is the profit? The losses ensure, one could never be a winner. If one understands the economics of the current dairy or agriculture sector, then none would be in the agro-dairy business.

The reformation of agro-dairy sector is a must. The Agro-dairy sector is deploying tremendous work force. They would be able to produce nutritious food which should be fed to kids suffering from mal-nutrition, to easily solve the malnutrition problem.

Just like the Sun, radiates light in every direction, closely monitored and controlled agriculture and dairy sector business at the micro level, would be a solution for all around problems.

There could be a national grid just like electricity board. If one part of the nation needs more electricity then, it is diverted from another part. In the same way, the national milk grid, an idea of NDDB has to be implemented in a very - very systematic way. The price of agro-dairy sectors must be calculated in such a way that the farmers should have a profit of at least 25% of the total cost of production. Then and then only the displaced people, would come together and join agriculture and dairy sector, as an option to sustain their livelihood.

Small industrial sectors are making the profits in many ways. By assuring minimum 25% net profit in Agro dairy sectors the whole scenario could be changed within 10 years. The rural to



urban migration in India is going to cross by 50%. Leading to scarcity of man power in rural area and overburdening urban infrastructure. This may give rise to growth of slum area and other concerns like law and order.

Unless and until there is sufficient profitability in each and every segment the migration will continue. Micro planning is the only solution to migration and it should be closely monitored by accountable and dedicated departments. It should be supported whole heartedly by Government and politicians.

When we calculate the number of insurance policies for individuals, they are more than 100 crores. But when we think of cattle insurance the policies have not even crossed 50%. Once the business is profitable, then the milkman would definitely pay for the insurance, of cattle. Hence one can say it is a vicious cycles i.e. no profit, insurance not paid, risks are open and losses are assured.

To change this scenario there has to be education & training in a systemic way. A legal and statutory committee should monitor the agriculture and dairy sector. The statutory committee should also impart training on sensitive aspects.

If a milkman, (who is also a farmer) is having difficulty in repaying the loans for agriculture, food, clothing, marriage of daughter, etc., he gets so frustrated, that even may commit suicide. Some aggressive farmers may become terrorist or naxalist, creating more problems.

Let us look at a picture of a cow & cattle egrates. A cow is grazing, while grazing small insects and ticks are eaten by cattle egrates. It is the biological eradication of eco parasites. The cattle is relieved without use of any chemical, giving increased yield. This is a true symbiotic relation.

**Picture 1: Symbiotic Relationship**



**Picture 2: Parasitic Relationship**





Insurance and veterinary medicine sector are dependable on agro-dairy sector. Insurance covers risks and medicines are for maintaining good health of livestock. At times Efficacy of the insurance services, medicines and chemicals is questionable still the service providers get their payment. There is no sufficient monitoring system to examine the results out of it. Such services must be regularly checked and Culprits must be punished. & black listed by publishing their names on regular intervals.

Only animals financed by financial institutions like Bank are insured. The main purpose of it is to protect the bank money, at the cost of milkman, rather than the welfare of the milkman. Animals having vulnerability viz having other voices or brucellosis like diseases, infertile, infections may get insured due to malpractices. These animals are circulated in cattle markets. Ultimately banks recover loan by hook or crook. Veterinary doctors get the money for issuing Health certificate, insurance companies get the premium but farmers remain where they were before or even become penniless. This picture of, rural livelihoods can be changed if rulers politicians and beaurocrates give huge extension work programme to dedicated workers. NGO's, etc. This is true not only for milk or livestock but also for each & every commodity of agriculture.

To overcome the problems in agro-dairy sector a better model can be suggested as follows –

- 1) One organisation or one board can be established to take care of agro-dairy sector and it will function under one roof.
- 2) Agro-dairy sector, purchase and selling prices should be fair and exploitation of producer and consumer should be stopped.
- 3) Control on prices would definitely increase people's awareness in the business. With the assurance of profit their confidence will increase.
- 4) For agro-dairy sector, there should be training programs explaining positive and negative aspect of the business. The training should include different Government schemes, financial terms, and marketing positions. Today an experienced and educated person at job level is below 10% competence. So supervisors also should be trained and monitored.
- 5) The funds given to all farmers should be a fool proof package. It should be just like complete Rice-plate, where one gets information from reliable raw material up to market to sell his goods.

This fund could be generated by following contribution-

- Milk industry Rs.1 per liter contribution from those who are selling milk in the market liquid milk or by-products. Cost of by-products can be calculated beforehand based on milk utilization.
- Rs.1 per liter should be given by Government for development of rural sectors, and employment of people, through different schemes & MLA/MP Funds.
- Contribution of Rs.0.50 per liter from milk producers should also be added to this fund.

With this money every aspect in farmer's life e.g. vaccination, interest of loan, food & clothing, farming, marriage of children, treatment, education would be taken care of with marginal expenses. This should be monitored through different committees at different levels like:

- National Animal Husbandry Welfare Board



- State Animal Husbandry Welfare Board
- District Animal Husbandry Welfare Board
- Taluka/ Block Animal Husbandry Welfare Board etc.

Fund distribution for 2.50 Rs should be as follows:

Rs.0.20 – Insurance and identification.

For identification (RFID) Radio frequency Identification like devices with reader may be made available. It must be statutory like Aadhar Card (as for human beings). Each animal will be monitored from birth to death, up to the slaughter.

Rs.0.20 – Medicine /veterinary treatment.

Round the clock best treatment service must be available in every part of the village free of cost.

Rs.0.20 – Artificial Insemination with proven sires from Bull mother farms & semen labs should be developed. Record keeping and monitoring should be done regularly and strictly.

Rs.0.20 – Marketing and advertisement: On Radio & TV channels with thrust on producers and consumers education for Single brand promotion

Rs.0.20 – Livestock development Indigenous Breed.

Rs.0.20 – Research & Development for encouraging Agri / veterinary vidyapeeth & colleges with practical know how of producers' useful work and by-products development should be considered.

Rs.0.20 – Cattle Sales & Services

Livestock markets should be developed and authentic livestock should be made available with guarantee. At the same time if one fails to do the business, the livestock has to be taken back immediately. The same time problematic animal e.g. infertile animals, have be treated under expert supervision, by charging appropriate amount & given back to owners. Such cattle farms should be developed at each Taluka/ Block level.

Rs.0.20 – Prophylaxis – Vaccination and deworming.

Rs.0.20 – Training, Coordination and monitoring.

Rs.0.20 – Male and Female calf rearing farms at each Taluka/ Block level.

Rs.0.20 – Bio-gas and manure plants.

Rs.0.20 – Fodder seeds, Cattle feed extention work, Silage pits, urea treatment etc.

Rs.0.10 – Emergency funds & carry forward funds or savings for future.

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**Rs.2=50**

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Similar methodology can be applied for other livestock / products also....



e.g. Egg – 25 paise from end user – per piece.

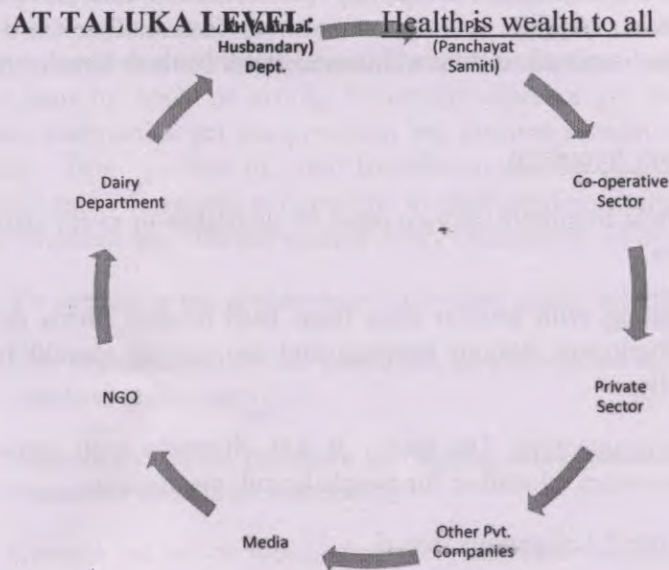
Chicken – Rs. 1.25 from end user per kg. Dressed wt.

Mutton – Rs.30 from end user per kg. Dressed wt.

i.e. approximately 10% of final maximum retail price.

### Monitoring Systems

Motive: Work to all and



**District level:** District Co-Operative Milk Union, Zillah Parishad etc.

**State level:** State milk federation, Maharashtra Livestock Development Board, BAIF

(Bhartiya Agro Industries Foundation) like NGO's.

**National Level:** NDDDB (National Dairy Development Board), NABARD, NCDFI

(National Cooperative Dairy Federation of India), NCDC, etc.

### Why we all should come together?

- 1) Price fixation to avoid cut throat competitions.
- 2) Vaccination to all livestock to avoid diseases.
- 3) Breeding of ultimately good genetic material to get better result.
- 4) Marketing under one brand.

E.g. Amul at National level, Mahananda at state level or like GMMF – Maharashtra Milk Marketing Board Comprises of Government, Coop & Pvt. Sector.

- 5) Avoiding duplication of work, to minimize cost.
- 6) Farmers should get one window service for each and every problem.



- 7) One research institute should guide all sections & business similar to Vasantdada Sugar Institute for Sugarcane growers.

### Risk Reduction through Rural:

#### Insurance and Assurance Services

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1) Farmer both husband &amp; wife</li> <li>2) Animals</li> <li>3) Cattle sheds</li> <li>4) Other Important or precious equipment<br/>E.g. Milking Machines</li> <li>5) Productive life diseases protection<br/>E.g. Brucellosis some part 55% animals are infected.</li> <li>6) Simple way and make it compulsory and free from Animal Husbandry Welfare Board.</li> </ol> | <ol style="list-style-type: none"> <li>1) Farm guidance</li> <li>2) Agricultural services</li> <li>3) Veterinary services</li> <li>4) Manufacturing services<br/>for different local by products<br/>e.g. 1) Milk – Khowa<br/>i.e. evaporated unit 2) Grains are cleaned and well packed for consumer or even Making Atta - Floor</li> <li>5) Marketing Services</li> <li>6) Extention Services</li> </ol> |
|---|--|

Close monitoring is must in agro-dairy Industries because every small experience gathered and circulated amongst all would give better results. Even the results could be again brain stormed for improvement. These decisions could be implemented, after taking the opinion of experts in this field based on the data collected under close monitoring .This cycle should be continued for continual improvement.

Breeding policy is documented but unfortunately it is not properly implemented. There is no monitoring & control on A.I. worker for their activities scientifically and type of quality of semen doses used. So neither we could maintain the blood levels in the animals nor could we increase lactation yield per animal. The farmers are not educated. Even at 100% A.I. coverage areas, in the survey there is no bulls' history A.I. workers should be trained and made responsible and accountable for the services. . A.I. workers must be registered. Low quality semen should be banned and we must use proven sire semen doses for A.I. to raise the lactation yield.

By rearing of cattle and buffaloes we get milk, meat, hide, draft power, agriculture waste conversion, alternate energy, manure, & weapons from horns and bones, thus it helps to develop the economy either by barter system or cash system or by hypothecation of loans.

#### The important benefits of milk business are as follows,

- 1) **Milk:** milk is highly nutritious and with the clean milk production, we would get best quality milk.
- 2) **Female calves:** female calves rearing programme is to be taken seriously so a good quality heifers and then cows will be easily and economically available at farmers' doorsteps. But because of negligence, lack of patience and lack of scientific rearing, mortality rate in female calves is considerable. There is also a tendency to purchase animals for milk, which are not at all cost effective.
- 3) **Male calves:** In many sector there is 100% mortality rate of male calves or they are put to death by not feeding milk, but this situation can be changed easily with male calf rearing farms. The



young bulls can be used, in the remote areas for draft power or for slotting purpose. This would act as an additional source of income to dairy business.

- 4) **Dung:** Establishing Gobar-gas plant gives alternate energy economically. The Plants can be established either individually or on community basis, to maintain hygiene & to get very good manure as the by product. This would result in additional earning in rural areas through energy generation, also it would prevent cutting wood for fuel, so protecting environment and discouraging deforestation.

Besides this, rearing livestock repays immense love and affection leading to positive state of mind for the owners which can't be calculated in money. It teaches; naturally what is life and death. It also gives sex education to young ones at door steps.

Milk can be converted into more than thousands different end products of different qualities like curd, butter, cheese, ice-cream etc. It is nutritious. It has got its own importance.

India has approximately 250 mg/ capita milk availability. But developed countries like Israel, America are having more than 1 litre per capita milk availability. Hence India has four fold scope in dairy industry, including para-dairy industries, like veterinary medicines, chemicals and instruments. Therefore to protect dairy industry, co-ordinating with agro-industry is just like protecting a big stem of a banyan trees. . If the stem is strong, naturally, the resources from the roots would be utilised and there would be many branches with numerous fruits. It only needs motivated and dedicated human resources from different sectors like government, private, co-operative and NGOs.

Like vehicle industries, where we must have showrooms for trials, sales and service, the same way one can buy cattle and buffaloes from guaranteed market. Whenever a farmer wanted to change or sell cattle, there should be no exploitation. There should be polite, educative, informative round the clock mobile services available to dairy owners from veterinary sector. Good quality fodder seeds must be made available so one can avoid poor quality roughage. Excrete of good quality fodder with less methane, is required. Methane being hazardous to environment, it should be minimum. One must be positive and co-operative to rear the livestock. Good health of livestock would avoid risk factors for them and naturally we would be able to secure rural livelihoods.

To achieve this, there is need for intervention by statutory control, suitable laws and capable human resources for the implementation and education. Even the small part of the state or one district can be considered where we can take up a pilot work to change the present scenario of uneconomical dairy Industries.



## IMPACT OF TRAINING FOR SELF EMPLOYMENT: AN EMPIRICAL STUDY

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### Abstract

*Training is a process of acquisition of skills and knowledge for an improved performance in search of self employment. It is important to point out that unemployed women get motivated through training, peer pressure, opportunities understood through training that changes their attitude towards self employment. In this paper researcher focuses on the objectives of awareness among women regarding various categories of training and made a quantitative evaluation on the impact of training on unemployed women in acquiring skills and knowledge and changes in their attitude for starting a self employment activity for their livelihood. The present paper is a case study based on data provided by NGO Swayamsiddha Kolhapur as well personal interviews, and observations during visit to various units started through training by Swayamsiddha, Kolhapur. The study reveals that there was a great impact of training in acquiring and upgrading skills and knowledge and through which almost of the unemployed women are empowered and enhanced their individuality and performance towards setting up of business unit for their livelihood.*

**Keywords**—Acquisition of Skills and Knowledge; Change in Attitude; Impact of Training; Livelihood.

### INTRODUCTION

Women have a unique position in the society. Real Development cannot take place if it bypasses women, as the kernels around which societal revolution take place. Self Employment enhances financial independence and self esteem of women. Around 50 % of India's population is women, yet business spheres such as trade, commerce and industry is still considered a male preserve.

Unemployed women must be empowered through proper training which enhances their awareness, skills and knowledge and there by facilitating them to empower psychologically and enable them to contribute more to their family and for the overall development of the society. In various highlights of national policies and development programs emphasis has been given on organizing unemployed women in a self help groups.

To achieve this objective a number of specially designed training programs are being conducted within the focus of improving the skills and knowledge, roles and responsibilities, thrift and credit operation. These massive training programs made an impact on unemployed women and helped them to change their attitude towards self employment and strengthen their self confidence to start self employed units for their livelihood.

The present paper is a case study of Swayamsiddha, Kolhapur by V.T. Patil Foundation. Swayamsiddha, was established in 1992 with the basic objective of empowering women through entrepreneurial activities. They are imparting vocational training to women for more than 25 years. The present study is based on training imparted by Swayamsiddha, and its outcome . The study is based on data for ten years from 2005-2015.



- **Objective of the Study**

- ✓ To study the inputs given for Entrepreneurial Development by NGO Swayamsiddha, in Kolhapur, Maharashtra.
- ✓ To study the impact / change due to the efforts done by NGOs working for Entrepreneurial Development in the field on women in particular and society in general.
- ✓ To study the importance of the entrepreneurship development especially for illiterate / less educated women in the rural areas.

- **Methodology**

Being exploratory in nature, the study was carried out through field survey and interviews of beneficiaries of the training programme of Swaimsiddha and interviews of key persons engaged with training, support, monitoring and mentoring the rural women.

- ✓ **Locale of the Study:** The present study was undertaken for the self employment generated in Kolhapur District for women with the help of NGO Swayamsiddha,. The sampled women are beneficiaries of the training programme / guidance / support/ mentoring by Swyamsiddha . They are from Kagal, Panhala, Ġadhinglaj, Shirol , Shahuwadi, Radhanagri, Chandgad, and Gaganbawada talukas of Kolhapur District.

- ✓ **Sample Selection:** The core of the study is primary data. The sample of 320 is randomly selected from beneficiaries of the training programme of Swaimsiddha, Kolhapur. The sample was selected through a list of trainees who have taken training for various types of entrepreneurial skills from Swayamsiddha and started and sustained in the business in respective areas.

According to the data from Swayamsiddha for the years 2005 to 2015, as shown in the Table -1 below, total 5890 women from above mentioned talukas of Kolhapur district were trained for various types of trades / activities. Out of that 3430 women ( 58.23%) women stated business initially. Later only 1998 women (33.92 %) sustained in the business.

**Table 1**

**Vocational Training Imparted by Swayamsiddha, Kolhapur**

Year	Vocational Training (Rural)	Started Business	Business Continued
2005	265	91	78
2006	291	145	125
2007	261	142	130
2008	522	239	158
2009	394	150	111
2010	477	204	150
2011	547	250	200
2012	705	410	194
2013	735	551	290
2014	786	590	250
2015	907	658	312
	5890	3430	1998

**Source:** Compilation of data from various Annual Reports of Swayamsiddha. (The year indicates the data from Jan. to Dec. of the respective year.)

As mentioned in the above Table 1, from 2005 women entrepreneurs who continued in the business minimum for three years are randomly selected. That is is about 16% of the women who continued the business minimum for three years . The sample selected is 320 self employed women.



✓ **Data Collection:** The tool / questionnaire was developed in Marathi for easy understanding of respondents. After finalizing the tool the investigator personally contacted the respondents and collected the information. In some cases questionnaire was circulated in weekly meeting of members through the volunteers of Swayamsiddha and if any information lacking in the answers given to the questions by respondents, later it was sought by telephonic talk.

✓ **Analysis of Data:** The information gathered from self employed women was tabulated and analyzed by using quantitative techniques.

## Review of Literature

Mohana Rao (2000) concluded in his study that self help group showed a positive impact on the households of the members in respect of building of self-confidence and helped in skills formation for social empowerment of members.

Goldstein & Ford (2002) they described in their study that training is a process of systematic acquisition of rules, concepts, skills or attitude resulting in improved performance of a person in another environment.

Dr. Raghavan (2006) revealed in his study that a new paradigm of participatory economics has been found. The study concluded by saying that the strategy of participation and empowerment adopted in Kudumbasree mission ensures sustainable livelihood to many number of poor women and created a positive outcome.

Dr. Chandrasekar & ShivaPrakash (2010) The study indicates that the poor women through this initiative had made an entry into the IT enabled jobs and also ensured a minimum level of income adequate to meet the family needs.

Manjusha (2012) The study revealed that the leadership quality is lacking in majority of respondents which indicates the necessity of training in soft skill and for enhancing the leadership quality and they also suggested that the skill development program should be conducted for better advancement.

Chithra.N.Nair & Lalitha (2012) They pointed out that the majority of constraints faced by the beneficiaries during the participation were the family background, difficulty in bringing members together ,disturbance of daily household work , delay in availing benefits , lack of proper marketing place etc. The beneficiaries suggested for the need based training on a regular basis.

## OBSERVATIONS AND FINDINGS

- ❖ Type of self employment for the selected sample of 320 –

**Table 2**  
**Types of Enterprise in Sample Selected**

Sr. No.	Type of Enterprise	Frequency	% Share in the Sample Selected
1	Agro based	82	25.62
2	Fashion designing	46	14.37
3	Crafts / Embroidery	38	11.88
4	Sweaters Weaving	16	05.00
5	Purses/ bags Making	56	17.50
6	Cookery	54	16.88
8	Trainers Training	28	08.75
	<b>Total</b>	<b>320</b>	<b>100%</b>

*Source:* Sampled Data



- ❖ 81.87% entrepreneurs from the sample were in the age group 20-40 years. Thus it can be said that majority respondents were of middle age.
- ❖ About 58.37 % women were having education below S.S.C. level or less educated.
- ❖ More than 98% women were staying in joint family.
- ❖ 53.75 % women had either agriculture as a main occupation or doing jobs in agro based work in or around village.
- ❖ Majority women from the sample have taken training for agro based activity i.e. 25.62%.
- ❖ The lowest choice for training was for trainers Training i.e. 8.75%.
- ❖ Women took training for more than one trade and are also doing more than one activity to earn money.
- ❖ The training programmes by Swayamsiddha are for the short duration. i.e. only one or three days. Only for fashion designing it is for 2 months.
- ❖ The training programme is for small duration . Swayamsiddha imparts skill / basic inputs to trainees to start the desired business activity and if required experts from Swayamsiddha support and help entrepreneurs to solve their difficulties during their endeavor.
- ❖ Surprisingly it is seen that, only with short duration training women get confidence, motivation and they are ready to take up entrepreneurial task. This shows that, these less literate women from rural area have capacity, talent to take up an entrepreneurial activity. Their physical endurance and determination to earn money is making them successful in their business.
- ❖ Majority respondents used raw material from their own farm produce and place required for business is used at their own house, thus they were able to manage within very less investment especially for agro based industry, tailoring, vermiculture, cooking etc.
- ❖ The nature of the business done by respondents is such that, their capital gets free early and they can roll same capital for further production in the business.
- ❖ The outstanding aspect of the Swayamsiddha programme is, they make participants to utilize available resource for production or process available raw material for value addition. For e.g. Use raw bamboo for craft items, Agriculture produce for processing, canning, use of farm waste for vermiculture etc.
- ❖ Respondents seek help from family members and they do not pay them any kind of official salary. Thus they have not mentioned for employment generation in the business.
- ❖ Considering the initial investment level which is either Rs. 5000 or Rs. 10000 the average earning of respondents is approximate Rs. 1765/- per month. (Rounded figure as per data) This return shows very high return ratio for investment.
- ❖ Those women are not full time entrepreneurs but, along with their entrepreneurial activity they do all household work, help for family agricultural activities etc. This is unique about those entrepreneurs.
- ❖ Swayamsiddha gives marketing support through guidance and market access through weekly bazaar till the entrepreneur gets confidence to sale their produce in the market. After getting confidence to sale, entrepreneurs undertake marketing independently.
- ❖ Swayamsiddha quits from the training activity in the village as soon as the trainers in each village or within the cluster of the villages takes over for particular training activity. For those trainers after each six months a refresher course in the concern trade is organized and is a continuous activity of Swayamsiddha.
- ❖ As and when those trainers take training activity for their village or at any other place, it is on behalf of Swayamsiddha and they get honorarium for the same from Swayamsiddha. The trainees who become an entrepreneur after attending training programme of Swayamsiddha have free access to the weekly market place and marketing network support.
- ❖ Those women from villages were not having any high expectations about earning and thus they have taken up activities that were need based. For example-



- ✓ Bangle sale in the village.
  - ✓ Install machine for spice grinding and vermicelli making for villagers.  
(Otherwise for above both, women from village have to spend for travel to other place and spend time for which they lose wages.)
  - ✓ Nursery for saplings required for the vegetable growers in the village.
  - ✓ Under Government scheme to provide food for school children, the SHGs in many villages have taken initiative and started earning money. Also those SHGs started growing vegetables for the above activity thus ready market for their vegetable produce was available.
  - ✓ The groups from village Mallewadi entered into contract farming for Baby Corn and Gherkin (a type of small size cucumber). This was a collective effort by SHG group. The members were not only growing corn and gherkin but these women also negotiate for higher contract rates and other terms and conditions of the contract for their produce and were successful in the same. This was outstanding achievement of rural women.
  - ✓ The groups were growing poultry; rabbit etc. at individual level but the marketing for the same was done collectively.
- ❖ Every body said that self-confidence was gained. This is very important, as it will help them to lead better life in future. As almost all respondents were from lower middle class or poor family, the earning security was important for them.
  - ❖ It was observed that along with young women, their grand mothers also started coming for training programs and contributed to the entrepreneurial activity started in the family.
  - ❖ Only three participants mentioned about Political Participation as they were Grampanchayat Members and one of them was sarpanch.
  - ❖ The respondent mentioned that, not only woman herself but the whole family thinks about and acts for the entrepreneurial activity undertaken by woman. The girl from the family, when she gets married, takes the entrepreneurial activity along with her to in-laws- family and thus new family starts the entrepreneurial activity.
  - ❖ The allied benefits other than monetary earning are more important as they add quality to women life and family status. Not only that, but change in their personality, outlook, values, shouldering / sharing responsibility, understanding social issues, facing and reacting adverse situation etc.

## CONCLUSION

It is known fact that though Indian government is spending a lot of money on vocational training and tries to elevate entrepreneurship activity among women, the success rate is very low. From the above analysis it can be concluded that,

- ❖ If systematic and wholehearted efforts are done to impart entrepreneurial training and backward and forward support even for semi literate rural women, they can start good earnings with less investment in the business.
- ❖ Rural women in India are having skills, ability and potential to undertake entrepreneurial activity but are deprived of the same. The NGO Swayamsiddha provided various types of training suitable, affordable and convenient to members in Kolhapur district. The member entrepreneurs also used the support to the fuller extent and developed themselves and their families as well.
- ❖ With marketing network of Swayamsiddha members can help mutually to market their products.



- ❖ Marketing network and business tie-ups generated and developed by Swayamsiddha, is providing expertise for the productive activity as well as assurance for sale of the produce in market.
- ❖ Other than monetary benefits, the self confidence and psychological satisfaction gained by respondents is very important as it helps them to shoulder any further entrepreneurial activity or face any problem in the family. Elevated family and social status brings about changes in the life of rural women.
- ❖ Power over economic resources and participation in decision-making is making them more confident and that is the women empowerment in true sense.

Thus the Swayamsiddha is providing multidimensional support through various programs to empower women in rural area of Kolhapur district and proved itself as a catalyst contributing its squirrel share in bringing social change.

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# INNOVATIVE STRATEGIES IN HUMAN RESOURCE PRACTICES

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## Abstract

*Human resource practices are most effective when coordinated with strategic goals of organizations. HR practices role in the company's success is growing rapidly with the growth in many sectors in the present globalized era. With the growth of the Indian industries in the knowledge-verticals', human knowledge is undoubtedly the most important strength nowadays. To make sure that a company chooses the right person for the right job, and manages human resource carefully, processes like competency mapping are gaining ground. Competency planning is a process of identifying key competencies for a particular position in an organization, and then using it for job-evaluation, recruitment, training and development, performance management, and succession planning. In conjunction with the balanced scorecard, this can be an extremely healthy tool to manage an organization's performance. As far as the HR function is concerned, the time has perhaps come where it needs to be treated as a line function with every manager having HR activities as part of his line responsibilities, rather than treating HR as a separate, support-providing activity only. The shift in focus from traditional HR practices to strategic HR practices was inevitable. Competitive advantage for an organization lies not just in differentiating a product or service or in becoming the low cost leader but in also being able to tap the company's special skills or core competencies and rapidly respond to customer's needs and competitor's moves. HR practices can play a vital role in identifying and analyzing external opportunities and threats that may be crucial to the company's success. It is in a unique position to supply competitive intelligence that may be useful in the strategic planning process. Hence, HR practices to attract best talent , giving them pleasant environment to work with, that enables the company to retain talents, the above said practices are conceived and implemented and found successful by the leading companies in India.*

Keywords— Human Resource Development, Human Resource Practices in India.

## 1. Introduction

Human Resource practices have been developed in the context of industrial change and significant economic development. Managers in the organizations would be challenged with the need to reorient culture, thinking and paradigms. Human Resource Development as a function and as a prime mover would need to focus on this changing and emerging role. There are very few evidences where values or organizational culture is directly linked to HRD practices of the organization. This study attempts to review the outcome of HRD practices on organization development of private and public sector in India. Companies believed that the human resource development practices are a strong predictor of organizational development both in private sector and public sector organizations in India. There is plenty of demonstration for meaningful relationship between HRD practices and organization Development.

## 2. Significance of Human Resource Development

Human Resource Development (HRD) is, therefore, gaining significance in the success of any industrial organization. The organizations today have realized that it is the contribution of the human



resources which helps them to grow, prosper and attain their objectives. Human resource development (HRD) aims at developing all the employees of an organization in a planned manner not only to acquire and apply their existing capabilities but also their inner potentials and helps in building a climate with strong interpersonal bonds which helps the organization to achieve its goals. Historically, HRD has referred to developing human resources in order to increase economic productivity and therefore a nation's wealth that is, very closely linked with economic outputs. However, within current definitions and discussions, especially in the context of developing countries, there is more emphasis on the human aspects of HRD. So, in the development context the meaning of the term's human resources development and human development are very much interconnected. Human resource is needed to be developed as per the change in peripheral environment of the organization, hence, HRD helps to adapt such changes through the development of existing human resource in terms of skill and knowledge. Human resources development lies at the heart of economic, social and environmental development. It is also a vibrant component for achieving internationally agreed sustainable development goals, including the Millennium Development Goals, and for escalating opportunities to all people, particularly the most defenceless groups and individuals in society. Human resources development has been defined as empowering people by nurturing the contributory capacities that they can bring to the upgrading of their own quality of life and that of their families, communities, enterprises and societies. Over the years, the concept of human resources development has progressed from solely focusing on individual capability to also building institutional capacity at the national level, through socioeconomic policies and development plan and strategies. Human resources development is, therefore, regarded as enabling the development of national human capacities to achieve sustainable, inclusive, equitable development and, at the same time, improve well-being of individuals. As such, human resources development strategies are increasingly part of national development planning, and are crucial to enlighten policy.

### **3. Scope for HR Practices in India**

In India, there are more possibilities to introduce HR practices for enhancing productivity of the staff. As compared to other developed countries like Japan and Canada where there is a burden of an ageing population, India has a unique personalities and having 20–25 years of age group is window of opportunity called the —demographic dividend.¶ This —demographic dividend¶ means that as compared to other large developing and developed countries, India has a higher proportion of working age population vis-à-vis its entire population.□ The result is low dependency ratio, which can provide a comparative cost advantage and competitiveness to the economy. The following charts provide a glimpse of the demographic dividend that India would be able to achieve. Hence, there are more possibilities to introduce innovative practices in Indian companies and make it as a world competitor. Further, it is expected that the ageing economy phenomenon will globally create a skilled manpower shortage of about 56.7 million by 2020. With the rising trend of outsourcing work globally, India has the opportunity to become a global reservoir of skilled manpower, accounting for 28 per cent of the graduate talent pool among 28 of the world's lowest-cost economies. Among all the countries, India enjoys a unique advantage not only to fulfil its internal demand of Human Resource (skilled manpower), but also cater to the labour shortage in other countries. The government is taking proactive steps to fill the existing skill gap in order to influence its position as a supplier of trained Human Resource (skilled manpower) to the world.

### **4. Discussion on Human Resource Practices in India**

Over the past two decades, the world saw a complete transformation in the way of Human Resource Management in organisations was defined, but in India, the change has been more prominent in the last decade or so, after liberalisation. Nowadays, managing the expectations and motivations of a



skilled workforce has brought with it associated complications in terms of the need for robust HR practices and organisational procedures. Previously, considered a support function for any business, HR practices today is required to take on a more strategic role in order to align itself with the organisation's business strategies. Hence, the HR manager is expected to take on the mantle of a business partner along with managers of other line functions, in driving the firm's strategies. The shift in focus from traditional HR practices to strategic HR practices was inevitable. Competitive advantage for an organisation lies not just in differentiating a product or service or in becoming the low cost leader but in also being able to tap the company's special skills or core competencies and rapidly respond to customer's needs and competitor's moves. HR management can play a role in identifying and analysing external opportunities and threats that may be crucial to the company's success. It is in a unique position to supply competitive intelligence that may be useful in the strategic planning process.

The contemporary approach of training and development is that Indian Organizations have realized the importance of corporate training. Training is now considered as more of retention tool than a cost. The training system in Indian Industry has been changed to create a smarter workforce and yield the best results. Liberalization has resulted in sudden and increased levels of competition for Indian Organizations from multinational firms, globalization and internalization of domestic businesses, concerns for total quality management, incentives to export, demographic changes in the employee profile, retaining and redeployment of workforce, focus on performance appraisal and career management. Thus, with liberalization there is an increasing pressure on Organizations in India to change from indigenous, costly, suboptimal levels of technology to performance based, competitive and higher technology provision.

Indian Organizations have to develop the staff capable of taking up challenges thrown by the new economic environment. To tackle this challenging situation, Indian academics a nod practitioner have both advocated the adoption of the concept of human resource development. The adoption of professionalized HRD practices in India is recent phenomenon, but has gained momentum in the past ten years. Organizations are now asking their HRD departments for innovative approaches and solutions to improve productivity and quality of work life, while aptly coping with an environment of high uncertainty and intense global competition. This requires Indian Organizations to develop a diverse workforce with competitive skill sets. This is challenging certain diverse socio- economic background of Indian workforce coupled with antagonistic nature of trade union and colonial time cumbersome labour laws.

In India, innovative HR practices were suggested by (Arnett and Obert 1995, Pfeffer and Veiga 1999) scholars to enhance effectiveness in organisations and to retain talented employees in the organisation. While some HR policies may impact on employees directly, most rely on line manager action or support, and the quality of the relationship between employees and their immediate line managers is liable, too, to influence perceptions not only of HR practices but of work climate, either positively or negatively. The extent and nature of this discretionary behaviour will be influenced by the design and range of HR practices they are anticipated to implement. Where an extensive range of HR policies exist and are well known, managers are provided with the tools, techniques and procedures to use in people management. These then can be expected to modify or influence the relationship between managers and their subordinates. Employee commitment to the organisation will be influenced by their perceptions of these practices as well as their relationship with their managers.

Actual practices are that Indian Human Resource Practices (IHRP) that are executed and are fulfilled by the employees. It is these practices and the way they are implemented in people management that employees perceive and react to. Each IHR practice and the way it is applied will have a functional



purpose and employees can judge each in terms of utility or satisfaction to them as well meeting standards of fairness or legitimacy. The group or bundle of IHRP as perceived by employees constitute an important element in overall organisational climate (Bowen and Ostroff, 2004) and have causal powers different from the functional purpose of each practice.

With the growing preference towards HR interventions and with the rising need for effective alignment of HR strategies with business strategy, most Indian businesses are looking into developing precision and focus in designing their HR departments within their work systems. The significance of HR as an enabling tool to management has found expression with Indian organizations looking into designing HR departments consisting of fundamentally a vice-president HR, assistant manager, senior and junior officers and executives with major strategic enablers identified in terms of recruitment, training, performance appraisal, compensation management, retention strategies, attrition strategies to name a few (Budhwar et al, 2006). A study by Budhwar and Boyne (2004) has examined a sample of 137 large manufacturing firms both in the private as well as public sector Indian businesses and has made certain fundamental observations regarding the conception of HR as a strategic tool for Indian businesses. The study suggests that both private and public sector Indian organizations need to highlight on having a well-designed HR department with specific managers and functional specialists. It has been felt that recruitment activities are gradually becoming dynamic with the practice of external recruitment through recruitment agencies; the art of compensation administration has been appearing as a growing challenges in most Indian businesses, where compensation is based on identified factors viz.: seniority and work experience, individual employee commitment and performance, individual employee skills and competencies or an amalgamation of all three; Indian organizations are progressively witnessing an accelerated growth in the spirit of training and development both in the private as well as the public sector and investments on such activities are on the rise; a significant emphasis is put on the employee relationship component at work and towards developing a smoother communication channel; relative significance of talent acquisition strategies is also on the rise; and initiatives and interventions are gradually being looked into to define and design the art of managing change in Indian work structures (Budhwar and Boyne, 2004)

Further, success of information technology industry lies in its knowledgeable, skilled and competitive labour-force. These organisations have given more emphasis to its human resources. Various organisations in this industry have achieved many awards for being best employers. In information technology industry many favourable human resource development practices have been implemented. These are selection procedure, transfer policy, training policy, performance and promotion policy, wage compensation, social security and working conditions policy, recreational policy, employee-employee/ employer/ management relations and health policy. Thus it can be calculated that in information technology sector, most of young and technical skilled people are employed belonging to urban-areas and majority of them are male employees. The participation of women employees is relatively lower because of socio constraints, night-shifting, long-working hours and highly challengeable nature of jobs. Data discloses that in this industry majority of employees are unmarried. The nature of the job of most of employees is technical. In this industry majority of employees are young, so majority of them have experience less than five years. The monthly income of employees in information technology organisations is very high as well as flexible, which differs from location to location and varies with size of organisations and skill of employees. Big organisations are offering high salaries and benefits to their workers as compared to their smaller counterparts. In this survey maximum employees do not disclose their monthly income. Most of employees are permanent in nature of appointment, because industry spends a large amount of resources on the training of their employees.



5. Best HR Practices in Public sector in India Steel Authority of India Limited (SAIL) the country's leading steel-making company and a 'Maharatna' Public Sector Enterprise has won the prestigious SCOPE Award for Best Practices in Human Resource Management for the year 2011-12. Hon'ble President of India presented the award to Chairman of SAIL, in the presence of Union Minister of Heavy Industries and Public Enterprises. Dedicating the award to SAIL employees, the Chairman of SAIL said, —It is the unflinching spirit, commitment and dedication of every employee of SAIL which has enabled us to take pioneering initiatives in the field of HR. He also acknowledged the significant role of employees' associations and unions, in creating a peaceful and harmonious work environment. Further, the key resource of SAIL is its human capital consisting of a highly committed and competent team of 1, 01,878 employees. The award is testimony to the high premium placed by SAIL on nurturing and developing its human resources. The focus of SAIL's management led by its Chairman on strategic alignment of HR Management to the company's business objectives has helped the large organization to deal with the emerging, multifarious challenges confronting the steel sector. Under the Chairman of SAIL stewardship, a number of HR initiatives have been launched which have contributed to building a conducive ambience in which the creativity and innovation of employees is advantageously unleashed. Annual savings of around Rs. 400 crore is achieved in SAIL through innovative projects.

The company is currently in the midst of a massive modernization and expansion programme which will enhance its steel-making capacity from the present 13.4 MT of crude steel per annum to 21.4 MT per annum and special priority is placed on ensuring that the workforce is motivated and trained for smooth commissioning of the upcoming facilities. SAIL has over the years built worldclass systems and practices in varied domains of HRM thereby creating HR excellence. The above HR practices have helped SAIL transform into a vibrant, engaged and knowledge-driven organization that is geared and oriented to face the challenges of the future. By striving to better its HR Practices, SAIL has been able to develop a culture of all-round excellence. A testimony of this lies in the fact that in Prime Minister's Shram Award -2011, 11 out of total 16 awards in PSU category were won by SAIL employees (altogether 45 employees) while in Viswakarma Rastriya Puraskar in the year 2010 and 13 out of total, 28 awards were won by 64 SAIL employees. SAIL's Bhilai Steel Plant has the unique distinction of being the first integrated steel plant in the country to win the Prime Minister's Trophy' for the Best Performing Steel Plant for the tenth time. SAIL has achieved a consistent increase in Labour Productivity, a growth of over 21% in the last five years, with the best-ever productivity in 2012-13 – by means of judicious recruitment, effective mix of deployment, redeployment and exit strategies, competency building & multi-skilling and sustaining high motivation among employees. To prepare managers for assuming greater role and responsibilities in future, thrust has been given on succession planning for which SAIL has adopted Assessment and Development Centre (ADC) model. ADC has been established at Management Training Institute (MTI), SAIL with the help of KPMG Audit Company of Netherlands for carrying out assessment of managerial competence of executives and develops in-house resources.

## 6. Conclusion

In the present competitive world, the companies are facing lot of skill shortage, talent crunch and attrition those reached historically height ever, that made the companies feel the internal customer also more important equally with external customers. Hence, every company try to formulate innovative HR practices to attract best talent , giving them pleasant environment to work with, that enables the company to retain talents, the above said practices are conceived and implemented and found successful by the leading companies in India. It is found that convergence of practices of different companies in different HR areas, if any company wants to apply those practices that will benefit for the company to become more competitive in the global market and capability of continuously expand their business activities.



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# SUPPLY CHAIN MANAGEMENT IN A CHANGING TRANSFORMATIONAL ERP INDIAN ENVIRONMENT

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## ABSTRACT

*Supply Chain Management is the backbone of any Enterprise Resource Planning Environment under its inventory and manufacturing modules. In this paper the authors have put forward a complete new concept which has helped many industries in making their Supply Chain Management more Efficient, Reliable, Available and Maintainable (ERAM) under different local and global environment. This paper gives the details of how a Local Area Supply Chain Management (LAS CM) can make the Intra-Supply-Chain-Management within an enterprise. It also discusses Metropolitan Area Supply Chain Management (MASC M) for Inter- Enterprise Supply Chain Management. The hardware required to integrate LASC M, MASC M & WASC M includes servers based on LAN, MAN and WAM. They are based on NT for order processing, order shipments, Movement Tracking and after sales service. These servers also take care of Customer-Relationship-Management (CRM) a very effective marketing tool to retain and widen its customer base. This helps Profitop International Taipei in gathering Customer Asset Management Information (CAMI), which deals with the financial health of present and potential customers.*

## INTRODUCTION

The need for Supply Chain Management is a result of fast changing socio-economic structure, uncertain and unpredictable market forces, international trade restrictions and domestic liberalisation policies. The traditional manual or semi-automated order processing facilities have become so unproductive or unprofitable that in many developing countries they have become a burden on their national economies. In some countries they are even called sick processes. Even the conventional order/ delivery system devoted to only large-scale monotonous type industries cannot cope up with the stresses of the modern and future requirements, trends and tastes of the domestic and international markets. There are a number of reasons for this pleasant change which among others include:

- i) higher standard of living,
- ii) higher per capita income,
- iii) easy availability of extra money to individuals,
- iv) frequent changes in tastes,
- v) more awareness of industrial workers to dangerous and also monotonous routine jobs,
- vi) demands for higher wages, and,
- vii) less working hours.



According to Spur et al. (1984), with conventionally automated production facilities, small quantities demanded cannot be produced economically; as the relatively high set-up costs do not permit small lot sizes. Dolezalek and Ropohl (1970) introduced the term Flexible Manufacturing System and defined it as the automation of series production by means of the integration of information flow and material flow into the machine tool system. In last eighteen years, a lot of work has been done and reported in Europe, Japan and U.S.A. in this area.

During the last 3 decades, there has been a tremendous effort towards integrating manufacturing systems, manufacturing cells and their sub-systems (Spur et al., 1984). Simultaneously work has been reported on computer aided design and computer aided manufacturing. Any successful Computer Integrated Manufacturing System or Enterprise Resource Planning requires computer-automated process planning as well as flexible manufacturing system, but this combination has been limited to rational and logical approach to the design and manufacture of products in the most economic manner. A very important aspect of these systems has been left unchanged. This vital aspect directly affects the cost as well as quality of the manufactured goods. Handling of this aspect in the conventional way has restricted the major advantages of automated technology and flexible manufacturing system. This is an important aspect of Supply Chain Management. Osteryound et al. (1986) reported an evaluation conducted by a survey of the critical assumptions of the conventional Economic Order Quantity (EOQ) model used in inventory analysis. The results of the analysis show that the majority of assumptions necessary to make the model operational are not valid. In another study, Calvin, (1986) mentioned that the high incidence of Material Requirement Planning (MRP) system failure is a matter of great concern. In a related report, Minifie and Davis (1986), pointed out the new problems, which have been identified with the implementation of MRP systems. According to them, software packages include many damping mechanisms for MRP nervousness, which have not been examined for their effectiveness. Also in their report, they identified the causes and symptoms of MRP nervousness and surveyed both supported and unsupported damping mechanisms. Their report further states that whenever on-hand status and gross requirement changes are reported to the system, the current MRP schedule becomes obsolete. Changes in planned order release, produce downward chain reactions.

To overcome this problem, a number of suggestions have been made. One of the suggested solutions advocates automatic rescheduling. But Minifie and Davis (1986), mentioned that this solution, by itself, is not very practical. Quantity changes on open orders simply are not feasible in most solutions. Any system, which has a rigid fence, frame and coordinates, cannot work.

Ritchie and Tsado (1986), reviewed lot-sizing techniques for deterministic time-varying demand. They tabulated the performance of lot-sizing rules on life cycle demand with random nonnal variation for different value of Coefficient of Variation in Demand (CVD) and average Time Between Orders (TBO). According to them, for most of the lot sizing rules, the percentage cost above optimum is zero or minimum for  $TBO = 1$  Time Units, for all the values of CVD from 0.23 to 2.11. It is maximum for  $TBO = 12$  Time Units in most of the cases reported. Goyal (1986), stated that a reduction in set up time results in lower EOQ and total cost of the system, increased productivity, etc. Esrock, (1986), claimed that, in a true just in time environment, it is not unusual to find that total set up cost has not been reduced at all. In such an environment, as lot sizes are drastically reduced, EOQ ceases to be a meaningful concept.

Belt (1987), compared MRP and Kanban in planning logic and environment. He claimed that better manufacturing control is possible with the combination of eastern and western techniques. According



to him Manufacturing Resource Planning (MRP II) means a full-fledged system, from production planning all the way through, to shop floor control and back again. Even Toyota does not use Kanban on all its assemblies; large piece parts and raw materials are the principal exclusion (Esrock, 1986). Obviously, in a shop whose work-in-process is low and whose lead times are short, tracking production is much simpler. In this type of set up, according to Belt (1987), the ultimate bill of materials and the ultimate production process then has two levels. The closer a company can approach this ideal, the better.

From a critical review of the above-cited literature, it is clear that research workers and practicing engineers have found many shortcomings in the conventional EOQ, MRP MRP II and Kanban systems. Very little literature is available on the concept of flexible inventory system to suit the automated manufacturing systems. Lalwani (1987), carried out an investigation and reported a Flexible Inventory System (FIS) to suit the modern fast changing production techniques and market environment. This system is now being integrated with computers by Line Area, Metropolitan Area and Wide Area Networks to develop a unique Computer Aided flexible Inventory System (Lalwani, 1988).

### **SUPPLY CHAIN MANAGEMENT SYSTEM**

Any successful automated technology including flexible manufacturing system must be concerned with the automation of all the aspects of the production technology, right from the raw materials or components from vendors to the finished products in the hands of customers. This long chain of various links and units is as strong as the weakest link in it. The production from one unit to another machine tool system or unit depends on the bottleneck or over crowding of information and material in the system. The proposed inventory concept is aimed at generating a smooth, fast, efficient, reliable and predictable laminar flow of information, material and the finished product as the function of market demands.

Flexible inventory system is a closed loop, self regulating system based on the needs and resources of a flexible manufacturing system and may vary from day to day, week to week or month to month, depending on the demand of the product. This system is exceptionally good for the flexible manufacturing system, which changes products very frequently. In the conventional EOQ based inventory system, the optimum quantity for a single item is based on a mathematical model of an industrial economic reality and the state of communication and information technology of the early sixties. For flexible manufacturing system with fixed fence and boundaries this conventional system is becoming more and more uneconomical. In flexible inventory system, rigid frame of conventional EOQ inventory is replaced by computer aided and knowledge based "Economic Container Quantity/Economic Demand Quantity! Right Time Quantity (ECQ/EDQ/RTQ)."

It is envisaged that the new SCM system will achieve high flexibility low cost and zero-defect production goals. Schematic representation of SCM for manufacturing system is shown in Fig. 1. In this system an intelligent and efficient monitoring unit



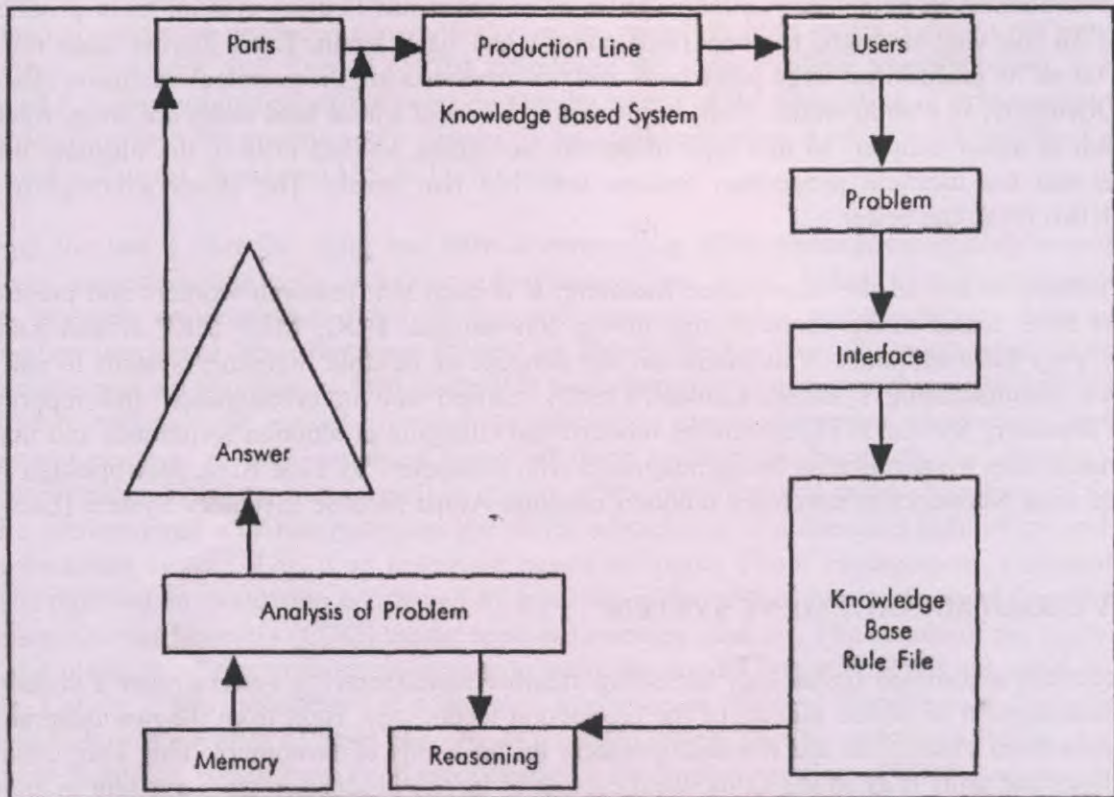


Figure 1: Schematic Representation of knowledge based SCM System

keeps a close watch on the domestic and international markets, changes in government policies, money supply in the market, and all those factors which affect the demand of the products of the company. The monitoring unit then uses its knowledge base to make certain ad hoc rules. These rules are then analysed, reasoned, discussed and finally recorded in rule file. The main decisions and results are then communicated to the production lines, flexible manufacturing cells and vendors. An excellent knowledge base, high information technology, and sound rule file help the monitoring unit to predict a good degree of accuracy to actual product demand or a realistic forecast. The computer integrated flexible inventory system consists of the following steps:

- a) Only the right number of parts and/or right quantity of raw material actually needed is purchased.
- b) Purchase or production should start at the right time, so that they do not have to wait long for their turn.
- c) Defective parts or material should not enter the factory gate.
- d) Defective components, if produced within the factory, must be discarded at the very first stage when and where detected, and in no case be allowed to the next operation or stage.
- e) Modern high technology communication systems should be liberally used in the transmission of orders from monitoring units to the vendors and production lines.
- f) Facilities of Facsimile, Telex, Telephone-Line, Metropolitan and Wide Area Networks should be used.



g) Vendors should supply pre-inspected, good quality and right quantity of parts or material directly to the production and/or assembly lines at the right time.

h) A good understanding and cooperative relationship must exist with the vendors and their quality and production problem must be solved together.

i) Only pre-tested and inspected finished goods should leave the final packaging! dispatch area.

j) The finished goods should be sent directly to the customer or distribution centres.

Implementation of the above mentioned basic steps will not only produce almost zero-defect products but will considerably save production cost and achieve the optimum desired goal of high flexibility. These are, in fact, the current and future goals of many reputable multinational companies. The need for flexible automation due to changes in production methods has created a very fertile ground for the adoption of computer integrated flexible inventory system. All the computers used in this system are interconnected by Local Area Networks. A company which has many subsidiaries, is expected to use Metropolitan or Wide Area Networks. These can provide better facilities for long distance data communication at rates of 2 Megabits per second. This service is now available from cable TV networks in many western countries and may soon be available in Far Eastern developed countries. For meaningful communication with one another (inter working), all the pieces of data equipment connected to the networks must use same protocols, languages etc. so that they must observe the same high level standard.

For open system networking, it is necessary to use the ISO 7 layer reference model (Bice,1986). Inter-working allows the company to move inventory information and files among various vendors and production centres. Orders and other conditions are transmitted in packets which contain the destination address, the source address, details of the order, delivery schedule, delivery mode, pre-shipment quality assurance and many other relevant information between 46 bytes and 1500 bytes per packet, and an error check or confirmation reply. This data can be transmitted at the rate of 10 Megabits per second on the highway between the controllers.

This paper discusses the basic concepts and details involved in the implementation of computer integrated SCM system in order to produce a high quality product at a reasonable cost in the present and future, highly competitive, unproductive, and volatile local and international markets, in an ERP environment.

### **Supply Chain Management System and ERP**

The fast changing market forces are also changing the manufacturing environment. According to Iwata and Moriwaki (1984), there are several possible directions for future development of flexible manufacturing system, such as:

1. Large scale SCMS which includes flexible assembly system as well as a manufacturing system,
2. Cell type SCMS or FMC which requires less investment,
3. Diversion of SCMS to other unconventional industries.



With these future developments, how can the inventory system of early sixties be compatible? For any efficient and innovative manufacturing system, there must be matching innovative and equally efficient SCM system. Computer aided flexible inventory is a first step in this direction. It can make the present and future development of a high intelligence SCMS work. Spur (1984), has outlined the elements of the factory of the future. According to him, productivity speed, flexibility, quality, and reliability of the next generation of factories will achieve a level, which nobody thought to be possible with conventional organisation concepts, techniques, and strategies of production. In other words, we have to have a very flexible approach in the whole manufacturing system planning. The earlier we do and adopt it, the better it is. All automated technology system are very complex in nature, so also is SCM. It is very difficult, if not impossible, to develop a simple and reliable mathematical model for the SCM system. The fact is that the market based SCM is a non-linear, nonconservative, non-deterministic, and no-stationary system. Therefore, serious attempt and effort must be made to develop an extensive knowledge expert system. The functions of this expert system should include interpretation, diagnosis, action control, proving, monitoring, and information transmission. Knowledge based SCM system is shown in Fig.2.

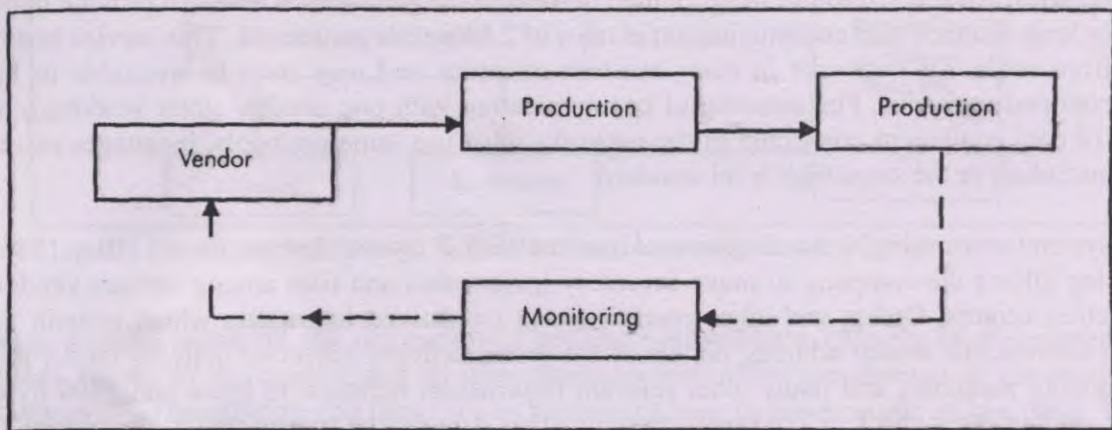


Figure 2: Relation between SCM and P/D Line of ERP

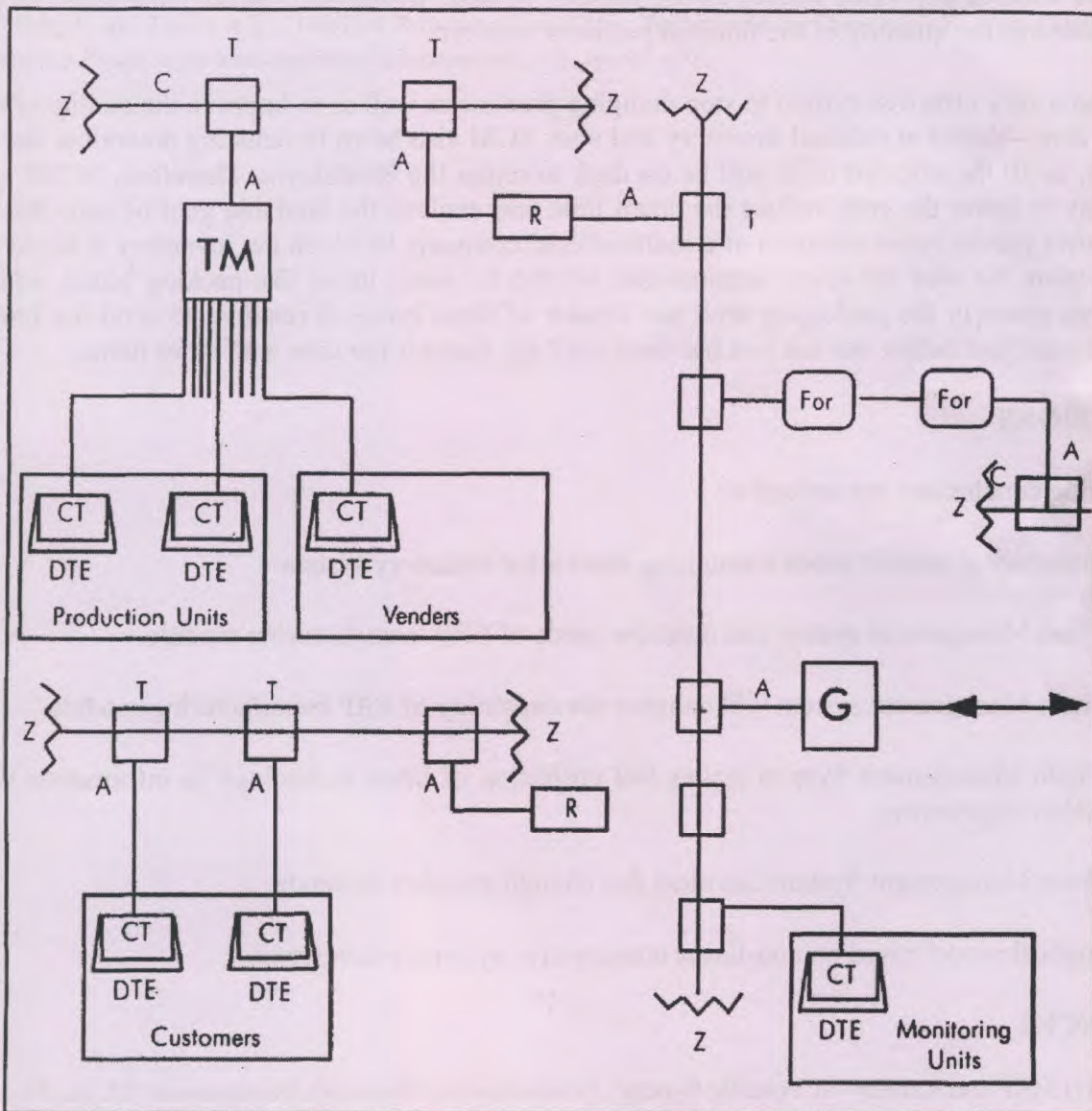
Human intelligence is amplified and magnified in the search for solutions and answers for complex problems, and these are stored for computers to handle. SCM system can thus gather, store, and accumulate the vast know-how of many experts, which normally exceeds the knowledge of the single individual. This will enhance and increase the capability of ERP from the present automatic material handling between machine tools to automatic ordering and dispatching. Computer control over the entire material handling system from vendor to the customer has become feasible. Without SCM system, the flow of parts on the ERP is either limited or too many parts are loaded on the system. Both of these tend to make ERP inefficient and uneconomical. The former makes partial utilisation of ERP and the latter causes congestion. Interference between pallets tends to hinder fast, efficient and smooth handling of parts through the system. In spite of the difficulties involved in mathematical formulation of this complex problem, an attempt is made in the next section to an integral equation relating demand and SCM.

#### IMPLEMENTATION OF SCM SYSTEM IN AN ERP ENVIRONMENT

In order to implement the SCMS in a company, all the outlets, vendors' production lines, and key policy making persons of the company should be connected to LAN! MAN! WAN. Any change in the rate of flow of the product at any stage should be transmitted at once and be addressed to the



concerned vendor or unit. With this type of setup, at the end of each predetermined time unit, which may be one-day or a month or one-year depending on the nature of product or market, nothing is left on either end of each production line. At the beginning of each time unit, the pre-inspected and pre-fixed quantity of the raw material, semi-finished product, or part is brought in by the vendors in an Economic Container Quantity (ECQ). ECQ is a unit container, which maybe a small packet of tiny parts or a shipload of some ore, which is used for the supply of goods by the vendors. At the end of the production or package lines, all the pre-inspected products are dispatched to the user/customer in ECQ. Both the receipt and dispatch are directly made at and from the two ends of the concerned production line, so as to reduce the time and manpower required in the store and warehouse for such goods, as well as to avoid the pilferage due to missing components or damage to the goods. Accounts and cash department is then informed by LAN about the amount payable to the vendors and the amount receivable from the customer based on the goods actually used and sent out. Figure 3 shows the structure of LAN integrated SCM system in an ERP environment.





## ADVANTAGES OF SCM

With more automation, use of robots on a large scale, and their reliable performance, industrial activities are found more and more predictable. According to Seering (1986), such predictability promises significant savings. While assembly costs account for 5- 10 per cent of the price of making a product, the cost of making conventional inventory may be as high as 20 per cent (Secering, 1986). SCMS is able to reduce this cost significantly with proper planning and execution. In the traditional inventory system, too much investment is blocked on so called safe stock, and on the safety of this stock against fire, theft, deterioration, spoilage, pilferage, etc. The reasons for keeping this buffer stock are said to be market uncertainties. Uncertainty in this age only indicates insufficient knowledge of the concerned parameters. If the level of knowledge of all the related factors is high, then nothing is uncertain. Buffer stock is like a factor of safety in design. Like a good optimum design, a good SCM system must have a very low buffer stock. SCM is based on unity as the factor of safety SCM also helps in early detection and rejection of poor quality material, parts and components without any value added, as the number of parts available is exactly the same as the number needed or the quantity of the finished products required.

SCM is also a very effective system to stop dumping practice as well as to improve the quality of the product to zero—defect at reduced inventory and cost. SCM also helps in reducing downtime due to breakdown, as all the affected units will be on deck to repair the breakdown. Therefore, SCMS is a positive way to lower the cost, reduce the down time and achieve the laudable goal of zero-defect. Table 1 shows vendor reject situation of a multinational company in which the inventory is based on the new system. To save the space requirements needed for some items like packing boxes, which occupy large space in the packaging area, the vendor of these boxes is required to send the boxes every two hours; just before the last box has been used up. Same is the case with other items.

## CONCLUSIONS

The following conclusions are arrived at:

- ERP manufacturing module needs a matching innovative inventory system.
- Supply Chain Management system can meet the needs of ERP manufacturing module.
- Supply Chain Management system will enhance the capability of ERP manufacturing module.
- Supply Chain Management System makes full utilisation of latest technology in information and communication engineering.
- Supply Chain Management System can meet fast changingmarket demands.
- A mathematical model based on non-linear conservative system is developed.

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## E – COMMERCE IN INDIAN SCENARIO: CHALLENGES AND OPPORTUNITIES

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### ABSTRACT

*E-commerce stands for electronic commerce. E-commerce is doing business online and electronically. With 250 million internet users, the Indian e-commerce industry is a land of opportunity. There are players who made a good beginning. Their success depends on their understanding of the market and offering various types of features. This paper attempts to highlight the different challenges faced by E-commerce and to understand the essential growth factors required for E-commerce. E-commerce deals with selling and purchasing of goods and services through internet and computer networks. E-commerce can enhance economic growth, increase business opportunities, competitiveness, better and profitable access to markets. E-Commerce is emerging as a new way of helping business enterprises to compete in the market and thus contributing to economic success. This research paper will also discuss about advanced SWOT analysis of E-commerce which will comprise of strengths, weaknesses, opportunities and threats faced by e-commerce in current scenario.*

**Key Words:** E-Commerce, Growth ,Challenges, Opportunities.

### INTRODUCTION

Electronic commerce refers to wide range of online business activities for products and services. E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform and redefine relationships for value creation between organizations and individuals. E-commerce is anything that involves an online transaction. E-commerce provides multiple benefits to the consumers in the form of availability of goods at lower cost, wider choice and saves time. Since the mid-1990s, E-commerce has been expanding rapidly; based on global industry estimates several trillion dollars are being exchanged annually over the web. The E-commerce Industry in India has come a long way since its early days. The market has matured and new players have entered the market space. The transition to online purchasing from traditional purchasing is taking a long time in the Indian market.

### DIFFERENT TYPES OF E-COMMERCE

The major different types of e-commerce are:

Business-to-Business (B2B); Business to- Consumer (B2C); Business-to-Government (B2G); and Consumer-to-Consumer.



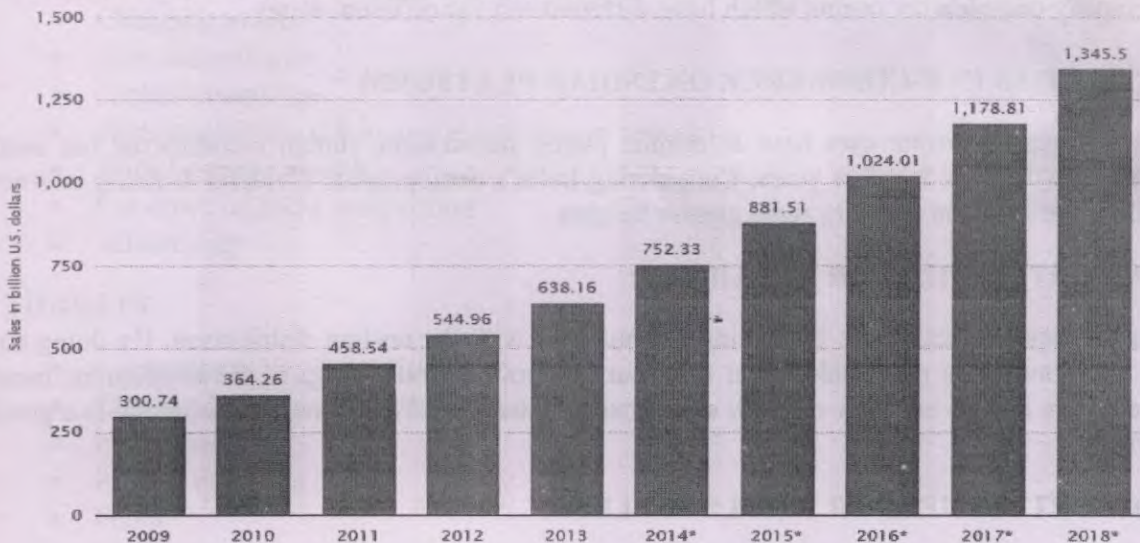
## PROCESS OF E-COMMERCE



## GROWTH OF E-COMMERCE IN GLOBAL MARKET

Today, the market place is flooded with several ecommerce options for shoppers to choose from. A variety of innovative products and services are being offered spoiling customers for choice. Online shopping is no more a privilege enjoyed by your friends and family living in the US or UK. Today, it is a reality in almost all countries. In the last couple of years, the growth of ecommerce industry has been phenomenal as more shoppers have started discovering the benefits of using this platform. There is enough scope for online businesses in the future if they understand the shopper's psyche and cater to their needs.

**Global retail e-commerce sales volume from 2009 to 2018 (in billion U.S. dollars)**



## CHALLENGES OF E-COMMERCE IN INDIA

- 1. High rate of product returns:** E-Commerce players are experiencing heavy product return rates, which are incurring losses for them, as reverse logistics has unique challenges..
- 2. Consumer prefer COD (Cash on delivery):** Due to trust deficiency; still lots of people don't prefer to use a credit / debit card or internet banking methods for transaction, rather they opt for "Cash on Delivery" which is risky and leads less business margin.



3. **Payment gateways Inefficiency:** Consumers usually experience a high failure rate of payment gateways. If customer does not re-attempt after a transaction failure. It leads to loss of business.
4. **Quality Internet penetration:** India has an internet penetration of about 19% in comparison to countries like US & UK where it is up to 90% , the major challenge is about quality of connectivity. The speed and frequent drops cause frustration and restrict user from using E-Commerce for their major source of buying.
5. **Feature phones:** Majority of the population resides in villages and rural areas where the majority of residents use feature phones, not smart phones.
6. **Reliable Logistic and Supply Chain:** India is a large country which has thousands of cities and areas which are not easily accessible. Through E-Commerce consumer wants to buy a product in not just efficient manner but also expect to get it delivered at their place in least possible time.
7. **Computer/Internet literacy and effective reach:** India has poor reach of personal computer (PC) which is very low as 3.5/1000 of the population, compared to Five Hundred/1000 US cause of digital illiteracy.E-commerce remains far away from the common man. It is difficult for e-commerce to reach to 1,000 million populations spread over 37 million households in 6, 04,374 odd villages and 5,000 towns and cities. Besides, both cost of PCs and internet access in India are quite high.
8. **Tax norms and compliances:** Yet a lot of initiatives have to be taken by government to simplify complex tax norms which have different rates at different states.

#### **OPPORTUNITIES IN E-COMMERCE ON INDIAN PLATFORM**

Backed by increased online user base & mobile phone penetration, Indian e-commerce has seen impressive growth in the last few years. Considering India's demographic dividend & rising internet accessibility, the sector is slated to scale greater heights

- **OPPORTUNITIES FOR RETAILERS:**

A retailer can save his existence by linking his business with the on-line distribution. By doing so, they can make available much additional information about various things to the consumers, meet electronic orders and be in touch with the consumers all the time. Therefore, E-Commerce is a good opportunity.

- **OPPORTUNITIES FOR WHOLE SELLERS:**

In the world of Ecommerce the existence of the wholesalers is at the greatest risk because the producer can easily ignore them and sell their goods to the retailers and the consumers. In such a situation those wholesalers can take advantage of E-Commerce who are capable of establishing contractors with reputed producers and linking their business with the on- line.



## • OPPORTUNITY FOR PRODUCERS:

Producers can take advantages of e-commerce by linking themselves with on-line, by giving better information about their products to the other links in the business chain and by having a brand identity.

## SWOT ANALYSIS OF E-COMMERCE

### STRENGTHS

- Boundary less (global location)
- Time saving
- Price/product comparison
- Cost effective
- Direct communication with consumer
- Simple and easier exchange of information

### WEAKNESSES

- Security
- Fake websites
- Fraud
- Long delivery timing
- No idea about quality and physical condition of the product

### OPPORTUNITIES

- Changing trends
- New technologies
- Global expansion
- High availability (24 hour and seven days a week)
- Wide business growth
- Cut down on local competition
- Advertising

### THREATS

- Competitors
- Changes in environment, law and regulations
- Innovation
- Privacy concerns
- Fraud
- Risk

### CONCLUSION

E-commerce is changing the way of buying & selling of products & services in India. E-commerce is future of shopping. Due to E-commerce the gap has been reduced between manufacturer & consumer. Currently in India only 19% people use internet for selling & buying goods & services. There is weak Cyber security Law in India that is why Indian People are facing challenges toward e-commerce. The future of e-commerce in India would be bright in the upcoming years if all essential factors would be implemented. In this paper, it is reviewed that an E-commerce can serve as an



information agent that provides buyers and sellers with information on products and other participants in the market. However, rapidly changing technology is continually bringing new goods and services to the market accompanied by new strategies to sell them. Therefore, it may also be concluded that new ethical issues related to business will emerge. New ethical issues must be identified and immediate steps and actions should be taken. Initially, new Internet users would be reluctant to conduct any kind of business online, citing security reasons as their main concern. In order to increase consumer adoption of e-services, the sources of consumer confusion, apprehension and risk need to be identified, understood and alleviated. E-commerce provides tremendous opportunities in different areas but it requires careful application for consumer protection issues. Growth of E-commerce would also depend to a great extent on effective IT security systems for which necessary technological and legal provisions need to be put in place and strengthened constantly. E-commerce creates new opportunities for business; it also creates new opportunities for education and academics.

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## **FUTURE OF DIGITAL CONTENT CONSUMPTION IN INDIA**

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### **Introduction:**

The Indian digital media segment is set for disruption with growth expected to reach INR 200 billion (INR 20000 crores) by 2020 with digital ad spend expected to grow at 23-28%. India has a large and growing millennial population – young, tech-savvy consumers with rising earnings potential and disposable income. This demographic has historically been and will continue to be, an early adopter of new technology and new models of media consumption. India, therefore is a market which is ripe for digital media investments. The demographics are all stacked in India's favour for digital consumption. By 2017, India will have more than 350 million smartphones. Inexpensive smartphones and the rollout of 3G and 4G broadband infrastructure are rapidly coming together to leapfrog traditional distribution and democratize online access. Together, these factors are the foundations for accelerated digital media consumption. the story about the future of digital content consumption and what it means for media and entertainment (M&E) companies. These trends stem from our analysis of hundreds of hours of dialogue with media executives and thought leaders, combined with many more hours of work helping our clients think through strategies and operating models for these pressing issues.

### **8 KEY TRENDS IN DIGITAL CONTENT CONSUMPTION:**

- 1. Increase in content for the individual**
- 2. Content breaks its 30 and 60 minute shackles**
- 3. Omniplatform content consumption**
- 4. The changing face of rural consumers**
- 5. Growth in earning population**
- 6. Community enablement**
- 7. Regional e-celebrities**
- 8. Increase in digital gaming**

#### **1. INCREASE IN CONTENT FOR THE INDIVIDUAL**

Increase in content for the individual Smartphone penetration in India is expected to grow to 520 mn by 2020, making India one of the largest smart phone economies in the world. Broadband penetration will increase from 14% today to 40% by 2020. The rapid up-take of connected devices and broadband connectivity will be instrumental in media consumption shifting beyond traditional media formats such as broadcast and cable TV towards digital mediums. Increased digital



consumption in India is expected to help media conglomerates drive consumer aggregation. As seen elsewhere in the world, while there will be no immediate impact on TV viewership, there will be an increase in the time spent online. content, news, gaming, social interaction and education. The basics have now shifted from roti, kapda, makaan to roti, kapda, escapism. This use of smaller screens on personal devices will fuel “personal escapism” (watching content individually) as opposed to “group escapism” (watching TV in the living room) and this is expected to increase content consumption manifold, as well as change the type of content consumed. Indians Group .

## **2. CONTENT BREAKS ITS 30 AND 60 MINUTE SHACKLES**

Content breaks its 30 and 60 minute shackles While earlier, content was created to suit appointment viewing, and was therefore created in multiples of 30 minutes, with the advent of on-demand viewing, this parameter is no longer required. Shortform and snackable content is primarily driving the growth in consumption of digital media, and is very popular with a younger audience. Consumers have shown increased preference towards shortform content; with the average length of video viewed in India being less than 20 minutes. In addition, 62% of the content consumed on YouTube is short-form content. This trend has led content producers like Eros International & Star to focus on exclusive and snackable content. It has created a huge opportunity for storytelling to be optimized from a story point of view, and not its length and this can be seen in the content created by digital media companies like AIB, TVF, Ping, YoBoHo, Culture Machine and many others.

## **3. OMNIPLATFORM CONTENT CONSUMPTION**

Omnipatform content consumption Content consumption patterns have changed. There is currently an unwritten rule that the television serves as the primary screen and that other screens, whether they be tablet, “phablet” or mobile, are all secondary. We are entering an era where all screens will work seamlessly together — they will attention it commands from the viewer, through story arcs or other conventions that will dictate the “dominant” screen. Soon, size won’t matter. on digital formats. Secondly, as several studies have shown, all linear content does not always work on digital formats, and there are different content types and formats which they would need to create to address the digital Indian. Thirdly, existing companies will face competition not from their established TV and print competitors, but from any company creating content, which would mean an increased speed to create content, distribute it and also to form alliances to acquire content. The diagram below shows the different devices / formats of media consumption used by people across different day parts, with the size of the circles depicting the time spent during the day part. Breakfast Smartphone Tablet D

## **4. THE CHANGING FACE OF RURAL CONSUMERS**

*The changing face of rural consumers* The next wave of growth in India’s internet penetration is expected to come from tier II and tier III cities, where wireless mobile internet shall play a pivotal role thus enabling the growth of vernacular and regional content. Currently 45% of online users consume regional language content and this percentage is expected to increase with the growth of internet users. The growth is expected to be fuelled by availability of low-cost smart phones, low rates of data plans and development of smart cities in rural areas. Also, the preference of the Indian consumers towards vernacular and regional language content is constantly on the upswing, with 93% of the time spent on videos in Hindi and other regional languages Digital content producers can thus look at aggregating/ producing vernacular content to capture the next set of audiences.



## **5. GROWTH IN EARNING POPULATION**

Growth in earning population India's earning population (over 25 years of age) is expected to grow from 40% of the total population to 55%-60% of the total population by 2020. In addition, mobile wallets are increasing in popularity, and would see a 60x growth in number of transactions till 2020. This increase in the earning population and ease in the ability to pay (which is largely controlled by telcos today) will lead to a growth in spending on M&E. Given the right price points – Rs 5, Rs 10, Rs 15 and Rs 20 (sachet theory always works well in India) we can expect to see the emergence of freemium subscription models in the media industry around recent and real-time content.

## **6. COMMUNITY ENABLEMENT**

Community enablement Given the increase in individual content consumption and the ability to unicast content, mass content will evolve to suit the new market needs. We can expect to see increased niches being created, even in the GEC space. Spurred by the increased rural weight in the BARC TV measurement panel, growth in the connected rural Indian, and better distribution infrastructure, we can expect to see the focus moving from only mass products to mass + niche communities. Communities like kids, youth, professionals, etc. can be catered to on one side, and on the other, communities around sports, wellness, music, dance, biking, automobiles, motherhood, running, etc. can be created. The monetization capabilities increase when communities are created, and the role of media companies will evolve in this direction, to enable transactions geemfala but also related news, concert tickets, merchandise, "meet the stars" events, etc.

## **7. REGIONAL E-CELEBRITIES**

The proliferation of digital platforms have also given rise to the phenomena of 'e-Celebs'. Several such e-Celebs have gained mass popularity nationally and internationally on YouTube and other such digital platforms. The cost of creating an e-Celeb is also much smaller, and the digital platform lends itself to trial and error, and lots of data to analyse performance and support creation of such talent. Globally, Celebs such as Pew DiePie, Michelle Phan and Casey have created their own niche content areas in the are actively tying up with these celebrities to leverage their growing popularity and promote product and service offerings and thereby increasing brand awareness and 'viral' presence. For instance, PewDiePie has over 40 million subscribers on YouTube, which he leverages to promote indie games. channel and has created an e-commerce business around the YouTube channel. in India, it is expected that such talent would be partnered extensively by content and brand players to build offerings for consumers on different digital platforms. Successful e-Celebs can then be ported across media and given shows online, on TV and other media.

## **8. INCREASE IN DIGITAL GAMING**

Increase in digital gaming The Indian gaming industry has been a dynamic and evolving industry. Due to an increase in the number of mobile internet users, smartphones and tablets in India, it can be expected that mobiles would be one of the most important platforms in gaming, garnering a 54% share of the total Indian gaming market by 2020. Mobile gaming would pave the way to growth due to various factors such as the easy access to budget smartphones, increased mobile internet usage, increase in number of tablets used, and of course, increase in individual escapism. Owing to the large availability of free-to-play games through app stores and mobile carriers, there has been large interest by casual gamers in the market. There are a large number of games in the market catering to different segments of causal gamers such as arcade, adventure, strategy, racing, card, etc.



Also, on average, users are spending 11 minutes per day on mobile gaming which is expected to grow rapidly in the near future. Moreover it is expected that app stores launched in vernacular languages would further drive exponential growth of mobile games by dedicated focus from game developers and publishers. India also has a huge opportunity to become a large game development, game porting and dubbing centre, with its format production capabilities.

## CONCLUSION

M&E companies need to do more than react to today's trends — they need to be able to see emerging trends that will dictate the future of content and how they will impact established business models for ad-supported, subscription and pay-per-use content monetization. At a foundational level, the eight key trends we have described will require M&E companies and content providers to develop much richer relationships with audiences. To cultivate these relationships, affected M&E industry players will need to invest in the technologies that will enable them to analyze audience data, deliver deeper engagement with advertising and prove incremental value to brands. Most importantly, they will need to offer a deeper engagement with the content experience itself in such a way that viewers will choose to directly pay for content streaming services or ownership. They will also need to plan and execute strategies that adapt their supply chains, customer experiences, and analytics platforms to address these trends.



# A STUDY OF WORK LIFE CONDITION OF INDIAN LOCO PILOTS OF PUNE DIVISION

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## **Introduction:**

**“Railway is a gateway for the economic progress.”**

This catchy phrase definitely does not require any explanation. It is a phenomenon which the 19<sup>th</sup> and 18<sup>th</sup> century world has experienced. And it is astonishing that Railway still plays a pivotal role in the economic growth of any nation. Economic growth has become directly proportional to the railway infrastructure. Macroeconomics which implies globalization and capitalization has Railway contributing a major part in it. Modern economic giants such as America, China, UK, and Japan have invested a huge capital in the new railway technologies and as always it has yielded them a good turnover in return. These nations constantly competing with themselves on this matter with Japan now crossing 600 km/h mark recently. Apart from these nations other economies too are trying their hand with France, Singapore, Germany, Russia are coming with their own version.

In all highs and lows of Indian Railways, Drivers have been unsung heroes. Their contributions have seldom been appreciated. Working almost 10 hours a day drivers have to not only perform their duties with mere perfection and also ensure life of other people. There is not a slightest mention of errors in their lives, because the work that they do has always given stringent punishment for errors that is life or fatal accidents. The great injustice is that even though the Drivers may receive Salary, allowances, reimbursement, quarters etc to that of Class 3 employees, the workload as well as stress is phenomenal compared to Class 1 employees. Work pressure is unbearable and cannot be soothed in words. A Driver may have problems which are too often insurmountable such as family matters but he needs to sacrifice his ordeal in altar for millions of people and confide his matter to no one than himself. Railways have the largest workforce in world, nevertheless the Drivers problem still remain neglected and unattended.

## **OBJECTIVE OF THE STUDY**

1. To study the working environment of Loco Pilots.
2. To Study whether stress is associated with the work environment.
4. To find whether job satisfaction is linked with the quality of working Environment of Loco Pilots.



## **HYPOTHESIS OF THE STUDY**

**H0:** Employees are not satisfied with overall working environment.

**H1:** Employees are satisfied with overall working environment

**H0:** There is no significant relation between quality of work life and stress level of the employees.

**H1:** There is a significant relation between quality of work life and stress level of the employees.

## **RESEARCH METHODOLOGY**

In order to fulfill the objectives of the study the researcher has adopted the survey method for soliciting the relevant data. The loco pilots connected with the train movement who formed the sample representing the universe for the study, were approached personally by the researcher at their workplaces and residences.

The purpose of the study was fully explained to the staff and questionnaires were administered for eliciting information. The staff evinced keen interest and enthusiasm in the study. The researcher met the loco pilot's immediate supervisor, Chief Crew Controller (CCC). The response towards the study was positive and highly co-operative.

The collected data was codified and transferred to summary sheets for tabulation. The codified data was converted into percentages and the analyzed findings were presented in the form of tables and graphs. Based on the findings conclusions were drawn and the hypotheses were tested.

## **SOURCES OF DATA COLLECTION**

To comply with the study data has been collected through two sources viz., primary sources and the secondary sources.

### **PRIMARY SOURCE**

Primary data was collected by adopting the following methods.

- i. Administration of questionnaire after pilot survey.
- ii. Formal and informal discussion with the concerned respondents.
- iii. Questionnaires cum structured interview with the CCC, the locopilots

### **SECONDARY SOURCE**

Secondary data was collected in the following ways.

- (i) Visits to the under mentioned libraries.
  - (a) Library of B.M.C.C.



- (b) Library of Abeda Inamdar Senior College.
- (ii) Various websites and journals of Railways.

## SAMPLE DESIGN

The universe for this study comprises of the following personnel.

- i) All Locopilots and assistant loco pilots connected with the train movements..
- ii) The chief crew controller of locopilots.

The loco pilots are groups dare distinct and therefore each group can be considered as a stratum. Stratified random sampling method is adopted for drawing 30% of sample from the total population of loco pilots of pune division.

Sample is chosen as follows.

Sr.No	Category	Population	Sample	Percentage
1	Mail LP	39	16	41%
2	Passenger LP	8	3	37.5%
3	Goods LP	36	6	16.67%
4	Asst LP	76	17	22.36%

The total size of the sample is the sum of the samples drawn from the four categories i.e.,  $16+3+6+17 = 42$ . Therefore 42 is the sample size for the loco pilots.

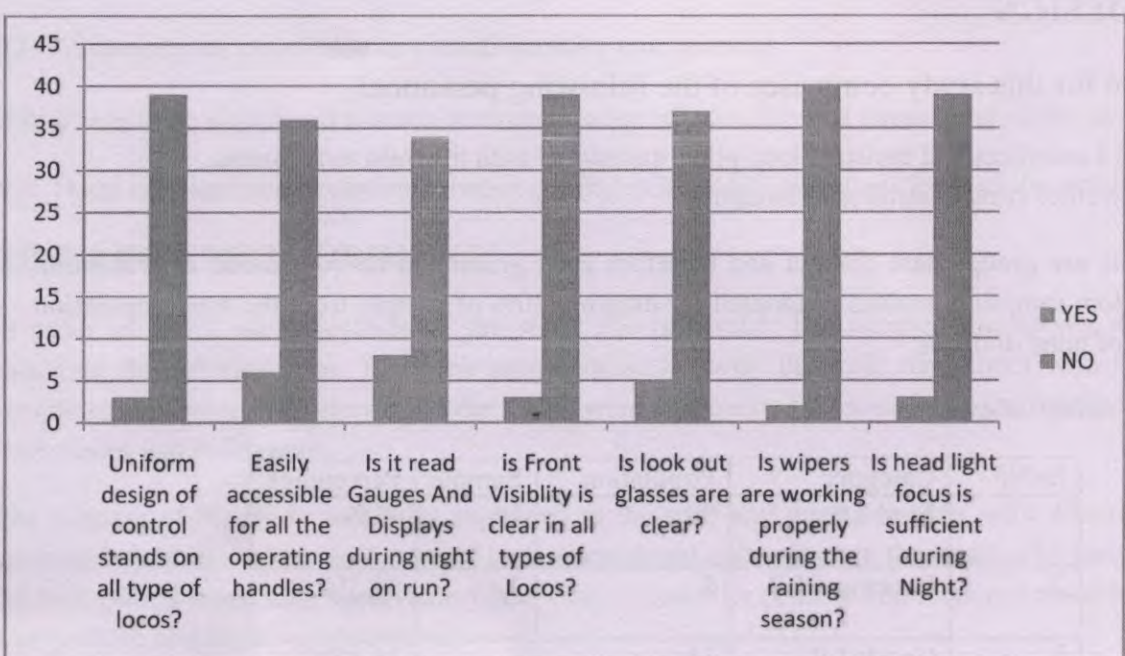
The Chief Crew Controller is the universe and sample.

## DATA CLASSIFICATION AND INFERENCES:

**Table 1: CONTROL STAND**

Parameters	YES	NO
Uniform design of control stands	3	39
Easily accessible for all the operating handles	6	36
To read Gauges And Displays during night on run	8	34
is Front Visiblity is clear in all types of Locos	3	39
Is look out glasses are clear?	5	37
Is wipers are working properly during the raining season?	2	40





This chart shows that 79% of loco pilots claim that the design of control stand is not uniform. There are about 10 types of Diesel locomotives and almost 20 types of Electric Loco motives. The control stand differs from loco to loco and it leads confusion in day to day working.

The loco pilots are stating that operating handles are not easily accessible to them. The operating handles are frequently used for driving for accelerating the speed as well as braking for control the train speed and for stopping the train. Thus it plays a very vital role in train driving.

There are so many gauges and displays on locomotives such as speedometer, various air pressures gauges and oil pressure gauges. The loco pilots should continuously concentrate on the gauges on run. The loco pilots claim that it is difficult to read the gauges and displays during night on run since it was not illuminated properly.

The loco pilots of Pune division are working with both the electric and diesel locos. There is no problem for front visibility in electric locos since both side drivers cab is provided. In diesel locos only one cab is provided. If the cab is leading is known as short hood driving and if the cab is trailing it is known as long hood driving. In case of long hood driving front visibility is not clear especially on curves.

The front visibility of locos plays a vital role in driving because loco pilots should constantly watch on track and signals. In case of signal passing at danger, severe punishments are imposed on drivers even though there is no lapses, accidents etc. It is stress to drive with improper visibility The railway is aware about this and to overcome this problem nowadays dual cabs are introduced on diesel locos. But a very few on numbers.



The lookout glasses should be clear for driving and for that proper maintenance should take place. The chart indicates that 36 respondents with 86 percentage claims that lookout glasses are not clear. It indicates that no proper maintenance is taking place.

During raining and fog working of wipers should be important for driving. This chart indicates that 39 respondents with 92.85 percentage claims sometimes no proper working of wipers. This shows that no proper maintenance is taking place.

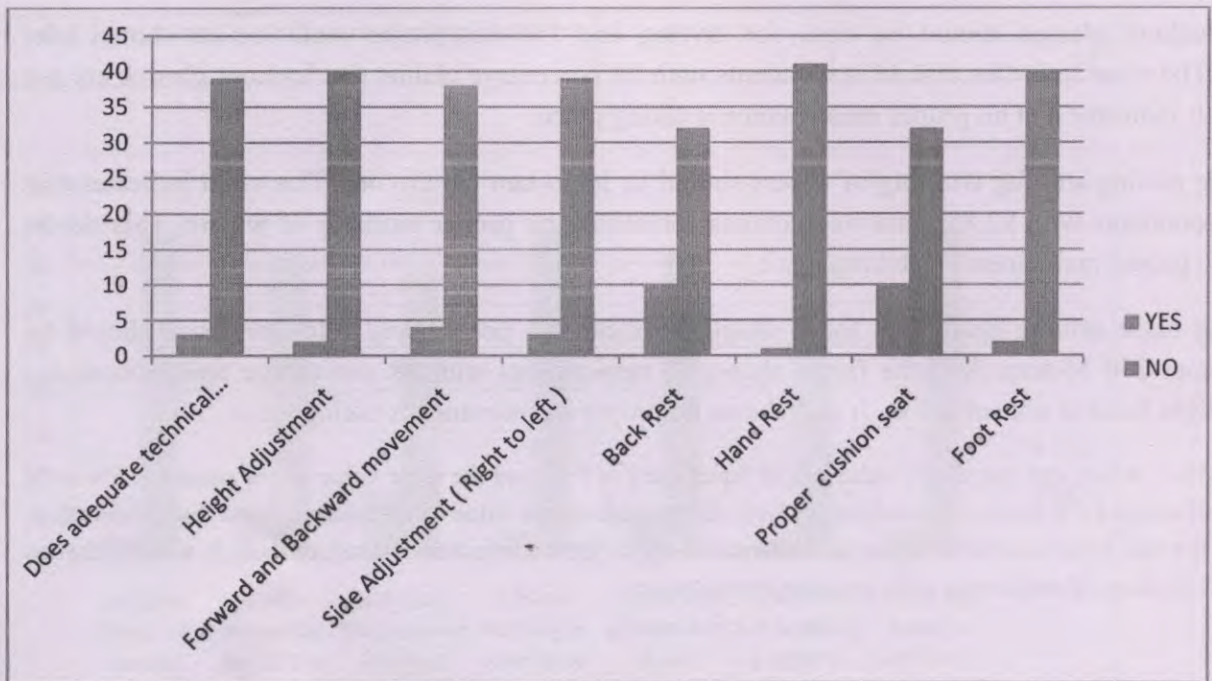
During night driving head light focus should be clear. As per railway rule, the focus should be minimum 250 Meters. And the figure shows 37 respondents with 88 percentage feels sometimes head light focus is not sufficient. It also shows no proper maintenance is taking place.

The table 1 shows that calculated value of chi square test is 7.12 and the table value of chi square at 5% level of significance for 8 degree of freedom is 15.12. So the calculated value of chi square is less than table value, hence the null hypothesis is accepted and alternative hypothesis is rejected. Therefore there is a link between the satisfactions of employees with working environment.

**Table 2: DRIVING SEAT**

PARAMETERS	YES	NO
Does adequate technical maintenance take place?	3	39
Height Adjustment	2	40
Forward and Backward movement	4	38
Side Adjustment ( Right to left )	3	39
Back Rest	10	32
Hand Rest	1	31
Proper cushion seat	10	32
Foot Rest	2	40





The above chart clearly shows that loco pilots' seat quality is poor. The 26 respondents (61.60%) and 13 respondents (30.95%) claim that proper maintenance is not taking place.

It is worse news for loco pilots: according to the British Chiropractic Association (BCA), 40% of the people say that sitting down aggravates back or neck pain. It is enough to have loco pilots shuffling uncomfortably in their seats.

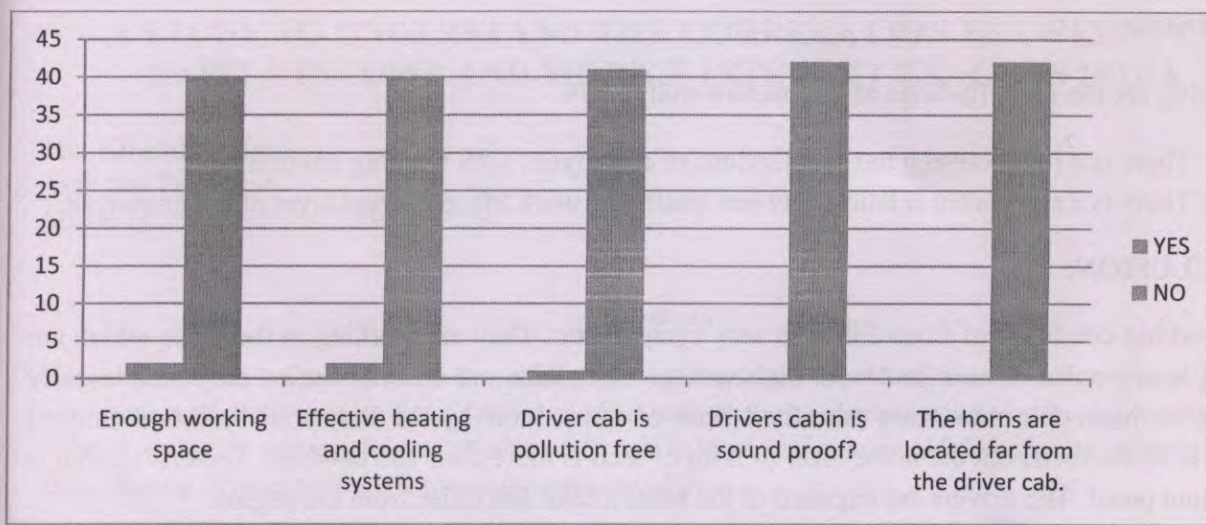
All the basic necessities of the seat like height adjustment, side adjustment, forward and backward movement, back rest, hand rest, proper cushion and foot rest etc are not provided properly in all the times.

In electric locomotive cabs, the seat is very small and it is wall-mounted without any adjustment. It is not comfortable for a loco pilot to drive while seated. Therefore, he performs his duty always in standing position for almost 8 hours.

**Table 2.1: WORK PLACE**

PARAMETERS	YES	NO
Enough working space	2	40
Effective heating and cooling systems	2	40
Driver cab is pollution free	1	41
Drivers cabin is sound proof?	0	42
The horns are located far from the driver cab.	0	42





The working space of loco motive is congested. The 40 respondents with 95.23 % claim that there is no enough space. There is no air conditioning and 40 respondents with 95.32 % agree that there is no effective cooling and heating system. The loco pilots cab is not pollution free which can affect the health of lungs. The 41 respondents with 96.45 % agree that cab is not pollution free. The temperature in loco pilots cab is more than atmospheric temperature during summer season.

Various studies proved that noise can cause hearing impairment, hypertension, ischemic heart disease, annoyance, mental stress, sleep disturbance as well as Changes in the immune system also. The 42 respondents with 100 % claim that their cab is not sound proof.

The above chart says that 42 respondents with 100 % are finding difficulty with the position of the horns of the locos. According to them the horns are not located far from the loco pilots cab. The sound decibel of the horns normally exceeds the normal limits.

A loco pilot in his each duty on an average crosses 100-200 level crossing gates. As per the railway rule he has to sound the horn from 600 meters before the level crossing gates continuously.

In addition to that a loco pilot should sound the horn on curves, cuttings, approaching tunnels, running through a station, where the visibility is restricted and for warning the trespassing public. This facts show they are very much exposed to sound pollution on entire duty hours.

This clearly shows that loco pilots working environment is not conducive for proper working with good health.

The table 2 shows that calculated value of chi Square test is 23.44 and the table value of chi square at 5% level of significance for 7 degree of freedom is 14.07. So the calculated value of chi square is more than table value, hence the null hypothesis is rejected and alternative hypothesis is accepted. Therefore there is a significant relation between quality of work life and stress level of the employee.



## **FINDINGS:**

Following are the main findings of the present study:

- There is a link between the satisfactions of employees with working environment.
- There is a significant relation between quality of work life and stress level of the employee.

## **CONCLUSION:**

The working condition of Loco Pilots is very sympathetic. They are working in the locos which are having heavy noise, excess heat with high voltage electricity and dusty pollution may lead to early fatigue to them. The maximum permitted limit of noise level by the Industrial Pollution Control Board is 75 decibels, but the noise level of horn of loco is more than 100 decibels. The drive cabin is not sound proof. The drivers are exposed to the heat, smoke and noise from the engine.

Pollution and high voltage electricity has an adverse impact on the physical and mental health of drivers. Sometimes the wipers are not working properly during foggy and rainy season; leads to poor visibility are really challenging the safety of working.

The seat quality of Loco Pilots is very poor sometimes without back rest provision they are working for nearly 8 hours in a trip. The seat of Loco Pilots is not height adjustable in electric locos and in order to see the track they have to work most of the time in standing position.

The worst part of the working of Loco Pilots is there is no provision of toilets in locos and also no break for natural calls on entire duty.

Addition to this fans and lights are also not working shows that no proper maintenance is taking place from the RLY management.

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1. FIRE Quartly Magazine, All India Loco Running Staff Association
2. Singh Ravi Kant, 2008
3. Indian Railways act 1890.



# A STUDY TO UNDERSTAND THE CORRELATION BETWEEN PER CAPITA INCOME AND MOBILE INTERNET USAGE IN INDIA

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## Abstract

*Usage of internet is continuously increasing in India. A large number of consumer service providers are moving towards mobile based services. Recently with the demonetization move, government of India is trying to reduce the use of physical cash with virtual money. Mobile device companies are also offering devices with high speed internet capabilities.*

*According to a study done by National Sample Survey Organization, an organization under the Ministry of Statistics of the Government of India, between July 2014 to June 2015, people of rural India spend most on the use of mobile phones and telephones among all services accounting for 25.33 %. While urban India spends 26.33 % among all services. It shows us that a big portion of Indian consumers' house hold budget is assigned to mobile phones and telephones.*

*The historical data of mobile internet users is also a proof that users of mobile are continuously increasing and the rate of increasing is very fast. Also if we go through the trend of change in Indian per capita income, we can find a clear picture of continuous growth.*

*In this study we will try to understand the correlation between per capita income of India and the change in spend on mobile internet by Indian consumers. This study will briefly trying to check whether spending on mobile internet is directly connected to the change in per capita income.*

**Keywords:** *Per capita; Income; Mobile Internet; Indian Internet Users; Mobile expenses; GDP; Living standard; NSSO; IMAI; Wireless Internet;*

## OBJECTIVES:

1. To study Per capita income of India.
2. To understand the meaning of Per capita income.
3. To study Mobile internet usage in India.
4. To find out correlation between change in Per capita income and mobile internet usage in India

## RESEARCH METHODOLOGY:

The research paper is an attempt of secondary research, based on the secondary data sourced from government agencies, journals, magazines, articles and media reports.

## INTRODUCTION:

Spend on mobile phones is rapidly increasing from the last few years. According to a study done by National Sample Survey Organization (NSSO) an organization under the Ministry of Statistics of the Government of India, between July 2014 to June 2015, people of rural India spend most on the use of mobile phones and telephones among all services accounting for 25.33 %. While urban India spends 26.33 % among all services. [1]



There may be number of reasons behind the growth of mobile spend by Indian consumer but one reason overshadows all, it is mobile internet. According to a report by Internet and Mobile Association of India (IAMAI), the user base is already crossed a landmark of 306 million in December 2016, and expected to grow by 55%. [2]

Increased spending power is a signal of growing economy. And the change of spending on mobile internet is one of a signs of changing living standard. To understand living standard, we need to find out the per capita income of the nation.

#### PER CAPITA INCOME:

Per capita income is total national income (GDP) divided by total population. It is not the average income (because it includes children and non-working population) but serves as an indicator of a country's living standards. [3]

In simple words we can say per capita income is the mean monetary income received in the year by every man, woman, and child in a nation. \*

#### OVERVIEW OF PER CAPITA INCOME IN INDIA:

The per capita income of India at current prices during 2015-16 is estimated at 93,231 INR as compared to 86,879 Indian rupees for the year 2014-15, showing a rise of 7.3 percent. The per capita income at constant prices (at 2011 -12 prices) during 2015-16 is 77,431 showing a rise of 6.2 per cent as compared to RS. 72,889 during 2014-15. [4]

##### Per capita income at current prices:

The money value of final goods and services produced by normal residents of a country in one year, measured at the prices of the current year. Currently per capita income of India at current prices is 93,231 (2015-16).

##### Per capita income at constant prices:

The money value of final goods and services produced by normal residents of a country in a year, measured at base year price. Base year is a normal year which is free from price fluctuations. Presently 2011-2012 is taken as the base year in India and the per capita income at constant prices is 77,431 (2015-16).

The table below presents a clear cut trend of per capita income of India at both, current and constant prices:

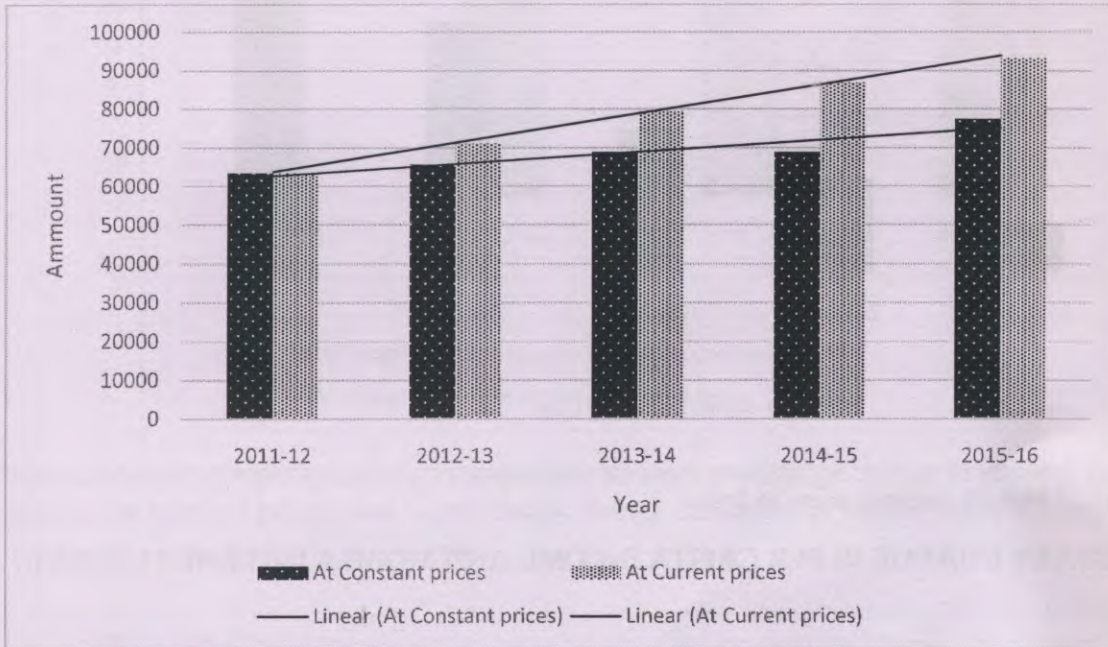
Amount (Indian Rupees)

Year	National Capital Income (at <b>current</b> prices)	% Change	National Capital Income (at <b>constant</b> prices)	% Change
2015-16	93231	7.3	77431	6.2
2014-15	86879	9.4	72889	5.8
2013-14	79412	11.8	68867	4.9
2012-13	71050	12.0	65664	3.5



2011-12	63460	-	63460	-
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Source: Economic survey of India, 2015-16



Graph: Trend of per capita income of India at current and constant prices.

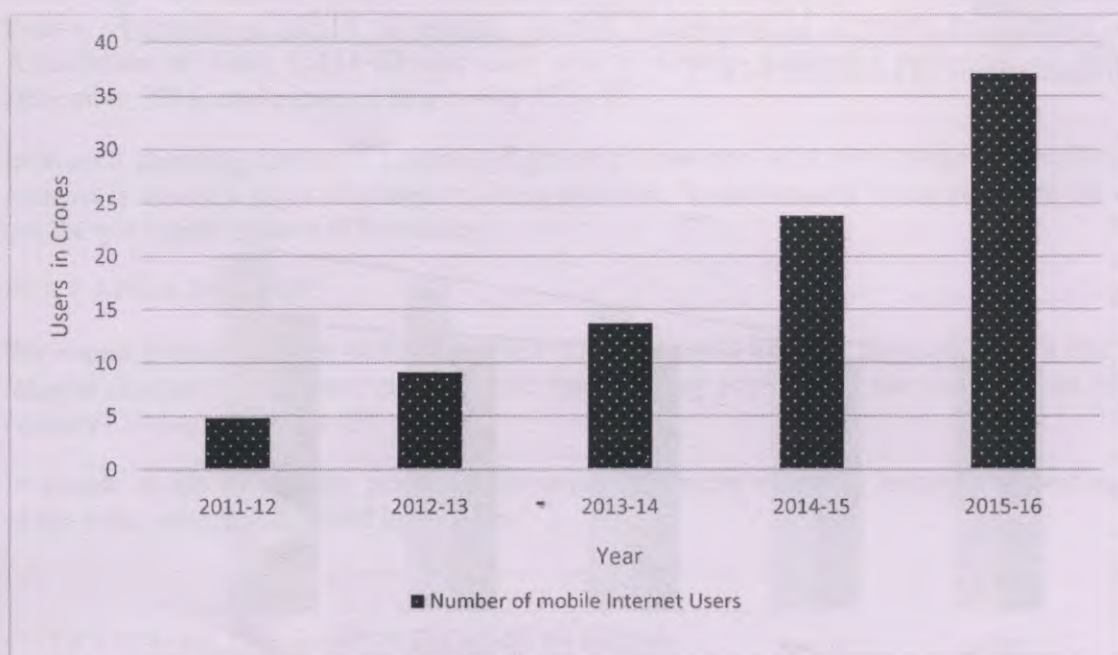
#### MOBILE INTERNET USERS IN INDIA:

Internet in India was introduced in year 1995. WAP enabled mobile devices were introduced after 2000. With the introduction of WAP enabled mobile devices mobile compatible internet services also started to develop in the country. The last decade becomes a revolution in the mobile based services with the increasing number of users. June 2016 is the biggest landmark of the increasing user base of mobile internet, where the number of total users reached to 37.1 Crores. [5]

Amount in Crores		
Year	Number of mobile Internet Users	Percentage % change over last year
June – 2016	37.1	55.88
June – 2015	23.8	73.72
June – 2014	13.7	50.55
June – 2013	9.1	89.58
June – 2012	4.8	-

Source: Internet and Mobile Association of India, February 2016





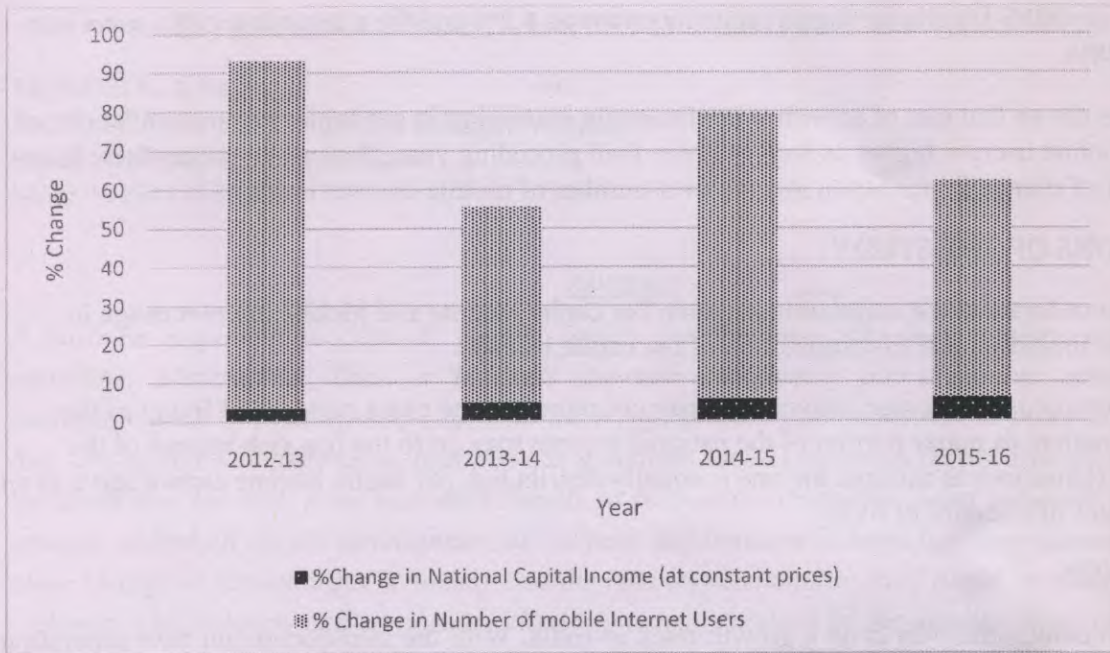
Graph: Trend of Mobile internet users in India.

#### COMPARISON OF CHANGE IN PER CAPITA INCOME AND MOBILE INTERNET USERS IN INDIA:

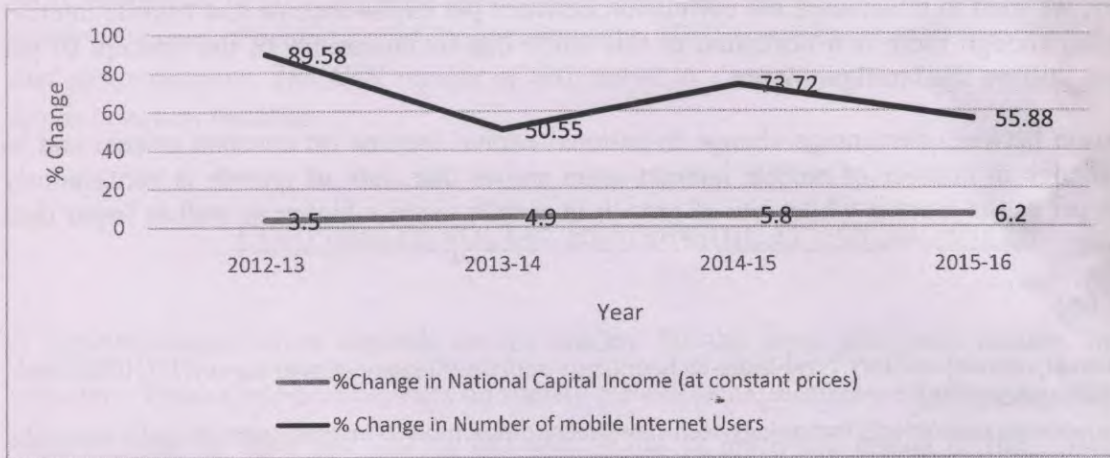
From the above data we can compare the trends.

Year	National Capital Income (at constant prices)	% Change	Number of mobile Internet Users	Percentage % change over last year
2015-16	77431	6.2	37.1	55.88
2014-15	72889	5.8	23.8	73.72
2013-14	68867	4.9	13.7	50.55
2012-13	65664	3.5	9.1	89.58
2011-12	63460	-	4.8	-





Stacked column graph represents a comparison between percentage change in national capital income (at constant prices) and % percentage change in number of mobile Internet Users.



Graph: Linear comparison between percentage change in national capital income (at constant prices) and % percentage change in number of mobile Internet Users

It shows the following:

- 1- In year 2012-13, change in per capita income was 3.5% and the change in mobile users was 89.58%.
- 2- In year 2013-14, change in per capita income was 4.9% and the change in mobile users was 50.55%.
- 3- In year 2014-15, change in per capita income was 5.8% and the change in mobile users was 73.72%.



- 4- In year 2015-16, change in per capita income was 6.2% and the change in mobile users was 55.88%.

The analysis shows that rate of growth is continuously increasing in per capita income whilst rate of growth in mobile users is higher as well as lower than preceding year. Hence we can say there is no direct effect of change in per capita income over number of mobile internet users.

#### LIMITATIONS OF THE STUDY:

The study to understand the correlation between Per capita income and Mobile internet usage in India has the limitation due to computation of per capita income.

Per capita income is an average income and may not represent the exact standard of living of the people of a nation, as major portion of the national income may go to the few rich instead of the many poor. Hence unless national income is equally distributed, per capita income cannot serve as an exact indicator of standard of living.

#### CONCLUSION:

Spending on communication is on a growth track in India. With the introduction on new generation mobile devices, user can easily connect to internet via mobile phone. The data by various authenticate organizations shows a rapidly growing trend of use of mobile internet in India. A big portion of spending on services is assigned to mobile phones and telephones by Indian population regardless of urban or rural. Mobile internet covers a large portion of mobile expenses.

By this study, we tried to understand the correlation between per capita income and Mobile internet usage in India. Though there is a limitation to this study due to limitations of the concept of per capita income, still we tried to figure it out.

The comparison between percentage change in national capital income (at constant prices) and % percentage change in number of mobile internet users shows that, rate of growth is continuously increasing in per capita income whilst rate of growth in mobile users is higher as well as lower than preceding year.

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## CORPORATE SOCIAL RESPONSIBILITY OF BUSINESS

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### Abstract

*A business organization depends on the society for the input like men, money, machines and materials. Thus, a business depends on society for existence, sustenance and encouragement. Once society ceases to have any use for business, it has to place and reason to live. Being so much dependent, business has a definite social responsibility towards society. It must be stated that the shift from merchant charity to corporate citizenship is not complete and it is not unusual to find all the the development of business and industry in India has been accompanied by a clear change in the attitudes of society and the business community itself about its obligations three – charity, philanthropy and corporate citizenship being practiced by the same business family.*

*State Bank of India is the oldest and biggest bank in India. Corporate Social Responsibility has always been a part of the State Bank of India covering various social, environmental and welfare activities. The Bank is actively involved since 1973 in non-profit activity called Community Services Banking. All branches and administrative offices throughout the country sponsor and participate in large number of welfare activities and social causes. Its business is more than banking because it touches the lives of people anywhere in many ways. SBI'S commitment to nation-building is complete and comprehensive. The CSR reports of SBI shows its commitment towards society and also joins hands in nation building.*

### CORPORATE SOCIAL RESPONSIBILITY OF BUSINESS

A business organization depends on the society for the input like men, money, machines and materials. Thus, a business depends on society for existence, sustenance and encouragement. Once society ceases to have any use for business, it has to place and reason to live. Being so much depends, business has a definite social responsibility towards society. Social responsibility is understood as the obligation of decision makers to take action, which protect and improve the welfare of the society as a whole along with their own interests. Every decision the company takes and every action it contemplates having social implications. The businessman should keep his social obligation in mind before taking any decision, whether the issue is significant or not.

The social responsibility idea evolved over a period of time. Throughout history, classical economic theory has been the fundamental inspiration of people in business. In the classical economic view, a business is acting in a socially responsible fashion if it uses natural resources as efficiently as



possible to produce products that society wants at prices consumers are willing to pay. The objective of business is to maximize profits while operating, within the law. This easily understood goal, derived from Adam Smith's *Wealth of Nations*, was never sought in business practice without reservations. Even Adam Smith voiced a surprising number of exceptions to his principles for social reasons.

In the colonial era, businesses were very small. Businessmen practiced thrift and frugality. But charity was a co-existing virtue and the owners of these small enterprises made contributions to educational institutions, and the poor. In the early nineteenth century, companies were not effusive in their social concerns. Charitable contributions continued and grew over time as great fortunes in business were made.

By the 1920s, three inter-related themes had emerged to justify the broader business social responsibility. First, managers were trustees that are agents whose corporate roles put them in positions of power where they could enhance the welfare of not only human resources and community. Secondly, managers believed that they had an obligation to balance the interests of these groups they were, in effect, coordinators who reconciled the competing claims of multiple stakeholders on their enterprises. And thirdly, many managers subscribed to the service principle, a principle with two distinct definitions. One definition was a near-spiritual belief that business, simply by operating for profit, had the power to redeem society by creating a broad general welfare. If individual managers served society by making a business economically successful, the aggregate business system would then work to eradicate social injustice, poverty and other ills. A second understanding of the service principle, however, was that although the capitalist system evaluated humanity, individual companies and managers were still obligated to undertake social programs to benefit public. These three interrelated ideas: trusteeship, balancing of interest and service was accepted by more and more business and opinion leaders. Although uplifting, they did not foster lavish contributions for social programs, nor did they divert most individual managers from their *laissez faire* attitudes and dominant emphasis on profits.

In the last four decades, the concept of business social responsibility has continued to evolve and expand. Today, the optimum use of available resources to make a profit is still seen as the primary social responsibility in business. Social responsibilities views are broader than economic responsibilities, has become more compelling, more accepted by managers and more widely put into practice than ever before. The range of social programs assumed by business has continually expanded since the early years of the 20<sup>th</sup> century. Today, companies carry out a wide array of social



activities. It includes programs for employee welfare, educational institutions, public health, urban development, resource conservation protection of the environment and many others. The range of social responsibilities has expanded due to accelerating industrial activity.

The social responsibility of business is not new to our country. In the olden ways, whenever there was a famine, the leading businessmen of the area would literally throw open their gardens and their treasure chests to provide food and other assistance to the needy. The history of every region of this country is replete with stories of the magnificent manner in which businessmen rose to the occasion in times of natural calamities. The concept of parting with a portion of one's surplus wealth for the good of society is neither modern nor a western import into India. The practice of business giving continued through the ages, though as economic, political and social conditions changed, so did the business response to social needs.

The first shift (1850 – 1914) was from a more or less purely ameliorative charity for religious reasons and causes during the pre – industrial era. The period saw the beginnings of industrialization in India and the new rich business families began to set up trusts, schools, hospitals etc. At the same time, they continued to contribute to older forms of charity such as building and maintenance of temples, dharmashalas and water tanks. So that there were elements of both charity and philanthropy in business giving.

In the second phase (1914- 1960), there was maturing of philanthropic practice. Businessmen contributed to many of the social and cultural causes associated with the movement such as revival of Indian art and culture, nationalist education and so on. Many of India's leading businessmen came under the spell of Mahatma Gandhi and his theory of trusteeship of wealth. They contributed liberally to his programs for the removal of untouchability, women empowerment and others.

The next shift came in the 1960s, which unfolded in an era of economic and political troubles and saw the business houses operating under several constraints. The state also took on many of the obligations that were traditionally the responsibility of the society as a whole, such as education; care of the sick etc. it led to a corresponding decrease of interest in private philanthropy. Mistrust of business consequent to sharp and unethical practices of some, contributed to the disinclination to part with private wealth for public benefit. Ironically, the high tax regime aided by deterioration in business morality led to a large expansion in the establishment of charitable trusts for purposes of tax planning. The failure of the government to remove poverty and bring about social change led to a renewed interest in private initiative to spread social change. The 1970s thus saw a renewed corporate



interest in social concerns and a new element emerged on the philanthropic scene – corporate philanthropy, as distinct from family business philanthropy.

The post 1980 period saw an upswing in business fortunes due to economic reforms and other factors and with it, a re-emergence of self – confidence. It increased business willingness and ability to give, as well as public and government expectations of business. This contemporary phase, characterized by corporate citizenship, has seen a further swing away from charity and traditional philanthropy towards more direct engagement in mainstream development concerns and in helping disadvantaged groups in the society.

In sum, to society and how they need to be expressed. It must be stated that the shift from merchant charity to corporate citizenship is not complete and it is not unusual to find all the the development of business and industry in India has been accompanied by a clear change in the attitudes of society and the business community itself about its obligations three – charity, philanthropy and corporate citizenship being practiced by the same business family or corporation.

#### **Corporate Social Responsibility – A case study of State Bank of India**

The origin of the **State Bank of India** goes back to the first decade of the nineteenth century with the establishment of the Bank of Calcutta in Calcutta on 2 June 1806. Three years later the bank received its charter and was re-designed as the Bank of Bengal (2 January 1809). A unique institution, it was the first joint-stock bank of British India sponsored by the

Government of Bengal. The Bank of Bombay (15 April 1840) and the Bank of Madras (1 July 1843) followed the Bank of Bengal. These three banks remained at the apex of modern

banking in India till their amalgamation as the Imperial Bank of India on 27 January 1921. The presidency Banks of Bengal, Bombay and Madras with their 70 branches were merged in 1921 to form the Imperial Bank of India. The triad had been transformed into a monolith and a giant among Indian commercial banks had emerged. The new bank took on the triple role of a commercial bank, a banker's bank and a banker to the government.

In 1951, when the First Five Year Plan was launched, the development of rural India was given the highest priority. The commercial banks of the country including the Imperial Bank of India had till



then confined their operations to the urban sector and were not equipped to respond to the emergent needs of economic regeneration of the rural areas. In order, therefore, to serve the economy in general and the rural sector in particular, the All India Rural Credit Survey Committee recommended the creation of a state-partnered and state-sponsored bank by taking over the Imperial Bank of India, and integrating with it, the former state-owned or state-associate banks. An act was accordingly passed in Parliament in May 1955 and the State Bank of India was constituted on 1 July 1955. More than a quarter of the resources of the Indian banking system thus passed under the direct control of the State. Later, the State Bank of India (Subsidiary Banks) Act was passed in 1959, enabling the State Bank of India to take over eight former State-associated banks as its subsidiaries (later named Associates).

The State Bank of India was thus born with a new sense of social purpose aided by the 480 offices comprising branches, sub offices and three Local Head Offices inherited from the Imperial Bank. The concept of banking as mere repositories of the community's savings and lenders to creditworthy parties was soon to give way to the concept of purposeful banking subserving the growing and diversified financial needs of planned economic development. The State Bank of India was destined to act as the pacesetter in this respect and lead the Indian banking system

The Bank is actively involved since 1973 in non-profit activity called Community Services Banking. All our branches and administrative offices throughout the country sponsor and participate in large number of welfare activities and social causes. Our business is more than banking because we touch the lives of people anywhere in many ways. SBI'S commitment to nation-building is complete and comprehensive.

#### **CSR Philosophy:**

- ✦ The Bank is a corporate citizen, with resources at its command and benefits which it derives from operating in society in general. It therefore owes a solemn duty to the less fortunate and under-privileged members of the same society.
- ✦ Staff members are encouraged to make their contribution by understanding the aspirations of the public around them and by endeavouring to evolve measures to remove indisputable social and developmental lacunae.



## **TEACHER'S DAY 2012**

### **DISTRIBUTION OF WATER PURIFIERS TO SCHOOLS**

The educational infrastructure of municipal and government schools leaves much scope for improvement. The Bank as part of CSR has decided to lend a helping hand to the Government's efforts in upgrading the infrastructure to needy schools across the country. As part of this effort and to provide clean drinking water to students, the State Bank Group has provided over 19,000 water purifiers to more than 19,000 schools across 35 States and Union Territories of the country on the occasion of Teacher's Day, 2012. This effort is expected to benefit over 40 lac students all over the country. Previously, the Bank had provided fans and water purifier to municipal and government schools as its contribution to those schools which did not have the infrastructure. The Bank has so far supported nearly 60,000 schools since April 2011. The support was provided on special occasions like Teacher's Day, World Water Day and State Bank Day. It is estimated that over one crore children/students are benefited by these initiatives.

### **WORLD WATER DAY 2012**

We all know the importance of water in our life. All living beings specially human beings require water and more so clean drinking water for sustaining life. As water sources are getting more and more polluted with every passing day many schools find it an uphill task to provide clean and safe drinking water to their students. Significant increase in scarcity of clean drinking water, affects millions of citizens and children with water borne diseases. This leads to enormous cost in terms of mandays lost, and in medication. Many of the schools strive their best to provide safe drinking water to the children, yet there are a large number of schools, who need assistance in this regard. With a view to supplement the efforts of the schools all over the country and to ensure sustainable, efficient and equitable availability of clean and safe drinking water to the future citizens of the country, State Bank of India has donated 13,600 water purifiers to 13,600 schools across the country, which will benefit millions of children.

### **State Bank Day 2012 – Fans Distribution to Schools**

Education is one of the thrust areas for the Bank under Corporate Social Responsibility. It is well known that many of our schools lack proper infrastructure. In order to address this issue to some extent we had gifted fans to schools on the occasion of Teacher's Day 2011 and again gifted water purifiers coinciding with World Water Day 2012. It has been receiving requests from schools which could not receive support during the above campaigns. In order to help the needy schools and



reiterate the Bank's commitment to serve the community once again each of our branches have chosen a needy school and gifted electric fans on the occasion of our Foundation Day, which will bring happiness to millions of school children.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR) 2011-2012**

Corporate Social Responsibility has always been a part of the State Bank of India covering various social, environmental and welfare activities. SBI believes that it owes a solemn duty to the less fortunate and underprivileged members of the society to make a sustainable social change in their development. The Executive Committee of the Central Board has approved in August 2011 a comprehensive policy for Corporate Social Responsibility

Focus areas for its CSR activities are:

- Supporting Education
- Supporting Healthcare
- Supporting Girl Children and Child development.
- Assistance to poor and underprivileged.
- Environment protection.
- Clean Energy.
- Entrepreneur development programme.
- Help in National calamities.

### **State Bank wins Golden Peacock Award for Corporate Social Responsibility-2012**

The year 2011-12 saw the CSR activities of the Bank scaling new heights of achievement and glory with our Bank winning the prestigious Golden Peacock Award for Corporate Social Responsibility in 2012. As per the Reserve Bank of India instructions, SBI earmarks 1% of previous year's net profit, as CSR spend budget for the year. In terms of CSR policy of the Bank, CSR donations are given to only those organizations that enjoy IT exemption under Sec 80. This ensures that the Bank's support is extended to deserving cases only. The comparative chart of CSR spends for the last three years is as under: `



### The comparative chart of CSR

Particulars	2009-2010(in crores)	2010-2011(in crores)	2011-2012(in crores)
National Donations (To provide succor to victims of natural calamities)	5.15	2	5.50
Normal Donations & other direct activities	14.57	22.44	65.68
<b>Total CSR spend</b>	<b>19.72</b>	<b>24.44</b>	<b>71.18</b>

For the first time in the last decade, the budget for CSR spend (normal donations and other direct activities) has been surpassed even though the allocation was much higher than the previous years.

The breakup of sectoral deployment of our CSR spends during the year has been as under:

Amount ( ` in crores)

- 1) National Donations 5.50
- 2) Supporting Education 38.33
- 3) Supporting Healthcare 15.03
- 4) Assistance to underprivileged 5.37
- 5) Research & Development 3.75
- 6) Supporting Culture 1.15
- 7) Environment Protection 0.67
- 8) Other projects 1.38
- 9) Total 71.18

#### **Supporting Education:**

- To support school education and to bring happiness to millions of school children specially the underprivileged children, Bank provided 1,20,000 electric fans to 12,000 schools across India.



- During the year, the Bank also provided large number of buses/vans to needy schools.

Preference has been given to schools for physically/mentally challenged children, and children belonging to economically weaker sections etc. It also assisted them with computers, furniture and other accessories.

- To transform and upgrade the efficacy of education in schools run by Municipal

Corporation of Greater Mumbai, we are extending funding support.

### **Supporting Healthcare:**

The focus of the Bank has been to help provide the basic infrastructure support to ameliorate the condition of the common man. Ambulances, medical vans to enable medical camps in remote areas and mobile blood collection vans and host of other medical equipments were donated to needy organizations/hospitals by it's 14 Circles for speedy transportation of critical patients as well as to provide medical services to the remotest parts of the country. The Bank has donated 95 such vehicles with an expenditure of `7.40 crores during the year. Medical equipments costing `6.10 crores were donated to needy hospitals/healthcare institutions.

- Healthcare to Children- Providing safe drinking water has always been a challenge for schools. Recently we took up the project, and installed 13,600 water purifiers in as many schools, ensuring clean & safe drinking water to millions of children in schools.

**Assistance for Natural Calamities:** SBI has always been at forefront to help the States affected by natural calamities. During the current fiscal, the Bank has lent its helping hand to the following states, with donations of Rs 5.50 Crores to the Chief Minister's Relief Fund of the respective states to provide help to the people affected by natural calamities.

State	Calamity	Amount(Rs in crores)
Odisha	Flood	1.00
Puduchery	Cyclone	0.50
Sikim	Earthquake	1.00
Tamilnadu	Cyclone	2.00



West Bengal	Earthquake	1.00
<b>Total</b>		<b>5.50</b>

- SBI branches across the country made special drives to plant fruit bearing trees to improve green coverage. Fruits will also help birds.
- SBI offices/branches undertake various other social welfare activities like blood donation camps, medical camps, tree plantations, adult literacy classes, imparting skills to local community.

### **Green Banking**

- It effectively propagate and implement sustainable usage of resources including renewable energy.
- Adopted energy efficient measures.
- The Bank is the largest deployer of solar ATMs in the World. Saving more than 2000 tons of CO2 per year.
- Paperless Banking transaction- Green Channel Banking.
- The Bank has installed windmills with capacity of 15 MW in three states for internal energy needs.
- The Bank extends project loans on concessionary interest rates to encourage customers to reduce Green House gases by adopting efficient manufacturing practices.

### **Internal CSR**

- SBI is an equal opportunity organization.
- It provides best of the facilities and healthcare to our employees. A large number of Employee Welfare schemes are in place as motivational incentive.
- Extensive in-house training facilities.
- Motivational incentives, Freedom of Association.



### **Research and Development Fund:**

The Bank supports research work relevant broadly to the activities of the Bank from its Research and Development Fund. The Bank makes an annual contribution of GBP 100,000 towards a Chair set up by the Bank jointly with RBI at the Asia Research Centre at London School of Economics.

### **SBI Children's Welfare Fund:**

The Bank constituted SBI Children's Welfare Fund as a Trust in 1983. The Corpus of the Fund is made up of contributions by staff members and matching contribution provided by the Bank. Grants are extended to institutions engaged in the welfare of underprivileged/down-trodden children like orphans, destitute, challenged and deprived, etc. During the FY 2011-12, 8 projects were assisted with ₹7.26 lacs.

### **SBI Youth for India:**

- SBI Youth for India Fellowship- Bank has granted fellowship to educated youth and deployed them to rural areas to undertake innovative projects to address local problems of rural poor.
- This touched upon many projects like Rural Employment Guarantee Schemes, IVRS helpline for farmers and fishermen, career guidance, Enhancing marketability of farm produce, Education of rural youth through ICT, Environment protection, and many others

Looking ahead:

We will continue with our multi pronged efforts to meaningfully contribute towards more sustainable development of the society and Green Planet.

### **WORLD WATER DAY 2013**

In keeping with the Bank's commitment to society and to help provide clean drinking water to children in schools especially in backward areas, the bank has provided over 42000 water purifiers to more than 42000 schools spread across 35 States and Union Territories during the current fiscal.

### **To sum up:**

Corporate Social Responsibility has always been a part of the State Bank of India covering various social, environmental and welfare activities. The Bank is actively involved since 1973 in non-profit activity called Community Services Banking. All branches and administrative offices throughout the country sponsor and participate in large number of welfare activities and social causes. Its business is more than banking because it touches the lives of people anywhere in many ways. SBI'S commitment to nation-building is complete and comprehensive. The CSR reports of SBI shows its commitment towards society and also joins hands in nation building.



## GREEN ONION MARKETING AND EXPORT MANAGEMENT IN INDIA

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### 1. INTRODUCTION:

It has been rightly stated, "produce or perish" in the American industrial sector. Similarly, we can say 'Market or Perish'. In short, marketing of goods along with its production is important for economical prosperity. Developed markets are created through marketing process and it is proved after studying the Agricultural produce Market Committee functions of marketing in Nashik District.

Onion is one of the cash crops in agricultural produces. It is also perishable. Onion is an inevitable daily consumable produce by people. As a result, demand for onion is inelastic. It means even though onion supply increases and its price decreases, it does not mean that its demand will increase. The reason is that there is the problem of preserving the extra onion purchased as a result of reduction in price. So onion is purchased according to daily consumption. On the contrary, even if onion prices rise as a result of reduction in onion is not conspicuously affected and its demand remains more or less the same despite demand for onion is less elastic. It is rigid. In this view, the studies of onion marketing system attract attention.

Similarly is it observed that the supply of onion is also rigid. Onion supply depends upon its quantity of production. Farmers are compelled to sell onion at reduced in further decrease in prices. On the contrary, its price increases and probability of earning profit increases, because of perishable nature of onion and lack of scientific storage of onion. In other words, farmers cannot increase onion supply according to demand and cannot earn more profit. Onion crop is taken thrice a year. Three to four months are required to get the crop.

In modern time, import-export trade has increase as a result of improved transport system, other infrastructure facilities, enhanced credit supply, effective chain of middleman, increased understanding in international trade, bilateral agreements and world organizations. All these factors have also increased international trade the agriculture produce the onion.

Nashik District is an onion producing District in Maharashtra. The Agricultural produce market committee, Vefco and National Agricultural Co-operative Marketing Federation of India



Ltd. (NAFEED) promote onion export from Nashik District. State Government, have provided infrastructural facilities for enhancing onion.

Government is giving stress upon onion export management for the benefit of farmers and also in the large interest of the economy of the country.

## **02) OBJECTIVES OF THE STUDY:**

The aim of the article is to understand the concept of marketing management particularly in relation to export of onion from agriculture produce market, committees and other institutions, in the Nashik District. It is also intended to make suitable suggestions for those who are involved in production marketing and export of this cash crop ie. the onion.

## **03) HYPOTHESIS TO BE TESTED:**

The hypothesis to be tested on the basis of this article are as follows:

- 1) Not only internal marketing but export of the cash crop – the onion is important.
- 2) Special efforts have to be made by farmers, traders and Govt. machinery for enhancing export of onion.

## **04) RESEARCH METHODOLOGY:**

It is proposed to undertake research study of marketing of onion crop on the basis of the transactions on the market yard of the Agricultural produce market committee Lasalgaon and Nashik District. The Specific topic of the study is 'Onion Marketing and Export Management Research with reference to APMC in Nashik District. (1998-2008)'.

### **Collection of Data**

**1) Primary Data :**To collect the primary data, well designed questionnaire will have to be used, one questionnaire for farmers and another questionnaire is for the Government/Agriculture produce market committee officers to get the primary level information.

**2) Secondary Data:**Secondary data will be generated from books and magazines, well reputed journals, Government gazettes, Reports of different committees and study groups, important daily newspapers, internet service, Radio and TV Broad casting services, will be used for collecting the secondary data for the Research work.

**3) Selections of samples :** The total arrivals of agricultural produces, total numbers of officers skilled workers, unskilled workers, total customers visited randomly to the Nashik market committee and total farmers, the details of the are given below.

## **05) TOOLS AND TECHNIQUES TO BE USED:**

Different tools and techniques will be used for statistical processing of primary and secondary data collected that will include classification, tabulations, digramatic representations of



data collected, different types of averages like mean, median mode etc will have to be used for the study purpose.

#### **06) SCOPE OF THE STUDY:**

After passing agriculture produce market commodities act, 14 (fourteen) APMC's and money other sub markets have been set up in Nashik District. The commodities other institutions and private traders take care of onion marketing management. Now the boundaries of market have extended to other countries ie export of onion.

It is intended to make suggestions to those who are concerned in marketing and exporting onion in the larger interest of the onion producing farmers in the state as well as the central govt.

#### **07. LIMITATIONS OF THE STUDY:**

It is just natural that there arise certain limitations in the Research work and such limitations have to be taken for granted certain limitations are as follows:

- It is difficult to collect information from farmers.
- Lack of definite and stable policy of Government.
- Lack of interest of merchants while giving information 4) Economical and technical problems in the use of electronic devices.
- Neutral 'approach of Government no-operative and private institutions while giving information Confidential information denied by balks and other financial Instructions.
- Non-availability of information for comparative study. So information available has to be inevitably used to arrive at conclusions.
- There is every possibility of differences in incidents statistical conclusion on the interviews of experts and authorities, However efforts will be made t avoid subjectivity and objective analysis will be made even by making cross enquiries.
- Marketing of Agricultural Produce including onion and other produce in the world market is very wide. Of course it can be appreciated that the labour, money and time required by a Research worker create limitation on the research work and collection of information required for the study.

Inspite of limitation in the research title "Onion Marketing and Export Management Research with reference to APMC in Nashik District. (1998-2008)" efforts will be made to achieve the objectives of this subject and arrived at certain conclusion and ultimately made certain recommendation in respect of farmers, Merchants, Consumers and Government Machinery also to make recommendation in the light of globalization process to make recommendation for development of onion marketing useful for trade/business and entrepreneurial development.



## **08) SIGNIFICANCE OF THE STUDY :**

India being an agricultural country, scientific marketing management of agricultural produce, particularly that of perishable commodities like onion is of paramount significance. Really the country was a food grain importer up to sixth decade. The green revolution in the country changed the phenomenon and the country became an exporter of agricultural commodities. India being second largest produces of onion in the world, attention is paid to its exports for earning foreign exchange for the development of the country.

Indian farmers of the country attitude, They require guidance and assistance to produce exportable quality of onion. It is provided through research institutions set up by the Govt.

Export research is also undertaken by the Govt. to locate centres in the world where onion can be exported. It also endeavours to build relationship with other countries to have congenial atmosphere for onion exports. Even Reserve Bank of India (RBI) instructed to simplify export and foreign exchange procedure.

## **09) ANALYSIS OF THE STUDY:**

### **a. SIGNIFICANCE OF ONION EXPORT MANAGEMENT:**

Basically, India is an agricultural country. Around independence market surplus was available for export of Agriculture product. However, the Green Revolution, introduced by Swami Nathan, enabled Indian farmers to produce sufficiently both for Domestic consumption and export. Export provides valuable foreign exchange for the economic development of the country. Onion export has earned such foreign exchange and contribution to the development.

### **A) Importance of Agriculture Marketing :**

#### **1) Marketing is last destination :**

Marketing is the last point of onion production, of course, any production process is not complete unless it is sold to the consumers. The rules is applicable to agricultural produce also.

#### **2) Wide area under production :**

Comparatively, agriculture produce is spread over a wide geographical area. It has to be collected, sent it to the industry or last consumer.

#### **3) Specialty of Agriculture produce :**

Agriculture produces are different from industrial production. Agriculture produce at different places may be different in respect of quantity, quality, standard etc. and it is taken to market in various quantities ranging from kilogram to truck and wagon loads.



#### 4) Factors of quality :

Quality of agriculture produce depends on the quantity of lands, quantity of rain water supply available, fertilizers and scientific processes applied.

Agriculture produce is bulky. It requires more space for transport and storage processes are important for agriculture produce.

#### **B) Marketing of Agriculture Produce by Agricultural Produce Committee :**

According to the recommendations of the Royal commission of India. In 1930, setting up of controlled markets started in India. Such markets are needed for protecting interest of farmers. They are for specific agriculture produce. A market committee is set up under co-operative principles to manage and control agriculture produce market committees. Representatives of farmers, agents, traders, local authority and state governments work on such committees.

The committees control the agriculture produce markets. They supervise and control weighing and measurement and commission to agents. One agent can't act as purchaser and seller at a time. The committee also acts as tribunal whenever there is any dispute between seller and purchasers, Agents are given licenses to work on market yard. The market committee has authority to take action against those people who act extra vires the rules and regulations of the committee. The onion is marketed on a large scale through this committees and they assist the farmers to get good prices for their products.

#### **b. HISTORICAL BACKGROUND :**

Even though India is agricultural country, it used to Import food grains to feed its population. It could never export traditional agriculture production except spices and high quality malmal cloth and never could think of exporting food grains and vegetables. During the sixth decade of the 20<sup>th</sup> Century, it has started exporting onion and other Agricultural produces. Now, India is number two onion exporter in the world, China being the first.

It is important to note that a town – Lasalgaon is famous in Asian continent in respect of onion marketing. It is the number one onion market in the continent.

#### **A) HISTORY OF APMC LASALGAON (Estd. on 01/04/1947)**

During the year 1600 certain traders of England came together with an intention to start trading activities with eastern world They established a charter company for this purpose. They intensely desired to start trade with India. Then India was a very rich country and was called 'Golden Land', British traders made agreements with the King Shah Alam through the chartered company and established trading centres at Kolkatta, Kalikat and Wasai.



Even though India was a prosperous country as a whole, there were many small Kings ruling and many of them were very weak. The English traders decided to take advantage of the situation around 1757 Sirajuddaula ruled Bangla and he was engaged in war with Meer Kasim who was assisted by English traders. The result of this was the establishment of Zamindari in Bengal. In the same way English people ruled Bihar and Orissa and the year 1857, the entire country was ruled by English people. The Independence of 1857 (called as mutiny by British people) was over and the charter company had started. Great leaders like Dadabhai Nourajee, Lokmanya Tilak, Mahatma Gandhi, Jawaharlal Nehru and many others led the struggle and ultimately it was successful in 1947, when India got freedom.

Despite prosperity India was divided in many states, so the cartel decided to take advantage from this situation. After 1854 they captured total India and started England Parliament rule in India. They started Railway, Postal etc. services, since business searching started in India. And this was the most propitious time for Indian businesses.

Lasalgaon was originated as a market place. The same situation was everywhere in India. But they were scattered. Despite this, the farmers were destitute because they were dependent on nature and goodwill of government.

To overcome the situation, in 1939 Bombay Government started "Agricultural produce Market Committee". (APMC)

The APMC, Lasalgaon, Dist. Nashik (Maharashtra State) has been originally established on 01/04/1947 under the Bombay Agricultural produce market Act 1939, now revised as "The Maharashtra Agricultural produce Marketing (Regulation) Act 1963". The actual working of the Market Committee commenced from 30/05/1948.

The market area of this market committee was Niphad taluk of Nashik District. But with effect from 28/12/1995 two independent Market committees have been established for Niphad Taluka. Now, the Market area i.e. operation area of Lasalgaon Market Committee is 62 villages of Niphad Taluka.

Source : 1) APMC's Nashik District Report's (1998-2008)

2) Internet website

### c. **AGRICULTURE PRODUCE MARKET COMMITTEES IN NASHIK DIST. (A.P.M.C.'s)**

Government of India passed A.P.M.C.'s Act 1939 and established committee market yards at Agriculture centres. The intention was to provide farmers with continuous organized and



safe market for Agriculture products. Accordingly in Nashik District 14 (Fourteen) Agricultural produce market committee's have been established. They have been providing market facilities to the farmers, traders and other middleman in respect of trading Agricultural products. Recently, the number and variety of commodities have increased. Onion has become a major commodity dealt in on market committee yards.

Detailed information about Market Committees's in Nashik is given in the following table :

Sr.No.	Marketing Centres	Date of Established
1.	Lasalgaon	01.04.1947
2.	Nandgaon	02.09.1948
3.	Malegaon	11.11.1948
4.	Satana	24.09.1948
5.	Ghoti	17.09.1952
6.	Nashik	21.11.1952
7.	Sinnar	27.01.1956
8.	Yeola	15.09.1957
9.	Kalwan	01.03.1971
10.	Chandwad	01.04.1982
11.	Manmad	18.07.1985
12.	Dindori	01.01.1989
13.	Pimpalgaon(B)	28.12.1995
14.	Deola	27.05.2004
15	Umrane	26-6-2012

Source : 1) A.P.M.C. Report in Nashik District

**2) Govt. Record**

Onion production is continuously increase in the District. The market committee yards provide to be enadequate for the dealing of larger quantity. So the main market committees took decision to expand trading activities and for that purpose to established 28 (twenty Eight) Sub-Market yards in Nashik District.

The Agriculture produce market committees have very effectively supported export of the committees provide information to the farmers in respect of demand for onion in the international market. It makes them aware of the standard and quality of onion required for export. Not only this but it also provides guidelines in this respect. Marketing process and export management of onion is considered as important function of market committees. Of course the NAFED has been authorised



to under take export activities. In addition to the market committees, private traders, state marketing federation, vefco also participate in onion export activities.

**d. ONION EXPORTS FROM INDIA :**

A. As a result of Green Revolution during the sixth decade, onion production has increased and it became possible for India to export onion from the periods particularly from 1980's. Of course, prior to this certain amount of onion was used to be exported from the country. But the quantity onwards became noteworthy.

Following table throw light upon the quantity in tones exported and value in Rupess and also value per tone both in Rupess and Dollars. The data is from 1980 to 1998.

**ONION EXPORTS FROM INDIA**

(1980 to 1998)

Year	Quantity (Tonnes)	Value (000 Rupees)	Unit Value Rs/ Tonne	Unit Value Dollars /Tonne
1980	193700	277600	1433	181
1981	169800	294300	1733	193
1982	181300	311700	1719	178
1983	181500	354200	1952	189
1984	251100	543000	2162	182
1985	157500	292100	1855	152
1986	265900	584600	2199	172
1987	141000	421300	2988	230
1988	214200	641700	2996	207
1989	214200	641700	2996	207
1990	240200	908800	3784	211
1991	370900	1495900	4033	165
1992	271900	1193600	4390	143
1993	357100	1826700	5115	163
1994	401000	2050000	5112	163
1995	351000	2310000	6581	197
1996	427000	2650000	6206	175
1997	333000	2020000	6066	163
1998	216000	1760000	8148	194



Source: [www.unctad.org/infocomm/diversification/bangkok/onion.doc](http://www.unctad.org/infocomm/diversification/bangkok/onion.doc)

Export Potential of onion : A case study of India By V.C.Mathur, Senior Scientists, Division of Agricultural Economics, Indian Agricultural Research Institute.

It can be seen from the above table that the quantity and value of onion has continuously increased from the year 1980 to 1998. The quantity 4,27,000(1996) tones is the maximum during this period.

**B)** As a result of trading in onion at village and district level, the quantity available for export has also increase at National level. Accordingly export of onion has also increased following table shows the increased following table shows the increase in production and also export from the year 1997 to 2008.

**Export on Onions from India  
(1997-2008)**

Year	Production (Lakh MT)	Exports (Lakh MT)	Exports as per cent of production
1997-98	40.8	4.70	11.52
1998-99	41.8	4.83	11.56
1999-2000	36.2	4.96	13.70
2001-02	53.3	6.27	11.76
2002-03	48.0	5.28	10.78
2003-04	45.5	6.27	14.44
2004-05	48.3	7.53	15.59
2005-06	42.1	6.90	16.39
2006-07	59.2	7.69	12.99
2007-08	64.3	7.03	10.93

Source : Export statistics for Agro and Food products, India and website : [www. ffmg.com](http://www.ffmg.com)  
Market Survey by – G.Palaniappan, S. Subramaniam.

It can be observed that export of onion has been continuously increasing over the decade i.e. 1997-98 to 2007-08 alongwith increase in production during the same period.

**C) Onion Exports from India to important countries asian Continents  
(1997-98 to 1999-2000)**

Country	1997 -98		1999-2000	
	Quantity	Value	Quantity	Value
Bangladesh	50034.783	2597.39	73850.987	5599.36
Baharain	1633.000	128.73	1742.065	129.81
Bhutan	-	-	10.454	1.93
China	10.417	1.83	-	-



Chinese Taipei	208.000	17.02	-	-
Colombia	-	-	100.000	5.69
Ghana	14.000	1.62	-	-
Hong kong	-	-	-	-
Indoneasia	-	-	1427.813	159.45
Iran	-	-	-	-
Israel	99.000	5.86	-	-
Kenya	12.000	0.71	12.500	0.96
Kuwait	5066.995	269.79	376.170	24.69
Maldives	807.140	43.65	11.270	1.27
Mali	190.666	20.74	3549.949	391.62
Malaysia	78376.535	5095.86	70894.609	6086.99
Nigeria	-	-	20.526	1.46
Nepal	89.000	4.36	-	-
Pakistan	354.694	18.89	-	-
Qatar	611.500	41.59	585.910	37.53
Russia	-	-	21.000	1.31
South Africa	175.000	9.83	60.480	4.98
Saudi Arabia	13113.800	922.64	941.020	59.16
Singapore	32440.737	3020.55	13151.100	1073.48
Swajiland	-	-	-	-
U.A.E.	85531.943	4663.39	32993.370	2181.58
Zimbabwe	-	-	-	-

Source : [www.indiancommodity.com](http://www.indiancommodity.com)

From the above table it can be observed that onion is exported to money countries of asia. The Govt. of India have established commercial relationship with these countries in respect of onion export. The Govt. is also expanding export activities to European countries. Export fetches valuable foreign currency for the economic development of the country. Onion export has proved to be important in this respect.

#### e. **ONION MARKETING AND EXPORT MANAGEMENT :**

In the present era of market based economics, marketing of both industrial and agricultural commodities is of paramount significance. The Govt. has to take care of Marketing of agricultural



commodities particularly onion as it is a perishable commodity. The transportation of onion from the fields to the markets have to be very quick and speedy. Special care during storage period has to be taken. Some scientific processes like dehydration and irradiation must be carried out to increase longevity of onion. The management of marketing of onion demands special attention.

Export of onion requires further care in addition to high quality of onion, collection, gradation, standlisation, packaging, branding, safe transportation etc. are point of great concern in onion export management. The competition at the International level is very keen. Even a slight mistake in marketing process may result in rejection of onion exported. Resulting in great loss to exporters and farmers.

In Nashik District Govt has taken appropriate steps to streamline export of agricultural commodities including onion. Internal roads fast railway trucks and airways have been introduced for fast transportation. Cold houses are provided for storage of onion, priority is given to transportation and marketing to agricultural commodities and onion. Appropriate attention is also given to simplify the complicated process of export. The Reserve Bank of India and other Nationalized Banks have been advised to simplify the process of export foreign exchange. In this way all in and all out efforts are a foot at all levels to enhance export of onion.

**f) ROLE OF NAFED'S :**

It is well known that NAFED is the highest body established by the Central Govt to promote and augment export of agricultural commodities, Not only this but this national institution has been endowed with monopolistic powers in the field of onion exports. The institution provide many other infrastructural facilities to promote onion marketing management within the country. In order to expand export activities NAFED has been trying to increase trade relationship with neighbouring countries and also European countries particularly middle asian countries and Arab countries. NAFED has established its own centres fro marketing of onion over there.

**g) ROLE OF GOVT. IN ONION EXPORT MANAGEMENT :**

Both the central Govt. and Maharashtra State Govt. has been playing an important role to enhance export of onion.

For this purpose farmers, are advised and assisted for taking good quality of onion crops use improved fertilizers manures pesticides and insecticides, improved seed variety of onion etc are provided.

Besides network of good internal roads, fast railways trucks, scientific storage facilities and quick transportation means are provided by the Govt.



Maharashtra Govt. has also taken lead to increase export of onion. Different institutions like Agriculture produce market committee's vefco state trading corporation centres of Nafeds have been established to promote onion exports. Banks and other financial institutions have been suitably instructed to finance freely export activities. In short all in and all out effects are a foot to increase onion export and earn foreign exchange.

#### **h) GLOBALISATION AND ONION MARKETING :**

As a result of improved fast transportation and communication systems the market are becoming wide and are reaching the international boundaries. Thus, there is globalization in onion trade. This trend in marketing is bringing together different energies towards individual economic benefits to the onion growers. Onion marketing has also entered 21<sup>st</sup> century and seller at different levels including Lasalgaon and other major APMC's in Nashik District market are learning to invite customers at international level and it is providing economic prosperity.

In the era of globalization every farmer, every trader in the Nashik District, understands the significance of low cost and high quality of goods. The technological progress in the field of communication transportation make available to the onion and other agricultural products to every consumer in the world.

#### **i) ECONOMIC SIGNIFICANCE OF ONION :**

Onion is a cash crop. So it has importance in the life of farmers. Nashim District has been most suitable for onion crop. The Natural Condition of Nashik District is also onion supporting so many farmers take this crop. Agricultural produce market committees in the district look after the interest of onion producing farmers. This crop has multisided effects, It gives benefit to farmers. It provides employment to landless labours and also to farmers. It provides employment to landless labours and also to farmers of small holdings in the district. Many people get employed as merchants and traders of onion. Not only this but many other people get employment by providing many commercial and other allied services in the market.

The examples of such employment are many, people work as small scale and large scale traders, transporters, agents in exporters etc. The increase in onion export activities, employment opportunities have also been increased and thereby income of both farmers and traders have increased.

### **10. SIGNIFICANCE, RELEVANCE AND EXPECTED CONTRIBUTION OF THE STUDY**

“Onion Marketing and Export Management Research with reference to APMC in Nashik District. (1998-2008) In this study it is expected to appreciate the issue of the farmers community



and the my study is intended to make recommendations to solve the problems. Accordingly it is decided to make efforts in the following direction: .

- 1) To understand the needs of farmers, Merchants other middlemen marketing of onion and other agricultural produce.
- 2) To evaluate the functions & effectiveness in working of different marketing institutions and leading agricultural produce market committees.
- 3) To make suggestions and recommendations which will be directing & useful to he Governments Market institutions, agricultural produce market committees, private traders, and businessmen .
- 4) To make an endeavour to educate farmers and give them up to date information about world trade and Agriculture marketing and thereby create vigilance among them.
- 5) To make recommendations to have maximum facilities for the development of Agricultural market committee & different intermediaries functioning in this agricultural produce market committee.
- 6) It is expected to make recommendation's for increasing employment in trade, commerce and business & for increasing entrepreneurial opportunities by onion marketing development.
- 7) It is expected through this research study that the farmers producing onion and other Agricultural produce merchants dealing in onion & other perishable agriculture produce, traders who export onion and other agricultural produce in international market, the institutions middle men providing six infrastructure facilities for trade and commerce within the country and in the same way institutions and middle men providing basic infrastructure; facilities for export of agricultural produce.

## **11. CONCLUSION :**

Thus it can be concluded that the production of cash crop, the onion has created enthusiasm among farmers, traders, middleman, service providers, Govt. agencies to increase export of onion in the benefit of all farmers and others. The traders exporting institutions, bank and financial institutions have been playing very important role in the stream lining onion export management and earn foreign exchange.

## **12. RECOMMENDATIONS /SUGGESTIONS :**

### **1) Increase onion Production :**

The Govt. should provide farmers with include variety and technique of production and also provide adequate irrigation facilities and more importantly guidance for improving standard of production for export.

### **2) Improvement in Infrastructure facilities :**

In order to increase export of onion, transportation, communication scientific storage, facilities should be improved so that movement of the commodity is fast and safe.



### **3) Simplifying export procedure :**

Majority of farmers and money traders are either illiterate or inadequately educated as a result they cannot understand the lengthy and intricate procedure of export so it is suggested that the export procedure should be simplified and shortened.

### **4) Guidance and Training :**

The onion producing farmers, traders and exporters should be given proper training and provided them with guidance irrespective of onion production export procedure foreign exchange.

### **5) Establishment of Cold Storage :**

Onion is a fast perishable commodity, Export procedure requires long time as the distance is great adequate cold storage facilities at the places where onion is kept and even in the means of transportation should be provided.

### **6) Reduction in Perishability of Onion :**

Efforts should be made to see that it is not perished and its quality is not hampered due to passage of time adequate scientific measures should be taken. It may included dehydration, irradiation etc.

### **7) Market Intelligence :**

In export of onion information about market available for onion around the world, the trends in production cost of onion and selling prices of onion in different parts of the world should be made available to the Indian farmers and traders for this purpose technological development should be brought about in informatics.

### **8) Understanding with W.T.O. :**

Govt has to take lead in having thorough understanding with world trade organization and seek its co-operation for increasing export of onion. The organization has become important agency for creating International co-operation and understanding.

### **9) Research and Development :**

The Govt. should establish laboratories for undertaking study of onion ingredients and its uses for humanbeings. It may result in increasing demand for onion all over the world. So that export may also be increased.

### **10) Participation in International Trade Conference and Meets etc. :**

Conferences, Seminars, Symposia at International level are organized to promote export trade among different countries. Govt. should encourage farmers traders and exporters to participate in them and make themselves aware of recent international trends in exports.

### **11) Management tools for Onion Exports :**

Marketing Management has become order of the day. Accordingly export management has



also recently become important in the field of onion export. Different ways and means are used to augment exports. They include market research for export, six sigma techniques for export management understanding the techniques for producing high export quality onion. Export is very important for the economic development of a country. India being an agricultural country, commodities like onion, grapes, food grains and traditional items are exportables. But export surplus of each commodity may not be available. Fortunately onion surplus is increasing. It enables increase onion export. So efforts of all levels including APMC's Bank and Financial Institutions, exporting agencies, farmers and traders are expected.

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