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Editorial.....

Dear Readers,

It has been our constant endeavour to present articles of topical interest reflecting current management trends in the areas of banking, governance through NGOs/NPOs, financial inclusion and women empowerment. The CSR activities undertaken by the corporate sector play a prominent role in this scenario.

In the article 'Rural Development – A study on CSR activity, Mr. Kunal Pandya emphasizes that CSR is the contribution of the organizations for the Socio-Economic Development of the people of the country. About 70% of the population lives in villages, forming a huge customer base for organizations for their CSR activities. Vision 2020 clearly states the development of the rural parts of the North-Eastern region as a crucial development strategy and CSR is one of the ways by which this development can be implemented. Employment Opportunity for the livelihood, inauguration of hospitals and nursing colleges for better health related activities; focusing on development of schools and colleges for improving the education sector; investments on roads and telecommunications sectors towards improvement of the infrastructure facilities, are some of the major tasks listed as part of the CSR activities.

Ms. Sumaiya Mukadam in the article 'Sustainable Development on Promoting Green Revolution' stresses the need for promoting Green Revolution. Many companies are actively trying to increase their impact on green revolution and shifting from traditional marketing to green marketing. Promotion of green technology and green products is necessary for conservation of natural resources for sustainable development. Understanding the target consumer will help marketers know whether "Greenness" is an appropriate selling attribute and if so, how it should be incorporated into the market mix. The 4 P's of green marketing are same as in conventional marketing, but the challenge before the marketers is to use them in an innovative manner if they intend to adopt Green Marketing.

Banking sectors are the most advanced sectors in the financial field. Payment Banks can accept demand deposits only in the form of current account and savings accounts. Dr. Kaustub Sontakke, Associate Professor of Finance and Accounting of SIES College of Management Studies, has a focused view that the Indian Banking Industry would have a new dimensions to the payment and settlement system in the country. A Payment Bank can be promoted by non-bank PPIs, NBFCs, Corporate entities, mobile telephone companies, super market chains, real sector cooperative companies, public sector entities, etc. The Payment Banks are expected to reach customers mainly through their mobile phones, thereby not following the traditional system.

Earlier, consumers were used to just ‘buy’ the products they needed. Now, time has changed. Today, the customer shops for product/s at one’s own convenience. It is the brands that have changed the shopping experience of consumers in malls. Dr. Sunita Srivastava, Dean & HOD Marketing, felt that shopping in hot and noisy environment is now replaced by the air conditioned and soothing atmosphere of malls. Malls are being used by customers to rejuvenate, socialize and entertain. Malls are also the face of changing consumers’ preference and the way consumers perceive their buying habits. An in-depth study on Brand Activation Strategies used at R-City Mall, Ghatkopar, reveals that it is a perfect blend of Indian and top-notch Multinational brands along with high end entertainment platforms.

The services provided by Lawyers and Chartered Accountants are unique in their nature. Mr. Irfan Lakhani, in his study on ‘The Uniqueness in Service of Lawyers and Chartered Accountants and its effects on Bargaining Power’, attempted to study the bargaining power of Lawyers and CAs, when there is uniqueness in their services. Service providers are able to force up the prices of their services; the bargaining power of customers reduces when Professionals like Lawyers and CAs provide certain unique services. A service is consumed at the point of sale. These general services include transportation, postal services, broadcasting services, etc. Professional services such as legal services, medical services, accounting services, teaching, hairdresser and beautician services use expertise/ experience of those service providers. It is the ability to provide a service in the way that has been promised that makes one stand apart and is deemed important.

Other articles such as ‘Work Life Balance of Women Employees in IT Sector’; ‘Micro-Money - Manifold through Financial Inclusion’; ‘Infringement of Copyright in Academic Research’; and many more too provide prominent insight in their respective sectors. The writers have put in their best efforts to convey the message to the readers that could be recognized and imbibed in the professional as well as personal life of the readers, both at the corporate level as well as in management institutions.

We sincerely thank all the writers for their research effort and support. As always, we look forward to your valuable suggestions and opinion in our effort to make this journal more contemporary and relevant to all the stakeholders.

Happy Reading!

— Dr. Krishna Chandra Pandey

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Rural Development and Corporate Social Responsibility: A Study on CSR and its Impact for the Development of Rural Sector with Special Reference to North Eastern Region of India

* Kunal Pandya

Abstract
The era of Management challenges came with a challenge for organizations to earn profit with providing Socio-Economical benefits to the society through the route of Corporate Social Responsibility. Corporate Social Responsibility is the contribution of the Organizations for the Socio-Economical Development of the People of the country who are the consumers for the organizations. India is a country with 70% population stays in the village which also is a huge customer base for the Organizations. CSR activity will positively impact not only to the rural community but to the business as well. The key issue relates to it is "What CSR initiatives taken for development of rural areas and how the corporates implement their CSR initiative as a part of their business strategy?" Although the approach is generally shifting from philanthropic to welfare and sustainable development but no linkage was observed between the company's CSR agenda and Millennium Development Goals. Many companies promote CSR activities but the scope of the activities are limited to the geographical Boundaries. Due to the reason the Inequality in the CSR activities been measured which affect the actual development in the rural areas which are required. The Emphasis of the companies for CSR activities should be focused with MDG for the North Eastern region development. The Paper attempts to measure the CSR activities by the organizations for the North Eastern Region of the country with keen reference to the need and necessity of the CSR for the Rural Infrastructural Development with MDG perspectives of North Eastern Region of India. The study provides emphasis on Secondary data with analytical and descriptive approach for the study. The Study on CSR activates by the organizations with guidelines from MDG for the North Eastern region will be the main emphasis of the research.

Keywords: *Corporate Social Responsibility, Rural Development, Millennium Development Goals, North Eastern Region*

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INTRODUCTION

India is a country where majority of the population is living in the village and some of the key states and their villages like North Eastern states are neglected and underdeveloped. The problems of hunger, health, education and infrastructure are more acute in Northeastern states of India. The problem arose coz of the bad planning process and the poor distribution of the investment by the government as well as the corporate sector of the country. North Eastern rural villages have a potential to develop, however only the effects of the government for development will not be adequate for the citizens. It is been unanimously recognized that the development of the society is not only the responsibility of the citizens but are also of various stack holders of the country and corporate sector is among them. Corporate sector has to play a pivotal role to play for the insurance of the proper investment flow and management for the development of North Eastern states rural areas of India.

Past few years has shown the tremendous changes in the roles of corporate sector for the broader social context. Corporates themselves considers as integral part of society and consider the social responsibilities of the country's social development. The Shift from Profit to the "Corporate social responsibility" is enduring many organizations. CSR is a concept where by companies decide voluntarily to engage in social activities of the development of the society. Generally, CSR is understood as "the commitment of business to contribute to sustainable economic development by working with employers, their families, the local community and society at large to improve their quality of life, in ways that are both good for business and development. A widely quoted definition by the World Business Council for sustainable development states that "CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of workplace as well as local community and society." Thus it is a two hand process, on one hand it's a development of the internal and external stack holder while on the other hand it's a development activity for environment and society. CSR is the process through which the companies returns the benefits to the society.

While talking about the CSR activities it is clearly noted that the regional differences are followed by the corporate organizations for the development of the society at a large. Some of the Regions like North East Region are seem totally neglected but the situation is different while the developed states are activated with more and more CSR activities by the Corporates. As per the Vision 2020 the North East Region was portrayed as the "Land of the rising sun". The Vision 2020 states that although having 98% Boundaries covered by the International borders and having tremendous economic potential, the states are remained isolated and underdeveloped and some of the reason of it is lack of CSR activities by the more and more Indian Corporates to establish their existence in the region. The Vision statement were induced for the participation of the North Eastern region states for the sustainable economic development of the country. The statement focuses on the Requirement of the Education, health, infrastructure and human resource development in the states and they all are been given priority towards the immediate development of the same. Follow are some of the major points of the VISION 2020.

1) The Report gives special emphasis to infrastructure development for the Industry and Public amenities.

2) The Report suggest to provide Special Emphasis on the education as well as health Industry sector for the overall development of the Region and the country.

3) The report emphasis on the Social and physical infrastructure investment to carry on peace and progress in the region and the country.

The Government Vision 2020 is in the requirement of the corporate sector to participate with CSR activities in Education, Health and Social Infrastructure but the Result is negative here by majority of the corporates. The Development of the rural parts of the Northeastern Region of India is in the massive requirements of the CSR funding and the activities by the Corporates for the social development of the region.

LITRATURE REVIEW

In past, CSR was the initiative activities for the developed countries. Thus majority CSR activities are been carried out by the large companies in India. CSR activities with prospects of rural development providing special emphasis to northeastern states were so less that hardly any studies were undertaken in India. Different researchers have emphasized CSR practices of corporates in India.

Sanjay Pradhan, Akhilesh Ranjan (2010) had conducted a study on corporate social Responsibility in Rural development sector with special emphasis to India. The Study shows that the companies in India are following the roles and regulations for the CSR activities in accordance with the Millennium Development Goals (MDG). It also emphasized that the CSR activities should be in accordance of the needs of the society in the rural are. The study was conducted on the bases of 5 main parameters like Livelihood, Education, Health, Environment and Infrastructure and the result what that very few companies are providing CSR activities in the Key sectors like Environment and Infrastructure.

Anupama Sharma, Ravi Kiran (2012) had conducted study on Corporate Social Responsibility Initiatives of Major companies of India with focus on Health, Educationa and Environment. The Study was conducted an analysis of different CSR related activities on Health, Education and Environment in different parts of India by the major 12 companies and found that all though all the companies are doing CSR activities but very few are working towards the Rural Development through CSR and apart from few are not at all doing any CST activities in the North East region of India.

Tulsi Jayakumar (2013) had conducted research on MNC CSR in emerging economy conflict Zone: A Case study of HUL's North-East Operation in India. The basic idea behind the research was to examine the benefit on the company and the society to develop through the CSR activities in the conflict zone of the rural areas. This paper takes a firm perspective to enunciate that despite significant risks and attendant costs, MNCs (as also domestic firms) which can reap substantial scale economies, can use CSR to 'create value' for its key stakeholders. Such value creation can provide them the legitimacy to carry on sustainable business operations in the midst of conflict.

Purusottam Nayak had conducted research with the title of "Human Development in North Eastern Region of India: Issues and Challenges". The research was all about the human development Index and its data related to the north east states of India and the result were satisfactory for both the sex. But the development aspect in terms of economic development and socio-economic development ratio are very less due to the failure of Planning and implementing process of government and corporates. There exists widespread disparity of poverty and socioeconomic achievements across different states and within, from urban to rural areas and between male and female. If the problems of poor economic growth, poverty, gender disparities and general health of the people are not properly addressed the region may fall into the trap of vicious quadrant instead of moving to a virtuous one.

THE STUDY

To Find out the basic effectiveness of the CSR activities in the north east region for the rural development of the region as well as the comparative analysis of the corporates initiatives of CSR activities in the North Eastern Region and the Other Regions of the county is conducted with the below objectives:

OBJECTIVES

1) To identify the needs of CSR activities in various socio economic variables in the North Eastern Region of India with the help of Human Development Index.
2) To Compare the CSR activities of the NER with other regions of the Country.
3) To Identify whether the CSR activities at NER are in accordance with VISION 2020 or not.
4) Identify the Key areas of Development in Rural areas of North Eastern region for fine tuning with CSR activities.

METHODOLOGY

To study the above objectives, various public and private Indian companies/firms have been selected. While selecting these companies, efforts were made to select them from a variety sectors to get a comprehensive picture. Thus, the selected companies were from different industrial sectors like pharmaceuticals, metals, financial institution, Chemicals and fertilizer, InfoTech, consumer durable, power, Oil and Petroleum and manufacturing company. The methodology of the present study relied on the web based research, review of print literature to understand CSR practice within the context of rural development in India. For the purpose of analysis CSR initiatives for rural development were classified under various areas. The analytical parts are been utilize to understand the needs of the CSR activities in the region and the Descriptive tools and charts are utilized to provide the measurements and the analysis of the Data.

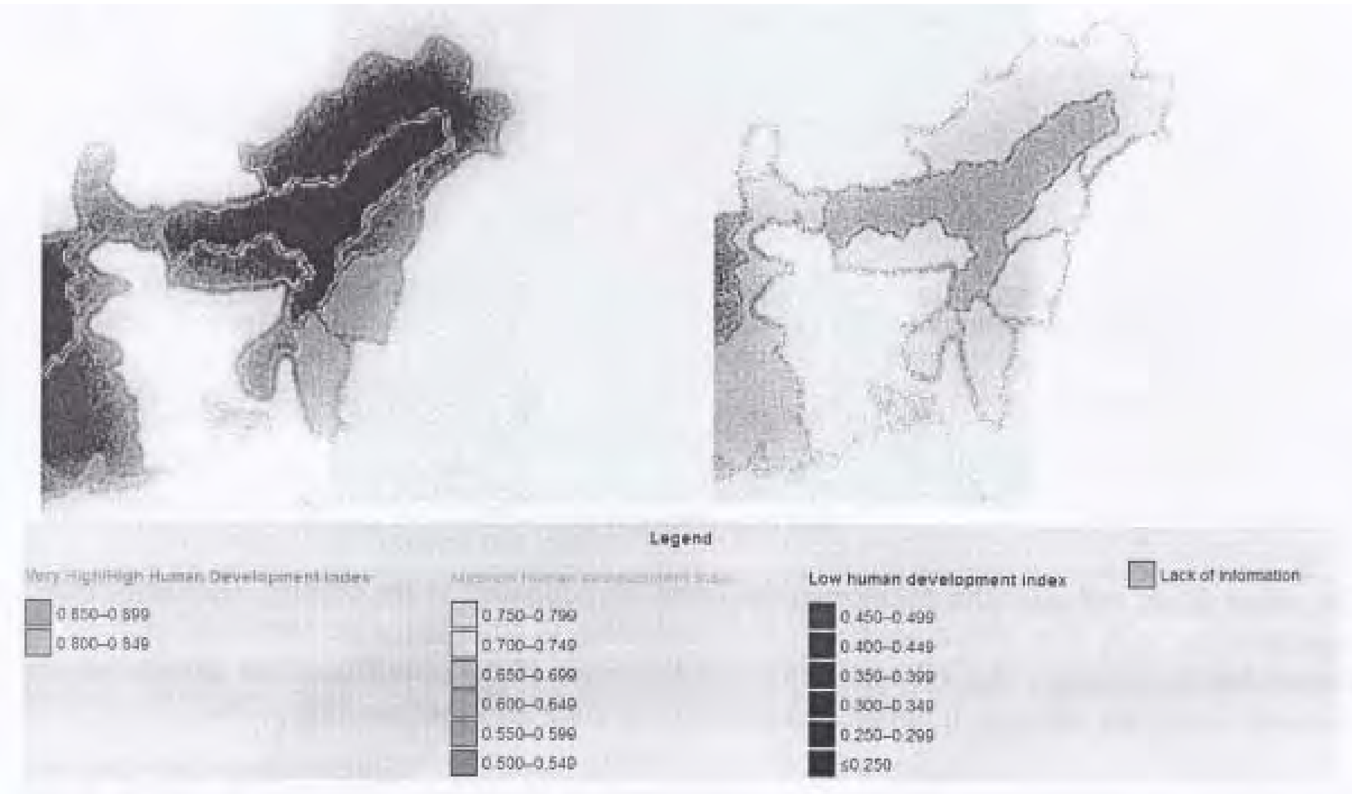
LIMITATIONS

The major limitation of this study is that only small number of companies are selected as the sample for the analysis of CSR activities across rural areas of North Eastern Region and other Rural Regions of the Country. Secondly, information collected from print literature, websites of these companies and no primary data were collected directly from the stakeholders through interviews or surveys.

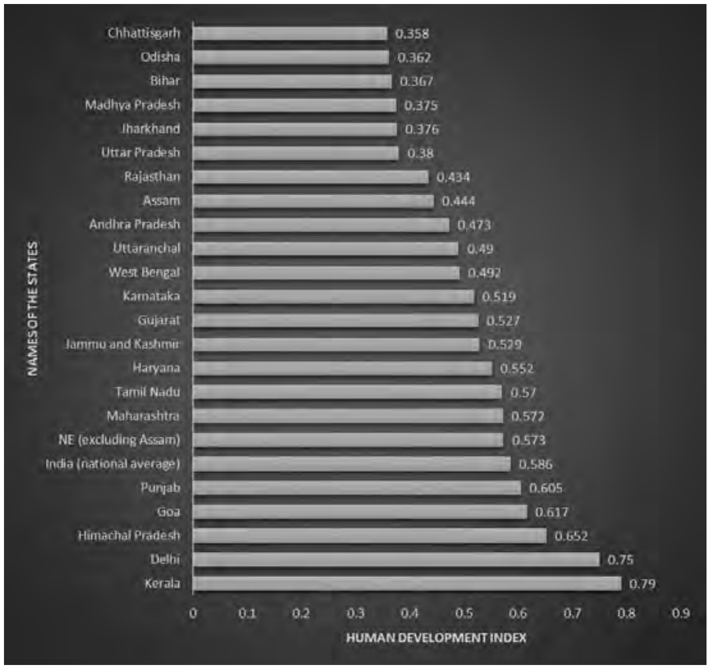
DATA ANALYSIS

The Vision 2020 for the North Eastern states of India clearly mentions the development of the rural parts of NE as the most crucial development strategy and the CSR is among the way which the development can be implemented. The Analysis of HDI index and comparison between CSR activities in NER and other states will clearly represent that the CSR activities in the NER urban area are good enough with the other states development while the development of the **rural areas** are so less.

The analysis looks at the 8 major parameters of the HDI to measure the actual development stage of NER's urban and rural area by the help of Government and private people. Through this aspects we can anticipate the complexity of the development in the rural areas where the CSR activities are not at all up to the mark for the development of the Society.



Above picture represents the actual situation of the development of the society and the people in the north east region between the years 1991 to 2011 where it emphasis that in 1991 the NER region was having Low Human Development Index while in 2011 it reached to Medium HDI. Looking at the fact that the dimensions which measure HDI are the dimensions for the social development, which replicate the development by government and private sector together. Single point index measure will show the development of the society as well as Human Development Index but it is not adequate to measure the CSR activities and the growth of the Rural Development of the NER, so it is inevitable to look at the measure standalone.

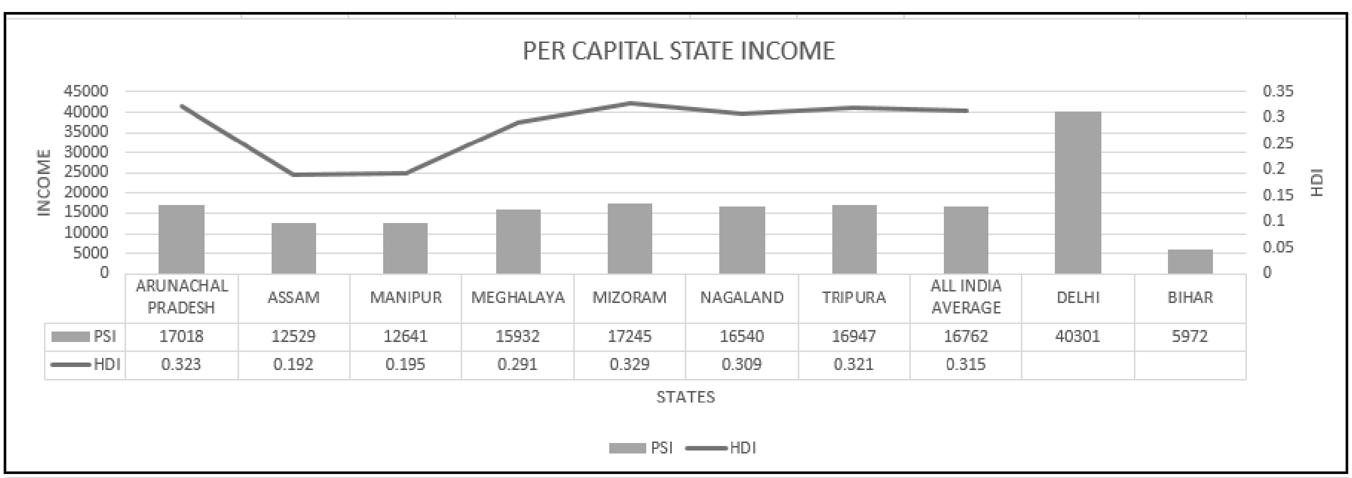


HDI index of States of India

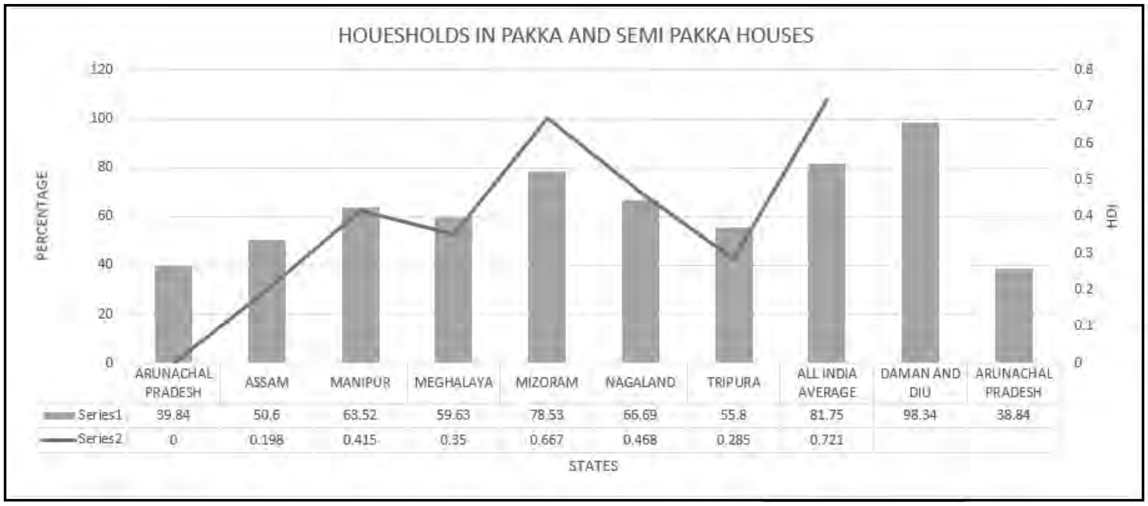
The above Chart replicates the situation of the Social Development in the country, The Development aspects of the NER is on a medium scale which comparing to other states are better but implying the factual data is represents that the situation is good because of the activities of the government and corporate sector are adequate in urban area while in the rural area they are very worst.

Social Dimensions are basic indicators of the development of the society. Looking at the overall dimensions it informs that the regional differences have tremendous inequality in the NER in terms of Social Indicators. To understand it let us look at each indicators:

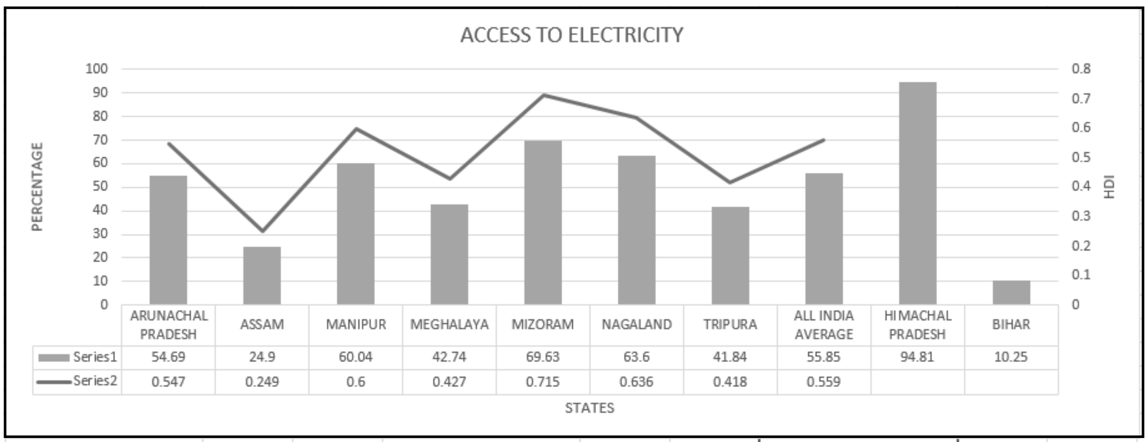
- **PER CAPITAL STATE INCOME**



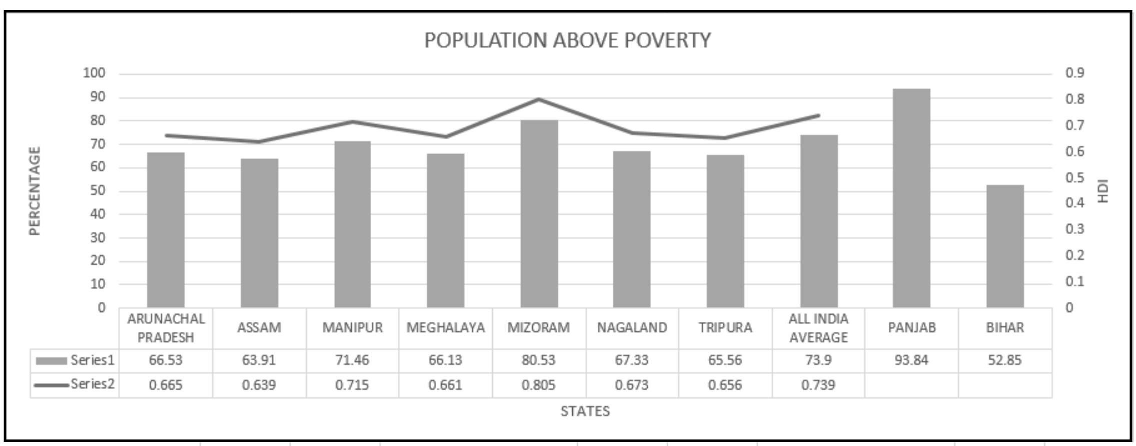
• **HOUSE HOLD IN PAKKA AND SEMI PAKKA HOUSES**



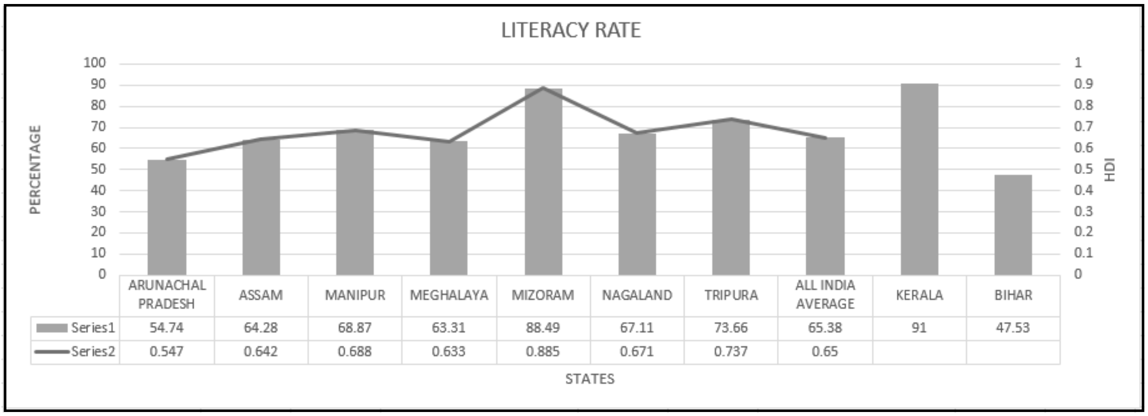
• **ACCESS TO ELECTRICITY**



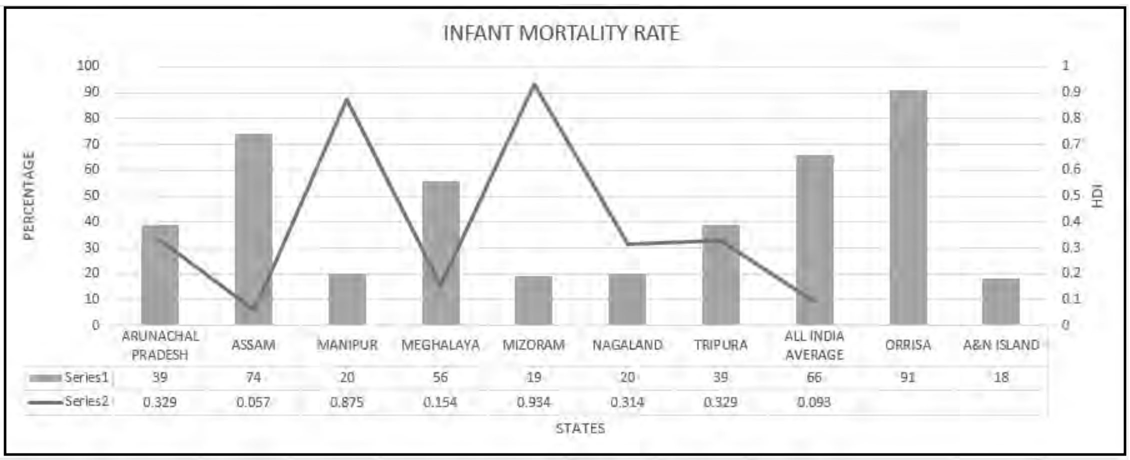
• **POPULATION ABOVE POVERTY**



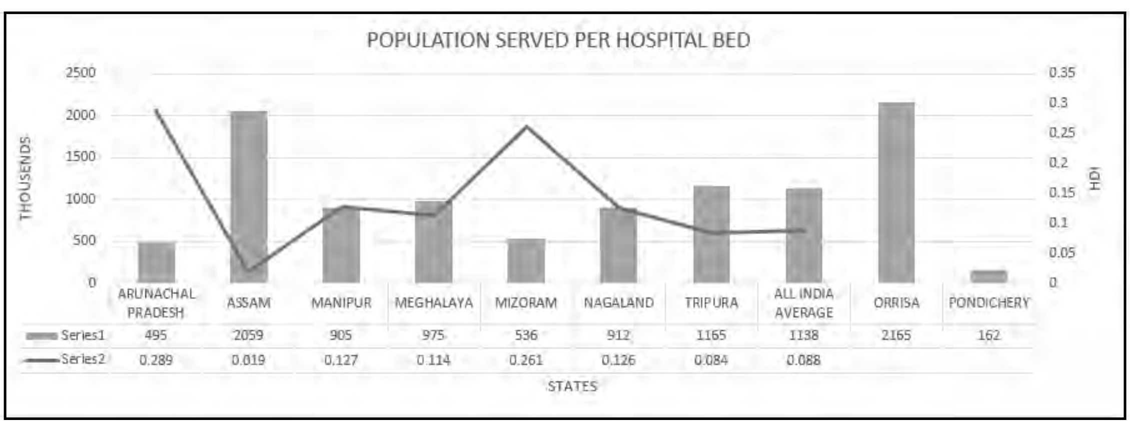
• LITERACY RATE



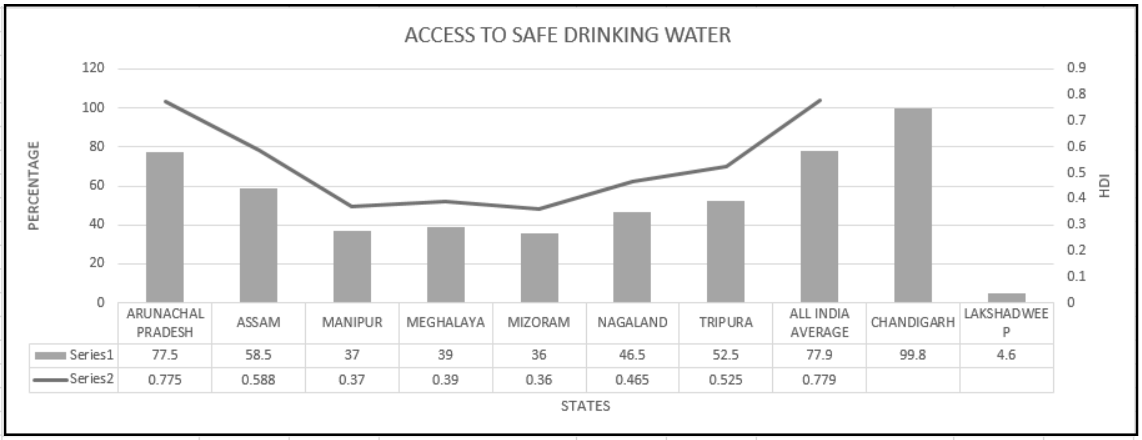
• INFANT MORTALITY RATE



• POPULATION SERVED PER HOSPITAL BED



• ACCESS TO SAFE DRINKING WATER



Corporate Social Responsibility is the Key source for the development of the Society and the prime parameters of the society. CSR primly functions for the development of the Education, Healthcare and Infrastructure of the region. Looking at the above dimensions of the Human Development Index, We can clearly see that the HDI is showing tremendous development of the parameters in the north eastern region of the country but if we look at the most rural areas of the NER, than the situation is the worst. Looking at some facts we can implies that the states like Assam, Manipur, Mizoram, Nagaland and Tripura are the worst case synergic in terms of rural development. The development of the states are missing the key resources for the social development which also lacks the contribution of CSR activities in the rural parts of the country. The Social Growth of the NER is because of the collaborative development of Government and the population of the region while the least participation were been enacted by the Corporates who are having good presence in NER in terms of CSR activities when we talks about the rural parts of the NER.

• COMPARISON OF CSR ACTIVITES BETWEEN NER AND REST OF INDIA

Looking at the importance of the CSR activities for the social development of the rural sectors of India and Especially to NER, It becomes important to see the difference of the CSR activities by the corporates and prominent industries in the region of NER and rest of the India to see the NEGLECTION of the Corporates in the rural parts of NER while the emphasis is more on the urban parts of it. The same philosophy has been enacted by the corporates in terms of the development of the rural areas with the utilization of the CSR investment in the country. Basically, the CSR activities can be diversified in to five major categories which show that the regional differences for the same are very huge. The Difference can be seen as below:

1) LIVELIHOOD:

The Star cement company program to give training to the people of Assam for the self-employment is the program which provides livelihood to the youth of Assam and NER. The program found efficient but the Efficiency and overall ratio in comparison to the country with NER is very less which does only include few percent population of NER, which found to be inadequate for the development of NER with compare to the VISION 2020 by the help of CSR.

2) HEALTH:

Indian Oil Company is the best example of the functions for the health related activities by corporate social responsibility. The company has done tremendous activities to provide better health services by inaugurating a hospital and a nursing college to the NER region where the society is getting best in the class services in the country.

3) EDUCATION:

Various Corporate organizations have emphasizes for the contribution on education sector for the development of the society. As per the Vision 2020 statement, the government of India was keen for the private player's key role for the social development with development in schools and colleges and the same has shown tremendous growth in the North East Region.

4) ENVIRONMENT:

Various Organizations in the NER have emphasized for the development of environment related activities in the rural as well as urban areas of the NER. Big corporates like IOCL, NRL and Bharti Airtel has served the corporate social responsibility in terms of the Environmental related activities. The NER region is gifted with all the natural resources, and the corporates are also enhancing the Environment for the NER region for the development of the society.

5) INFRASTRUCTURE:

The Infrastructure activities are the key development source for the National As well as domestic development of the country and region. The North Eastern Region is the Key reason which is in the requirement of the adoption of the corporate organizations to establish and development of the Roads and Telecommunication services for the betterment of the society of the region and all the companies are providing the best among all in the region.

Below are some of the major activities of Corporate Social Responsibility by major companies in North Eastern Region:

Company name	List of activities
1. D.S Group	a. Distribution of free school kits b. Organising health check up camps c. Providing safe drinking water d. Encouraged the tribes of Northeast to become self reliant through various livelihood options e. Preserving historical sites, etc.
2. IOCL	a. Adopting SOS village b. Donating computers, desks, benches to the students of Shishu Sarothi (a centre for specially abled children) c. Donation to local bodies for organising functions d. Organising competitions for students of various levels e. Building road in Tinsukia (at Sripuria), etc.
3. NRL	a. Renovated and built the infrastructure of Basistha blind school b. Arranged proper sanitation, provided chairs, tables, etc., to the school c. Donating PCs to Asom Jatiya Bidyalaya, an Assamese medium private school in Guwahati. d. Encouraging girl child education, Distributing books, helping to build college and school infrastructure, felicitating the meritorious students, etc. e. Funded 12 lakhs to C-NES (Centre for North- East Studies and Policy Research) to support the idea of launching boat clinic in Assam.

4. Star Cement	a. Project employability- training the local youths to gain employability skill in the cement manufacturing unit itself. b. Project housing- promote and enhance the use of cement in building the houses in rural areas to ensure better safety and protection. c. Project education-It has opened up a school in the plant campus itself to promote education. d. Project hospital- It has built a hospital in the campus itself well supported with doctors and modern equipments for the people of the adjoining areas of the plant campus.
5. Aircel	a. Educating the underprivileged children b. Donating computers to schools c. Donating a mobile library d. Took initiative to save tigers e. Sponsoring events in colleges and institutions.
6. Indian Oil	a. 200 bed Hospital in Digboi, Assam b. Assam Oil School of Nursing, Digboi, Assam

The Corporate social responsibility by the Corporates of the country are the prime importance for the development of the society but looking at the aspects of the functions of the CSR, it clearly seems that the companies are more prominent for the development in urban areas of NER while they have neglected the Rural parts of the NER.

CONCLUSION AND RECOMMENDATIONS

North Eastern Region is strategically most significant and important region of the India. The Development of the region is not only the priority of the government but also for corporates as if the resources of the NER are properly utilized than it can be a huge reward for any corporation in the country. Although the development was the priority of all the government of India since 1951 but till 1991 the NER was very much under developed in terms of social development, since 1991 as the government started emphasizing the progression development with the help of Corporate Social Responsibility of the corporates for the sustainable development of the states in NER, the states have started growing at a good pace and the result came in 2011 when the states our performed in terms of Human Development Index in than some other developed states of India.

Some of the major Human development index are providing importance to Education, Livelihood, Infrastructure and health as main parameters for the development of the society through the government as well as corporate sector's contribution in NER. In terms of Education, The states of North Eastern region has performed overall good with the emphasis of more schools and colleges per student in the states which is good for the development of the states. While in health and livelihood structures also the NER states have performed very well for the development.

However the NER states have shown the very well development, it is inevitable to inform that the development of the states because of the collaborative effect of the government as well as the corporate sectors of the country. Here the contribution of the corporate sector is more than government in the factors where the social development was inevitable n most importance among all is in the Education, Livelihood and the Health sector. Many corporates are still working for the development of NER in terms of corporate social responsibility for the development of NER but the activities are limited to the urban areas of the states while the requirement is in the rural area. The urban areas of the states are already well developed while the major emphasis is the rural area which is still far behind the other areas of the states in terms of the development of social responsibility. Thus it becomes inevitable for the rural areas to get Importance by the corporates for the Corporate Social Responsibility.

RECOMMENDATION

1) CSR activities should be fine-tuned with the activities of government with respect to Vision 2020.
2) The Corporate sector should indulge in more and more activities of the livelihood in rural sectors of the North East region as the states are still under developed in terms of the economic prospective.
3) The CST emphasis should be fine-tuned with the development of education to the youth in the states for them to be empowered in future.
4) The ratio of Population served per hospital bad is very important ration for the health care related activities in the state. The ratio implies that the states where CSR activities have fine-tuned with the health care industry there the ratio is very good but the states who are in rural part are worst hit in terms of the ratio.

Overall, we can say that the Corporation, after the development of VISION 2020, are more encouraged to work with Corporate social responsibility for the development of the society in the North Eastern Region of the country but the emphasis should be transferred from the urban area to the rural areas of the States.

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Sustainable Development – Companies Promoting Green Revolution

* Ms. Sumaiya Mukadam

Abstract

The concept of sustainable marketing is no way different from the term green marketing or eco-marketing. Green marketing is a response to demand for ecologically sound products like recycled products, biodegradable products, energy efficient systems or products. Green Marketing has emerged as important concept in India as in other parts of the developing and developed countries. It is a new revolution in India in late 1990's .There is a radical change in consumer preferences and life styles. There has been a change in consumer attitudes towards a green lifestyle. The companies are actively trying to increase their impact on the environment. Due to this shift from traditional marketing to green marketing, companies these days are facing many new challenges.

Organizations and business however have seen this change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the green market industry. This conceptual study discusses the initiatives of few selected corporate towards green marketing in India and abroad also. Though their initiatives are different but the goals are similar and the initiatives have resulted in competitive advantage for these organizations.

The paper is descriptive in nature. Author in this paper have reviewed the literature on sustainable marketing or green marketing and the various initiatives introduced by companies for promoting green-marketing revolution.

Keywords: *Sustainable Development, Green Marketing, Companies Strategy*

"We do not inherit Earth from our ancestors;
We borrow it from our children"
— Lakota

INTRODUCTION

The term "sustainable development" is defined as development to achieve the needs of present generation without compromising future genera-tion's needs. Sustainable Development, at present time is a most concern phenomenon. Globally every country including most developing country like India & China thinks very much about it because they realize that their future generation must be suffer to lack of resources which is obviously most central to survive. This phenomenon comes after Second

* Ms. Sumaiya Mukadam, Research Scholar

World War. The concept of sustainable development is not related only future generation but also with the present generation. Firstly it is important to know the conceptual meanings of sustainable development. It is a way of thinking by which we can secure our present and future generation. The right means the right to improvement and advancement of economic, social, cultural and political conditions that can be improved the global of life. Improvement of global quality of life means the implementation of changes that ensures every person's life of dignity and at same time citizens realize their human rights. These changes must include the eradication and alleviation of widespread conditions of poverty, unemployment, and inequitable social conditions. In this context the statement of Mrs. Indira Gandhi would like to quote in which she was emphasized on environmental securities for sustainable development at the UN conference human environment at Stockholm in 1972 she said that, the removal of poverty is an integral part of the goal of an environmental strategy for the world.

Sustainable development ensures the well-being of individual by integrating social development, economic development, and environmental conservation and protection. Sustainable development is defined as "development to achieve the needs of present generation without compromising future generation's needs". The meaning of need is something that is necessary for the organism to live a healthy life. It is necessary for the sustainable development that the policies and technologies should be green so that environmental ability meets present and future generation in equal manner. It was coined in 1987 by the United Nations – appointed World Commission on Environmental & Developmental, also known as Brundtland Commission after its chair, former Norwegian Prime Minister Gro Harlem Brundtland.

Green Marketing

Green marketing can be defined as, "All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of these needs and wants occur with minimal detrimental input on the national environment. "By India's heritage, Indian consumers do appreciate the importance of using natural and herbal green products. Indian consumer is exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects the consumer is already aware and will be inclined to accept the green products. The influence of the green consumer will grow as environmental awareness among consumers spreads and improvements are made to the environmental information available through eco-labeling schemes, consumer groups and consumer guides (Peattie, 1995). A variety of literature discuss about green marketing and pays attention to the relationship between customers attitudes and environmental strategies in relation to the company's use of marketing. A global Synovate survey conducted in 2007 in association with Aegis, and repeated in 2008 in association with BBC World, also found that consumers in most countries are becoming more aware and willing to act on environmental concerns. Most of such studies on green philosophy and green marketing are done in developed countries but such studies however, remain conspicuously missing in the context of developing economies like India. The present study discusses the concept of green marketing and its interface with consumers in India, and few Indian cases also discussed.

Literature Review

The growth of green marketing and green consumer is "perhaps the biggest opportunity for enterprise and invention the industrial world has ever seen" (Cairncross 1992: 177). The green consumer is considered more educated and wealthier than the average consumer (Shim, 1995).There appears to be a democratization of green purchasing in Europe and North America. Indeed, Laroche et al. (2001) found that there is a group of consumers which transcends the socio-economic boundaries and is willing to pay for the ethical credentials. In 2002 Roper survey, 41% of consumers said they did not buy green products because they worried about the diminished quality of ecofriendly versions. All over the world, the demand in green products is growing and as such there is a concern for understanding how green is a green product. This overwhelming increase in the overall environmental consciousness among different consumer profile there have been efforts undertaken by firms to "go green" by presenting the concept of corporate environmentalism (Banerjee, 2003; Hay and Lichter 2000)One of the most important restrains to the development of green products is the lack of consumer trust and the lack of information (Cervellon et al. 2010; Yiridoe et al., 2005).

Green Products and their Characteristics

The products those are manufactured through green technology and that caused no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development. We can define green products by following measures:

- Products those are originally grown,
- Products those are recyclable, reusable and biodegradable,
- Products with natural ingredients,
- Products containing recycled contents, nontoxic chemical,
- Products contents under approved chemical,
- Products that do not harm or pollute the environment,
- Products that will not be tested on animals,
- Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

Green Consumer Segments

While buying green may not appeal to everyone, there are substantial numbers of consumers who are potentially receptive to a green appeal. According to the Roper survey (2002) mentioned above:

- 58% of consumers try to save electricity at home,
- 46% recycle newspapers, 45% return bottles or cans and
- 23% buy products made from, or packaged in, recycled materials.

So it is clear that some consumers already demonstrate sporadic green sentiments in their habits and purchasing behavior. Understanding the target consumer will help marketers to know whether "greenness" is an appropriate selling attribute and how it should be incorporated into the marketing mix.

The Roper survey divides consumers into the following groups:

• **True Blue Greens (9%)**: True Blues have strong environmental values and take it upon themselves to try to effect positive change. They are over four times more likely to avoid products made by companies that are not environmentally conscious.

• **Greenback Greens (6%):** Greenbacks differ from

True Blues in that they do not take the time to be politically active. But they are more willing than the average consumer to purchase environmentally friendly products.

• **Sprouts (31%):** Sprouts believe in environmental causes in theory but not in practice. Sprouts will rarely buy a green product if it means spending more, but they are capable of going either way and can be persuaded to buy green if appealed to appropriately.

• **Grousers (19%):** Grousers tend to be uneducated about environmental issues and cynical about their ability to effect change. They believe that green products cost too much and do not perform as well as the competition.

• **Basic Browns (33%):** Basic Browns are caught up with day-to-day concerns and do not care about environmental and social issues.

Green Marketing Mix

Understanding the target consumer will help marketers to know whether "greenness" is an appropriate selling attribute and how it should be incorporated into the marketing mix. Every company has its own favorite set of marketing mix. Some have 4 P's and some have 7 P's of marketing mix. The 4 P's of green marketing are that of a conventional marketing but the challenge before marketers is to use 4P's in an innovative manner if they wanted to adopt the policy of green marketing.

Green Product:

Green products are typically durable, non-toxic, made from recycled materials, or minimally packaged (Ottman, 1997). Green based product strategies comprise any or a combination of recycling, reduction of packaging materials, reconsumption, dematerializing the products; using sustainable source of raw materials, making more durable products; designing products that are repairable, making products that are safe for disposal, making products and packaging's that are compostable, and making products that are safer or more pleasant to use (Bhat, 1993; Ashley, 1993; Polonsky et al, 1997; Ottman, 1998 and Charter et al, 1999). The marketer's role in product management includes providing product designers with market-driven trends and customer requests for green product attributes such as energy saving, organic, green chemicals, local sourcing, etc., For example, Nike is the first among the shoe companies to market itself as green. It is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives. It has designed this variety of shoes to emphasize that it has reduced wastage and used environment-friendly materials.

Green Price

Many consumers assume that green products are often priced higher than conventional products (Peattie, 1999; Polonsky, 2001). Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Value can be added to it by changing its appearance, functionality and through customization, etc. Wal-Mart unveiled its first recyclable cloth shopping bag. The retail shops like Big Bazaar, Life Style, Reliance trends, Nilgiris, Mc Rennett started charging consumers when they opted for plastic bags and encouraged people to shop using its Eco friendly bag.

Green Place

Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint. For example, instead of marketing an imported mango juice in India it can be licensed for local production. This avoids shipping of the product from far away, thus reducing shipping cost and more importantly, the consequent carbon emission by the ships and other modes of transport.

Green Promotion

According to Scholossberg (1993) as quoted by Polonsky (1997), green promotion helps consumers to overcome the "greatest environmental hazard", that is, the lack of environmental information. To lessen the gap on environmental information through promotion Ottman (1997) has suggested several green promotion strategies.

Thus the Green Companies should:

i) Educate consumers on the environmental problems that a green product solves.

ii) Empower consumers with solutions by demonstrating to consumers how environmentally sound products and services can help consumers protect health, preserve the environment for future generations. British petroleum (BP) displays gas station which its sunflower motif and boasts of putting money into solar power.

iii) Provide performance reassurance of green-based products, as many consumers perceive them to be inferior to conventional products. Even the names of retail outlets like "Reliance Fresh", Fresh@Namdhari Fresh and Desi, which while selling fresh vegetables and fruits, transmit an innate communication of green marketing.

COMPANIES PROMOTING GREEN REVOLUTION:

1. ITC Limited:
ITC strengthened their commitment to green technologies by introducing 'ozone-treated elemental chlorine free' bleaching technology for the first time in India. The result is an entire new range of **top green products and solutions**: the environmentally friendly multi-purpose paper that is less polluting than its traditional counterpart.

2. Tamil Nadu Newsprint and Papers Limited (TNPL):
Adjudged the best performer in the 2009-2010 Green Business Survey, TNPL was awarded the Green Business Leadership Award in the Pulp and Paper Sector. The initiatives undertaken by this **top green firm in India** includes two Clean Development Mechanism projects and a wind farm project that helped generate 2,30,323 Carbon Emission Reductions earning Rs. 17.40 Crore.

3. Tata Metaliks Limited (TML) :
Every day is Environment Day at TML, one of the **top green firms in India**. A practical example that made everyone sit up and take notice is the company's policy to discourage working on Saturdays at the corporate office. Lights are also switched off during the day with the entire office depending on sunlight.

4. State Bank of India: Green IT@SBI
SBI entered into green service known as "**Green Channel Counter**". SBI is providing many services like paper less banking, no deposit slip, no withdrawal form, no checks, no money transactions form all these transaction are done through SBI shopping & ATM cards. State Bank of India turns to wind energy to reduce emissions.

5. HCL Technologies

This IT major may be considered as the icon of **Indian green initiatives**, thanks to the "go green" steps taken in solving the problem of toxics and e-waste in the electronics industry. HCL is committed to phasing out the hazardous vinyl plastic and Brominated Flame Retardants from its products and has called for a Restriction on Hazardous Substances (RoHS) legislation in India.

6. Oil and Natural Gas Company (ONGC)

India's largest oil producer, ONGC, is all set to lead the list of **top 10 green Indian companies** with energy-efficient, green crematoriums that will soon replace the traditional wooden pyre across the country. ONGC's Mokshada Green Cremation initiative will save 60 to 70% of wood and a fourth of the burning time per cremation.

7. Hero Honda Motors

Hero Honda is one of the largest two-wheeler manufacturers in India and an equally responsible **top green firm in India**. The company's philosophy of continuous innovation in **green products and solutions** has played a key role in striking the right balance between business, mankind and nature.

8. Wipro's Green Machines (In India Only)

Wipro InfoTech was India's first company to launch environment friendly computer peripherals. For the Indian market, Wipro has launched a new range of desktops and laptops called **Wipro Greenware**. These products are RoHS (Restriction of Hazardous Substances) compliant thus reducing e-waste in the environment.

9. McDonald's Green Revolution

McDonald's replaced its clam shell packaging with waxed paper because of increased consumer concern relating to polystyrene production and Ozone depletion. McDonald's restaurant's napkins, bags are made of recycled paper.

10. Coca-Cola's Environmental Initiative

The Coca Cola Company is one of the largest worldwide beverage retailers, manufacturers, and marketers of various non-alcoholic beverages. They maintain a large focus on the environmental impact of their products and use different methodologies and initiatives in order to reduce waste and sustain the environment.

11. Suzlon Energy

The world's fourth largest wind-turbine maker is among the greenest and best Indian companies in India. Tulsi Tanti, the visionary behind Suzlon, convinced the world that wind is the energy of the future and built his factory in Pondicherry to run entirely on wind power. Suzlon's corporate building is the most energy efficient building ever built in India.

12. IDEA Cellular

One of the best Indian companies, IDEA, paints India green with its national 'Use Mobile, Save Paper' campaign. The company had organized Green Pledge campaigns at Indian cities where thousands came forward and pledged to save paper and trees. IDEA has also set up bus shelters with potted plants and tendril climbers to convey the green message.

13. KFC's New Green Restaurant

The latest store was built using elements that follow the Leadership in Energy and Environmental Design (LEED) certification process created by the U.S. Green Building Council. "This new KFC Green restaurant is part of our E3 initiative, which looks at economically responsible ways of saving

Energy and being Environmentally aware," said Roger McClendon.

14. Tata Group of Companies

Tata Motors ltd. has developed their showroom by using green items and elements in its design. It shows eco-friendly atmosphere that attracts people towards itself. They are also going to launch a low cost water purifier which is made of pure and natural ingredients.

15. Digital tickets by Indian Railways

IRCTC has allowed its customers to carry PNR no. of their E-Tickets on their laptop and mobiles. Customers do not need to carry the printed version of their ticket anymore.

16. Lead Free Paints from Kansai Nerolac

Kansai Nerolac has worked on removing hazardous heavy metals from their paints. The hazardous heavy metals like lead, mercury, chromium, arsenic and antimony can have adverse effects on humans. Lead in paints especially poses danger to human health where it can cause damage to Central Nervous System, kidney and reproductive system. Children are more prone to lead poisoning leading to lower intelligence levels and memory loss.

CONCLUSION & SUGGESTION

Sustainable development is a vision and way of thinking and acting so that we can secure the resources and environment for our future generation. It will not be bought by policies only – it must be taken up by society at large as a principle guiding the many choices each citizen makes every day. We can only improve sustainable development when it will put an emphasis on involving citizens and stakeholders. Green marketing is a relatively quite recent phenomenon and it is growing awareness amongst consumers and businesses about minimizing the adverse impact on the environment. Environmental issues are given more importance these days .This paper helps us to know the various practices made by companies for promoting green environment and also aimed at transforming the consumer minds and their perceptions towards environment. Well in this scenario, many corporate has taken green marketing further and as a part of their company strategy just to create brand image ,gain the attention of the consumers. More and more companies need to emerge and also facilitate to the environment. This paper can also be viewed as a source of new opportunities to grow in today's highly competitive global environment. Ultimately, the vision will become reality only if everybody contributes to a world where economic freedom, social justice and environmental protection go hand in hand, making our own and future generations better off than now.

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Payment Banks - Indian way

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Abstract

Payment bank is a new scenario in Indian banking industry as well as it is a new dimension to the payment and settlement system in the country. There are many big corporate players were competing for getting the licence of the same but recently RBI gave nod to some of the deserving players by laying down certain foundational regulations as to the working of these payment banks. The current qualitative research study is an attempt to explore in detail the various aspects of payment banks with respect to Indian scenario, modus operandi, legalities governing the same, and plans of the corporate who have got opportunity to go ahead on this front from the regulators. The study aims to take an overview of Indian scenario of Payment Banks as well as to study modus operandi of Payment Banks in India. Thus, the research remains more of exploratory and qualitative in nature. Finally, it concludes to the possibilities of rise of new banking system, payment and settlement system and its success with the help of current developments and future plans of the parties involved.

INTRODUCTION

Payment Banks means "Digital Wallet or Mobile Currency". They add further financial inclusion by providing small savings accounts, payment/remittance services to migrant labour, low income households, small businesses, other unorganised sector entities and other users by enabling high volume-low value transactions in deposits and payments/ remittance services in a secured technology-driven environment. Payments Banks can accept demand deposits only in the form of current account and savings accounts. They would initially be restricted to holding a maximum balance of Rs.100,000 per customer. Based on performance, the RBI will enhance this limit. Payment Bank can be promoted by a non-bank PPIs, NBFCs, Corporate entities, mobile telephone companies, super market chains, real sector cooperatives companies and public sector entities. Even banks can take equity in Payments Banks. The banks can offer payments and remittance services, issuance of prepaid payment instruments, internet banking, functioning as business correspondent for other banks. Payments Banks

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cannot set up subsidiaries to undertake NBFC business. In Payment Banks the financial and non-financial services activities of the promoters will be ring-fenced. Also in Payment Banks no credit lending is allowed. Initially certain rules are laid down by RBI for Payment Banks. Firstly, the aggregate of all credits in a financial year does not exceed rupees one lakh. Secondly, the aggregate of all withdrawals and transfers in a month does not exceed rupees ten thousand and the balance at any point of time does not exceed rupees fifty thousand.

The Payment Banks are expected to reach the customers mainly through their mobile phones and hence not following the traditional system. They can offer services such as automatic payments of bills, and purchases in cashless. It is basically a cheque-less transaction thus making customers more comfortable. They can issue debit cards and ATM cards usable on ATM networks of all banks. They can transfer money directly to bank accounts at nearly no cost being a part of the gateway that connects banks. They can provide forex cards to travellers, usable again as a debit or ATM card all over India. They can offer forex services at charges lower than banks.

It is expected that payments banks will enable poorer citizens who transact only in cash to take their first step into formal banking. It could be uneconomical for traditional banks to open branches in every village but the mobile phones coverage is a promising low-cost platform for quickly taking basic banking services to every rural citizen. The innovation is also expected to accelerate India's journey into a cashless economy.

India's domestic remittance market is estimated to be about Rs.800-900 billion and growing. With money transfers made possible through mobile phones, a big chunk of it, especially that of the migrant labour, could shift to this new platform. Payment Banks can also play a crucial role in implementing the government's direct benefit transfer scheme, where subsidies on healthcare, education and gas are paid directly to beneficiaries' accounts.

OBJECTIVES OF THE STUDY

1) To take an overview of Indian scenario of Payment Banks.
2) To study modus operandi of Payment Banks in India.

Limitations of the Study:

1) The present study covers recent developments regarding Payment Banks in Indian scenario.
2) Other aspects of banking industry, its components, constituents and operations are not considered in the present study.

Research Methodology

The present study is exploratory in nature and it is based on published data and information regarding approvals and developments of Payment Banks in recent Indian scenario.

Indian Scenario of Payment Banks

Till date, India has only had universal banks. The Payment Banks framework was mooted by a committee headed by RBI board member Nachiket Mor, in its report on financial services for small business and low-income households. The panel initially recommended Payment Banks to invest in government securities alone and those entities be barred from lending which raised concern on the viability of the model. A Payment Bank might not be viable if it offers deposits at competitive rates, bears deposit insurance and earns from investing in government securities alone. Initial suggestions of Mor's panel include that a Payment Bank should not be allowed to keep balances exceeding Rs 50,000 per customer, these banks should only invest in government securities with durations of up to three months and in case the bank offers fixed-deposit products, it has to offer nine per cent for deposits with a maturity period of a year, akin to other banks. But later the norms were rethought and changed to suit the current requirements and viability of Payment Bank model.

Payment Banks are different from commercial banks as it cannot lend while commercial banks in India can lend the money. This is one of the major differences between a Payment Bank and commercial bank in India. Deposits up to Rs 1 lakh Payment Banks to start off cannot collect deposits in excess of Rs 1 lakh. This means their scope may be restricted more to semi-urban areas and rural areas. Payment Banks cannot issue credit cards, however, they are allowed to issue debit cards but commercial banks can issue both. Payment Banks can act as business correspondents. These banks can align with other commercial banks in the country and act as business correspondents. This will allow both the entities to leverage on opportunities. Payment Banks should have a minimum capital of Rs 100 crores. The promoters have to contribute not less than 40 per cent to the capital. That would make the amount Rs 40 crores at the very least. Capital of commercial banks is way higher and their balance sheet size is enormous. The foreign holding in Payment Banks would follow the same policy as is currently prevalent for FDI in the banking sector at the moment. Hence there is no difference here. These entities can engage in the distribution of financial products like mutual funds schemes, insurance etc. Commercial banks can act as intermediaries to serve the needs of financial products of individuals. Thus the present study has made an attempt to explore into the facts about Payment Banks in Indian scenario.

MODUS OPERANDI OF PAYMENT BANKS

Modus Operandi means "method of operation". The term is used to describe someone's habits of working. The payments banks will help reach out to the people in rural areas where banking system is not very effective. This way they will bring the unbanked masses under the ambit of general banking. They will also ensure that more money comes into the banking system and hence will expedite financial inclusion. They will also be helpful in making the poor more financially literate.

The Payments Bank will be registered as a public limited company under the Companies Act 2013 and licensed under Section 22 of the Banking Regulation Act 1949 with specific licensing conditions restricting its activities to acceptance of demand deposits and provision of payments and remittance services. It will be governed by the provisions of the Banking Regulation Act, 1949, Reserve Bank of India Act, 1934, Foreign Exchange Management Act, 1999, Payment and Settlement Systems Act, 2007, other relevant Statutes and Directives, Prudential Regulations and other Guidelines/Instructions issued by RBI and other regulators from time to time, including the regulations of SEBI regarding public issues and other guidelines applicable to listed banking companies.

The existing non-bank PPI issuers authorised under the Payment and Settlement Systems Act, 2007 (PSS Act) and other entities such as Non-Banking

Finance Companies (NBFCs), corporate BCs, mobile telephone companies, super-market chains, companies, real sector, cooperatives and public sector entities may apply to set up a Payments Bank. Even banks can take equity stake in a Payments Bank to the extent permitted under Section 19 (2) of the Banking Regulation Act, 1949.

The entities and their Promoters/ Promoter Groups as defined in the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 should be 'fit and proper' in order to be eligible to promote Payments Banks. RBI would assess the 'fit and proper' status of the applicants on the basis of their past record of sound credentials and integrity; financial soundness and successful track record of at least 5 years in running their businesses.

Scope of activities of Payment Banks includes acceptance of demand deposits, i.e. current deposits, and savings bank deposits. The eligible deposits mobilised by the Payments Bank would be covered under the deposit insurance scheme of the Deposit Insurance and Credit Guarantee Corporation of India (DICGC). Given that their primary role is to provide payments and remittance services and demand deposit products to small businesses and low-income households, Payments Banks will initially be restricted to holding a maximum balance of Rs. 100,000 per customer. After the performance of the Payments Bank is gauged by the RBI, the maximum balance can be raised. If the transactions in the accounts conform to the "small accounts" transactions, simplified KYC norms will be applicable to such accounts as defined under the Rules framed under the Prevention of Money-laundering Act, 2002. Payments and remittance services through various channels including branches, BCs and mobile banking will be provided. The payments / remittance services would include acceptance of funds at one end through various channels including branches and BCs and payments of cash at the other end, through branches, BCs, and Automated Teller Machines (ATMs). Cash-out can also be permitted at Point-of-Sale terminal locations as per extant instructions issued under the PSS Act. In the case of walk-in customers, the bank should follow the extant KYC guidelines issued by the RBI. Issuance of PPIs as per instructions issued from time to time under the PSS Act will be implemented. The RBI is also open to applicants transacting primarily using the Internet. The Payments Bank is expected to leverage technology to offer low cost banking solutions. Such a bank should ensure that it has all enabling systems in place including business partners, third party service providers and risk managements systems and controls to enable offering transactional services on the internet. While offering such services, the Payments Bank will be required to comply with RBI instructions on information security, electronic banking, technology risk management and cyber frauds. A Payments Bank may choose to become a BC of another bank for credit and other services which it cannot offer. The Payments Bank cannot set up subsidiaries to undertake non-banking financial services activities. The other financial and non-financial services activities of the promoters, if any, should be kept distinctly ring-fenced and not comingled with the banking and financial services business of the Payments Bank.

LEGALITIES FOR PAYMENT BANKS

In terms of Rule 11 of the Banking Regulation (Companies) Rules, 1949, applications shall be submitted in the prescribed form (Form III). In addition, the applicants should furnish the requisite information in support of the business plan, shareholding pattern in the proposed bank, financial statements, income tax returns and credit reports for the last three years, names and addresses of banks from which credit facilities have been availed, etc. The rules relating to applications for setting up of payments banks are as under:-

i. The applications will be initially screened by RBI to ensure *prima facie* eligibility of the applicants. RBI may apply additional criteria to determine the suitability of applications, in addition to the prescribed 'fit and proper' criteria.

ii. Thereafter an Expert Advisory Committee (EAC) comprising eminent professionals like bankers, chartered accountants, finance professionals, etc. will evaluate the applications. The names of the professionals in EAC will be placed on RBI's website.

iii. The External Advisory Committee will reserve the right to call for more information as well as have discussions with any applicant/s and seek clarification on any issue as may be required by it. The EAC will submit its recommendations to RBI for consideration. The decision to issue an in-principle approval for setting up of Payments Bank will be taken by RBI and RBI's decision in this regard will be final.

iv. The validity of the in-principle approval issued by RBI will be one year from the date of granting such approval and would lapse automatically thereafter. The Payments Bank would therefore have to be set up within one year of grant of in-principle approval.

v. After issue of in-principle approval for setting up of Payments Bank, if any adverse features are noticed subsequently regarding the promoters or the companies/group entities with which the promoters are associated or have significant interest and control, the RBI may impose additional conditions and if warranted, may withdraw the in-principle approval.

vi. In order to ensure transparency, the names of applicants for Payments Bank licences will be placed on the RBI website on receipt of the applications. The names of successful applicants will also be placed on the RBI website.

vii. Banking being a highly leveraged business, licences shall be issued on a very selective basis to those who conform to the above requirements, who have an impeccable track record and who are likely to conform to the best standards of customer service and efficiency.

It may not be possible for RBI to issue licences to all the applicants meeting the eligibility criteria prescribed above. RBI will adopt a cautious approach in licensing Payments Banks in the initial years, and with experience gained, may suitably revise the approach. Payments Bank is expected to leverage technology to offer low cost banking solutions. With the advent of these new set of banks the existing top-notch banks will not be affected much as Payment Banks will operate in specific areas only. Also, the major banks in India could use these banks to improve their reach in every part of the country, as the Payment Banks can also function as business correspondents. In fact, some of the major banks have already tied up with the licence holders. The private sector players who have fulfilled the eligibility criteria and received a go ahead are:

1. Aditya Birla Nuvo Ltd
2. Airtel M Commerce Services Ltd
3. Cholamandalam Distribution Services Ltd
4. Department of Posts
5. Fino PayTech Ltd
6. National Securities Depository Ltd
7. Reliance Industries Ltd
8. Dilip Shantilal Shanghvi

9. Vijay Shekhar Sharma
10. Tech Mahindra Ltd
11. Vodafone m-pesa Ltd

PAYMENT BANKS – PLANS AHEAD

Paytm claims that there are 100 million users in India who use its mobile wallet - something it says no other Indian product has accomplished. The wallet is used mostly for payments [recharges], then P2P [remittances], and then shopping. Instead of converting Paytm into a Payment Bank, Paytm is creating a new entity, of which one the funder owns 60 percent, and Paytm owns the rest. And as a part of its terms of license, Paytm has had to surrender its license as a mobile wallet. The reason for that is to fence off the two entities, and also separate Paytm's payment business from its growing e-commerce presence.

These new banks licensed by the RBI are supposed to bring about financial inclusion for the traditionally unbanked sections of society that Paytm's new bank will offer remittances (transfer of money from one account to another) at zero cost and remittances will not be a revenue item, but it will generate a lot of interest. These are features that the Paytm wallet had already started to offer, but not for free; with its new status as a Payment Bank, the company is able to offer these services and connections with offline spending more easily, as it is now able to directly process money instead of having to work with an intermediary such as a bank.

The important thing about a Payment Bank will be the fact that one can easily convert cash into a digital deposit, which can be managed through an app or an SMS-based system. But getting money into the system in the first place will be challenging – however Paytm wallet already has over 50,000 business correspondents (partners such as retail shop owners, who act as the Payment Bank's branch), who can accept or disburse funds, throughout India. These will continue to work with the Payment Bank that Paytm is launching.

For Vodafone the biggest challenge is education. Awareness around mobile money transfer is limited. About 70 per cent of domestic money transfer, estimated to be around $40-60 billion, is moving through informal channels in cash. Vodafone has plans of mapping the migrant worker corridor — Bihar, Jharkhand and West Bengal. They first created the points where money can be received and then developed their network in the urban centres like Delhi and Mumbai from where money is sent by workers. Today Vodafone has been pan-India but they used telecom data to see where are the STD calls going. Hence they planned to map areas where they can break distances in terms of availability of bank branches. Today, 60 per cent of their concentration is in rural. Urban is the sending point and rural is the receiving point for money transfers. They are addressing both markets. They created awareness on the receiver side.

To build up the Payment Banks business Idea Cellular will have to incur a massive distribution, servicing and education cost. They will be building a robust platform, in line with our scale of operations, which will be able to handle the large-scale services we plan to roll out for our customers. The total investment of Rs.700 crores would include the investment in building IT infrastructure, distribution and servicing outlets. In the long run they are hopeful that a large number of these customers will use digital wallets and payments bank accounts to pay utility bills. They intend to make a very large merchant base so that the consumers can make sufficient online commercial transaction activities and can satisfy their payment needs. Idea Cellular is hoping that the central bank will allow telecom companies to use information from the KYC forms. This will help Idea cut down on the cost and time incurred on gathering KYC details of its subscribers again and would allow existing subscribers to open an account by just sending an SMS. This modification by the RBI will enhance the ability to provide low-cost technology solutions and win a large customer base rapidly.

In case of RIL and SBI, as mobile and hand-held devices are able to reach customers in even remote areas the two have not finalised the cost sharing arrangement. RIL is to be promoter of the payments bank and SBI will hold up to 30 per cent stake. The crucial element in a payments bank operation is an information technology backbone for remittances. Reliance has an all-India 4G network licence and has data processing ability. The proposed bank intends to cover 250,000 villages and 5,000 towns in three years commented by the top level management. The plan is to start with Rs100-crore capital base, to be raised fourfold in three to four years.

In case of Cholamanadalam, the firm is a subsidiary of Cholamandalam Investment and Finance Company (Chola), the financial services arm of Chennai-based Murugappa Group. Chola is already present in the financial services sector, with over 534 branches providing financing and similar offerings across India, and has Rs25,000 crore worth of assets under management.

CONCLUSION

Payment Banks in India are a gateway for penetrating the untapped market where accessibility still is a problem. It gives people who are low-salaried, migrant labour workforce, low income households, small businesses, other unorganised sector entities and other users, a feeling of satisfaction by enabling high volume-low value transactions in deposits and payments / remittance services in a secured technology driven environment. Reserve Bank of India has given an opportunity to private sector players to expand their business and connectivity to the population where still there is hesitance of opening a bank account. Telecom operators seem to be ideal candidates for setting up Payment Banks, given their significant customer base in rural areas and well-entrenched distribution networks. Moreover, telecom companies are already offering mobile wallet (m-wallet) services for remittances. The value of transactions through m-wallet has more than tripled in the last two years to over Rs 2,700 crores in the last fiscal, indicating the huge business potential. The private sectors are thus playing safe where the function of acceptance and withdrawal is taken into consideration. There would be a good case for converting some of the weaker public sector banks (like United Bank) into Payment Banks, and shift their loan assets to other banks or even handed over to asset management companies for recovery. It is a cashless transaction and requires no cheque books. The new era of banking system- Payment Banks has been successful in Korea and Philippines and Africa. As every coin has two sides, Payment Banks also has certain restrictions like payments bank will not have loans and advances in its portfolio, it will not be exposed to credit risk and, the prudential norms and regulations of RBI as applicable to loans and advances, will therefore, not apply to it. However, the Payments Bank will be exposed to operational risk and should establish a robust operational risk management system. Further, it may face liquidity risk, and therefore is required to follow RBI's guidelines on liquidity risk management, to the extent applicable.

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5*5 Mall Insights: An Analysis of Brand Activation Strategies used at R-City Mall, Mumbai

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Abstract

Shopping in hot and noisy environment is now replaced by the air conditioned and soothing atmosphere of malls. Malls are being used by customers to rejuvenate, socialize and entertain. Malls are also face of changing consumer preference and the way consumers are perceiving their buying habits. Earlier they used to just "buy" the products now they "Shop" for it. But it is the brands that have changed the shopping experience of consumers in these malls. While for some consumers convenience is their motive for purchasing brands form malls for others it is a matter of pride to shop in a particular mall. This paper includes a study of five brands within five product categories chosen at R-City Ghatkopar mall in Mumbai. The paper covers review of literature related to the buying experience of consumers in a mall and the brand promotional activities undertaken by brands in malls. Each brand has been studied with respect to type of store formats selling the category and brands, type and quality of touch points created, branding and merchandising techniques employed such as in-store visuals, point-of-sale (POS) presence, staff and employees, mall promotions etc. All these aspects combined together open a new scope into the domain of brand management in malls.

Keywords: *Mall Culture, Buying Motives, Store Formats, Touch Points, Brand Activation.*

1. INTRODUCTION

The purpose of the study is to understand the different kinds of brand activation strategies adopted by different brands within the same product category, the variety of techniques used by the brands in each store and to finally, understand why brands change their activation strategies in each store format.

R City mall located at Ghatkopar, Mumbai was chosen to study the above mentioned aspects. The mall is ranked as the 4th largest mall of India with an average daily footfall of 67,914 (as per **Shopping Centre News** magazine, August-September 2013). It is a perfect blend of Indian and top-notch International Brands along with high end entertainment platforms. The mall has the biggest departmental stores and biggest supermarket players. It appeals to people from all walks of life with its variety of stores and entertainment units. Above all the mall is unique with respect to activation activi-

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ties undertaken by the wide range of brands.

2. LITERATURE REVIEW

The visibility that brands get in malls is growing at a very fast pace. What is it that makes the customers feel attracted towards a brand being marketed in one store versus another? Why should an activation strategy vary across brands at the same price point? Such questions are being dealt with in this paper.

Dr. Mamta Mohan (2015), found that survival of fittest & fastest is the mantra of today's retail game. To compete successfully in this business era, the retailer must focus on the customer's buying experience. To manage a customer's experience, retailers should understand what "customer experience" actually means. Finally; in conclusion she says that "Customer Experience Management" is not simply an old idea in a new wrapper.

Promotional activities and events in a mall form an integral part of mall management. Organising cultural events has time and again proved vital in attracting consumers to a mall. Such activities may also act as a differentiator for a mall. Developers can formulate strategies for each mall according to the needs of the local consumers and meet the challenges posed by local/regional competitors. Ansal Plaza, the first mall in Delhi, is an example of a successful mall led by good promotions and marketing mall management practices. (Mall Management – A growing phenomenon in Indian Retail Industry, 2014).

Malls sometimes hold theme based events especially during festivals, food festivals, handicraft exhibitions and celebrity visits which not only attract footfalls and boost sales, but also provide a platform for opportunities in commercialisation (which means increased visibility and mileage). These events attract consumer durable companies, automobile companies, bringing in a lot of non-core revenue because it helps them promote the product among the relevant customers and built up a database of prospective customers. The brands are attracted to malls with high footfall and their target demographic. The promotional events include fashion shows, display of important cricket matches, football finals or the F1 grand prix. Often, these events are sponsored by the tenants of the mall who want to increase their footfalls. (Mall development and operations: An Indian perspective by Shelja Jose Kuruvilla and J Ganguli, 2008).

Mr. Shivkumar Sharma (2012) in his study "Customer Attitude towards Shopping Malls in Mumbai" stated the following findings about consumers in Mumbai

Purpose of Visit:

Purpose	Number of Respondents	Percentage
FOOD AND BEVERAGES	300	60
ENTERTAINMENT	150	30
LIFESTYLE PRODUCTS	40	08
DURABLES	10	02
TOTAL	500	100

The above data showed that food and beverages (60%) attract consumers the most towards shopping malls, especially women. Entertainment (30%) is next as it is most favoured by mostly the youth and children. It is only a very small percentage of consumers who visit shopping malls for the durables (2%), lifestyle products (8%) and other goods.

Reasons for Buying from Shopping Malls:

Reasons	Number of Respondents	Percentage
NEARNESS TO HOUSE AND LOCALITY	300	60
GOOD RANGE AVAILABILITY	100	20
FRIENDLY SHOPPING ENVIRONMENT	50	10
GOOD AMBIENCE	50	10
TOTAL	500	100

60% of respondents favour 'near to the house' which makes shopping malls more convenient and attractive for the shoppers. Apart from that, few consumers are also attracted to other features of shopping malls like good range availability (20%), friendly shopping environment (10%) and good ambience (10%).

Occasion to Visit Shopping Malls:

Occasion	Number of Respondents	Percentage
FESTIVALS	200	40
WEEKENDS	100	20
OFFER TIME	150	30
NO SPECIFIC REASON	50	10
TOTAL	500	100

It is during the festive season (40%) that the majority of the respondents visit shopping malls to buy clothes, sweets and so on. Apart from that, during offer time to avail of discounts (30%) and weekends (20%) consumers visit shopping malls for purchasing routine items and for socializing. Very small percentages (10%) of the respondents come to the malls to shop with no specific reason.

3. RESEARCH METHODOLOGY:

A study group of 350 researchers acted as mystery shoppers to collect information through disguised conversations and observations. The study was conducted during September, 2015 with the objective of ensuring maximum observations on account of starting of the festive season.The following points were considered by each during the process of data collection:

- Stores involved in the selling of the category
- The level of duplication for a brand in the mall (essentially how many touch points has the brand created for its products in the mall)
- Various branding and merchandising techniques already employed (in-store visuals, POS presence, staffs and employees, mall promotions etc)
- Certain brand opportunities which could have been explored, but haven't been done.
- Cost to benefit analysis of each of the brand communication mediums deployed (Cost could be in terms of initial installation and maintenance)

4. RESULTS

The observations made by the study group in R-City mall have been summarised as follows:

Product Category 1: Preium Watches

PARTICULARS	DESCRIPTION
PRODUCT	PREMIUM WATCHES (CHRONOGRAPH)
BRANDS OBSERVED	FOSSIL CITIZEN EMPERIO ARMANI TISSOT XYLYS
PRICE RANGE :	18000-20000
STORES VISITED	SHOPPER'S STOP and LIFESTYLE

Comparative analysis in Shoppers Stop

BRAND / PARTICULARS	CITIZEN	EMPERIO ARMANI	XYLYS	TISSOT	FOSSIL
TOUCH POINTS	Use of print ads around the counter	Less use of ads	Ads showing brand ambassador Farhan Akhtar	Least number of touch points	Not much eye catchy but display contains best collection
PRODUCT VARIETY	Maximum variety of this brand was available	Variety in stylish wear	Only fresh arrival were available	Less number of variety	Extensive variety in casual & formal wear
BRAND OPPORTUNITES	Sportswear genre	New innovations in style	Target upper middle class customers with more designs	Sports and female wear category can be explored more.	Brand promotion can increase the sales
CUSTOMERS VIEWS	Reliable amongst the compared brand	Best for style statement	Limited model launch keeping the product value	Brand name and quality of this brand is the key point while buying	Giving the vintage touch in each model and style

Comparative analysis in Lifestyle

BRAND / PARTICULARS	CITIZEN	EMPERIO ARMANI	XYLYS	TISSOT	FOSSIL
TOUCH POINTS	Ads used were very less	More impacting and impressing way than shopper's stop	Ads were next to zero	More impacting and impressing way than shopper's stop	More impacting and impressing way than shopper's stop
PRODUCT VARIETY	More variety available	Less variety But more classical than previous store	Less variety	Less variety But more classical than previous store	Extensive variety available
BRAND OPPORTUNITES	Sportswear But more classical genre	Stylish more creative designs	More designs such as retro	More use of different material	Sportswear But more classical genre
CUSTOMERS VIEWS	Customer were more loyal to brand	For them it was the matter of style and class	For them it was the matter of style and class	Customer were more loyal to brand	Customers were impressed by service

Product Category 2: Formal men’s Apparels

A formal apparel of a man can define whole of his persona at different occasions as well as at work place. It not only helps to create the first impression but a lasting one. In India at present where grooming of men has become a crucial part in corporates, these formal apparels of distinct brands help them to create their own style statement and keeps them apart from the plethora “casually” dressed gentlemen.

Comparative Analysis of Formal Men’s Apparels

BRANDS / PARTICULARS	ARROW	ALLEN SOLLY	LOUIS PHILIPPE	BLACKBERRY’S	PARK AVENUE
Type of Store	Men's apparel	Men's apparel	Men's apparel	Men's apparel	Men's apparel
Products	Seasonal collection, exclusive collection available.	Seasonal products	Classic collection	Not many options available in their range	Many options available in color and design
Fabric	Cotton, Cotton + Linen	Cotton, Cotton + Linen	Cotton, Cotton + Linen	Cotton, Cotton + Linen	Cotton, Cotton + Linen
Price Range	Shirts-2000-3000. Trousers-1700-2500	Shirts-2000-3000 Trousers-1500-2500	Shirts-2000-3000 Trousers-1500-2500	Shirts-1750-2750. Trousers-1250-2999	Shirts-1800-3000. Trousers-1500-2500
Quality Range	Excellent	Good	Excellent	Good	EXCELLENT Excellent
Customer Service	8/10	6/10	8/10	6/10	7/10
Touch Points	Many -Kiosks	Few	Few	Many -Mannequin at many places in mall	Few
Brand Opportunities	Adequate promotion undertaken.	Solly Sundays sale is engaging. Should promote more.	More promotion required. Nothing to engage customers.	More promotion required.	More visible then most of the brands. Sales man was recommending other brands
Ambience	Excellent, Seasonal	Good	Good	Average	Excellent
No. of Items on Display	600-700	500-550	650-700	650-800	500-600
No. of Items in Stock	300-350	250-300	300-400	300-400	200-300
Rent	7,90,000	6,50,000	5,60,000	9,90,000	8,50,000
Organization behind the Brand	Cluett Peabody & Co	Madhura Fashion & lifestyle	Aditya Birla	Mohan clothing Co. Pvt. Ltd.	Raymond

Product Category 3: LCD TVs:

LCDs have many characteristics that have caused their demand to increase over the past several years. They are lightweight, aesthetically appealing, energy efficient and long-term cost effective.

Comparative analysis of LCD TV Brands:

BRANDS /Particulars	LG	SONY	SAMSUNG	PHILIPS	PANASONIC
Type of Store Available in	Multi brand Retail Store	Single brand & Multi brand Retail Store	Single brand & Multi brand Retail Store	Multi brand Retail Store	Multi brand Retail Store
Discount or Offers	1. Discount on MRP 2. Free products of the same brand	1. Minimum discount on MRP 2. Bank Card discounts	1. Discount on MRP 2. Free products of the same brand 3. Bank Card discounts 4. Combo offers with same brand products	1. Discount on MRP 2. Combo offers with same brand products	1. Discount on MRP
Touch Points (Product USP)	1. Display quality	1. Sound and display quality at an affordable cost	1. Quality & technology at a low cost	1. Display & sound quality	1. Display quality
Cost to Benefit	1. No large display units installed 2. Products offered in combo offers are apt	1. Special assigned area in multi brand stores where best offered products are displayed 2. Very less in-mall branding was also observed on the escalators	1. Large display units installed in multi brand stores 2. Discounts and offers are very attractive and motivates cross buying	1. No large visual display 2. Discounts and offers are very attractive and motivates cross buying	1. No large visual display

Brand Opportunities	1. Display Units or in-store branding for more visibility 2. In-mall branding should be focused on	1. More discounts or other 2. Offers	1. In-mall branding should also be focused on	1. More discounts or other offers 2. In-mall branding should also be focused on 3. Display Units or in-store branding for more visibility	1. Display units or in-store branding for more visibility 2. More discounts or offers should be introduced

Product Category 4: Kids Wear

India has etched its name amongst the topmost promising markets for the kids wear segment, it earned revenue of US$ 8.3 billion in 2013, alone contributing to 20 percent of India's entire apparel market. Given its higher growth rate, this share is expected to increase to 22 percent by 2023 (source www.indiaretailing.com).

Comparative Analysis in Single Brand Retail Stores:

BRANDS / Particulars	GINI & JONY	RUFF	MOTHERCARE
Type of Store Available in	Single & Multi brand Retail Store	Single & Multi brand Retail Store	Single & Multi brand Retail Store
Price Range	Starting from 449	Starting from 499	Starting from 599
Discount or Offers	1.On purchases worth 2999, sunglasses/ watch worth 999 Free. 2. On Purchases worth 4999, shoes worth 1499 Free.	1. Big Sale FLAT 30% off on MRP.	1. 15% discount above 1000 2. Bank Card discounts

Touch Points (Product USP)	1. Use of print ads 2. Mannequin were on display with latest arrivals.	1. Mannequin were on display with latest arrivals. 2. Display of latest collection on shelves.	1. Life size posters of adorable kids wearing stylish outfits. 2. Display of latest collection on shelves.
POS Presence	1.Visual branding were put up on shelves & near cash Counters.	1. Visual branding were put up on shelves & near cash counters.	1. Visual branding were put up on shelves & near cash counters.
Brand Opportunities	1. In-mall branding should be focused on.	1. In-mall branding should be focused on. 2. More discounts or other offers. 3. Display mannequin & in-store branding for more visibility.	1. In-mall branding should be focused on. 2. More discounts or other offers.
Other Comments	1. Had variety of options to choose from and sales representatives were very helpful. 2. Same offers and prices in single and multi-brand stores.	1. Had variety of options to choose from. 2. Same offers and prices in single and multi-brand stores.	1. Same offers and prices in single and multi-brand stores.

Comparatives Analysis in Multi Brand store (Shoppers Stop)

BRANDS / PARTI-CULARS	**GINI & JONY**	**United Colors of Benetton**	**RUFF**	**U.S POLO ASSN.**	**MOTHERCARE**
Type of Store Available in	Single brand & Multi brand Retail Store	Single brand & Multi brand Retail Store	Single brand & Multi brand Retail Store	Single brand & Multi brand Retail Store	Single brand & Multi brand Retail Store
Price Range	Starting from Rs. 449	Starting from Rs.599	Starting from Rs. 499	Starting from Rs. 549	Starting from Rs. 599
Discount or Offers	1. On purchases worth Rs. 2999, sunglasses/ watch worth Rs. 999 Free. 2. On Purchases worth Rs. 4999, shoes worth Rs.1499 Free.	1. On purchase worth Rs. 1299 and above 20% off. 2.On purchase worth Rs. 1999 and above 30% off. 3.Bank Card Disc.	1. Big Sale FLAT 30% off on MRP.	1. Discount on MRP	1. 15% off on order above Rs. 1000. 2.Bank Card discounts
Touch Points (Product USP)	1. Use of print ads. 2. Display of latest collection on shelves.	1. Use of print ads 2. Display of latest collection on shelves	1. Mannequin were on display with latest arrivals. 2. Display of latest collection on shelves.	1. Use of print ads. 2. Display of latest collection on shelves.	1. Life size posters of adorable kids wearing stylish outfits. 2. Display of latest collection on shelves. 3.Sales persons were very informative

POS Presence	1. Visual Branding were present on shelves. 2. Posters were displayed.	1. Visual Branding were present on shelves. 2. Posters were displayed.	1. Visual Branding were present on shelves. 2. Posters were displayed.	1. Visual Branding were present on shelves. 2. Posters were displayed.	1. Visual Branding were present on shelves.
Brand Opportunities	1. In-mall branding Should also be focused on.	1. In mall branding should also be focused on. 2. Display Mannequin or in-store branding for more visibility.	1. In-mall branding should also be focused on. 2. More discounts or other offers. 3. Display mannequin & in-store branding for more visibility.	1. More discounts or other offers. 2. In-mall branding should also be focused on.	1. In-mall branding should be focused on. 2. More discounts or other offers.
Other Comments	1. Outlet was congested. 2. Same offers and prices in single and multi-brand stores.	1. Same offers and prices in single and multi-brand stores. 2. Outlet was congested.	1 Outlet was congested. 2. Same offers and prices in single and multi -brand stores.	1. Same offers and prices in single and multi-brand stores. 2. Outlet was congested.	1. Same offers and prices in single and multi-brand stores. 2. Outlet was congested.

Product Category 5: Sports Shoes

The athletic apparel and footwear industry in India has witnessed a phenomenal growth over the past seven years and now occupies a place of prominence in the Indian retailing. The ever increasing popularity of cricket along with growing interest in sports such as football, hockey and tennis has contributed to the growth of functional sportswear market in the country

Comparative Analysis of Sport Shoes Brands:

BRANDS /PARTICULARS	QUICKSILVER	PUMA	ADIDAS	FILA	REEBOK
STORE TYPE	Retail outlet	Retail outlet	Retail outlet	Retail outlet	Retail outlet
TOUCH POINTS	Led screen at the reception, Posters change as per the season	Eco friendly, USP - innovation, 6 months replacement guarantee from the store, Membership - capillary program	Different categories for different sports, Launch of new arrivals on best shoes	Benefit on sale for EMP, Cost efficiency, Employees are trained to connect with people	Fitclub, Advertising messages, Long Drop down Banners in the center of the mall during sales, mannequin on window display
BRANDING TECH. & POS PRESENCE	Discounts on the last wall, Sale in June & December, Staff with good communication skills	"Be nice-Be well Repo" Strategy, Knows customers' needs, Staff gets 5k vouchers for uniform to buy from puma only	No sweat material for tennis, Shoes have pores for air circulation, Convert customers as per their comfort and needs, Staff explains the tech, Staffs are trained, Staff gets incentives	Memory foam is the specialty, Light weight shoes in the price range for jogging, Concentrate more on cost effectiveness, 3 staff in a store, Experience of employees matters	5g:: Get ready Greetings Need(gathering) Give Goodbye, Sales in Dec-Jan & June-July, Employees with uniform, employees play with balls and do some workouts with dumbbells
COSTING	Total area- 1048 sq.ft., Store operations- Rs. 30000/month	20-25k for advertising	No info available	Total area- 1048 sq.ft, Total expenses Rs. 3.5 - 4 lakhs per month	Total area- 1200 sq.ft., Monthly Rs. 5-6lacs on advert. (by company)
BRAND OPPRTUNITIES	Promotions in college fests through skateboarding events	Completely based on sports lifestyle, Same tech as Nike but in less price	No info available	Shoes segment attracts more customers	Promotions in marathons & Gyms

5. CONCLUSIONS

All the above product categories, namely, premium watches, men's apparels, LCD TVs, Kids wear and sports shoes, brand activation was seen as used as a process which inspires demand for the brand. A key principle in brand activation used in all cases was to tap into customer's passions using creative strategies and ideas. Timing played an very important role in this process, and that is why such events were found to be more successful in the festive season. Brand activation used by the brands can be classified in the following categories:

Experiential Events:
Live experiential marketing events are being used by global brands to help position the brand into the consumers' minds by attracting and emotionally engaging them in personal experience.

Promotional Marketing:
Promotional marketing involved raising awareness of the brand and its products in order to generate more sales and gain a loyal customer base. Consumer promotions were executed by using reward loyalty programs, giveaways, special offers, product samplings as well as point of sale displays.

In-Store Retail Marketing:
In-store retail marketing activations were enabling customers to choose one brand over another particularly inside a department store. It helped to enhance the image of a product or brand and as well as featured the benefits it offers. There were different types of retail marketing used by the brands such as point-of-purchase displays, attractive design displays, brand sampling etc that allowed consumers to experience and try a particular product.

It can be concluded that brands must take advantage of the above mentioned activities in the following ways:

- Consumer feedback should be taken before, during and after each activation to decide what to change or improve to make the activities more impactful.
- Such activities should be used to bring life into an ageing brand to reach younger millennial audiences.
- Brand activations are not meant to be measured in terms of sales made. Instead, they should be viewed as a way to generate awareness and visibility for a company through cultivating real life engagement experiences with the target consumer resulting into long term relationship with customer focusing on long run sales.

A mall is a great place for a brand to spread awareness about itself. It is the best place to employ various brand activation strategies. Some of them are mentioned below:

- LED TV flex on the wall of the mall
- Organize a game show and provide some special discount to the visitors of mall.
- Use a mascot for promotion of the brand.
- Make a photo studio and let the consumer take instant photos with product.
- Keep promoters who could explain the brands to the consumer.
- Keep a contest to entertain consumer and keep them involved in the competition.
- Use visual merchandising.
- Lucky draw competition.
- Use toy train for branding.
- Distribute pamphlets, flyers, and leaflets to the consumers.
- Mega size carpet posters covering the whole area of ground floor.
- Use of ambient marketing.

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A Study on the Uniqueness in Services of Lawyers and Chartered Accountants and its effects on Bargaining Power

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Abstract
As per the Michael Porter's five forces model *of Competition, where one of the forces describes about the bargaining of suppliers. In this paper, the researcher attempts to study the bargaining power of services suppliers referring to Lawyers and Chartered Accountants when there is an uniqueness in their services. Service providers are able to force up the prices of their services, the bargaining power of such customers reduces when Professionals like Lawyers and Chartered Accountants provide certain unique services required by customers. Service users have limited option to bargain in such cases and are forced to accept the prices quoted by the service providers. More of uniqueness in services, bargaining power of customer would be less. If Services are less unique, bargaining power will increases. So in this paper research is focused on studying the unique services of the lawyers and chartered accountants in response of the demand of the customer. The study will comprised of the parameter and criterion of service users where they rank the uniqueness of service, also studying the bases of such unique services where users are ranking their preferences in response to their desired services.*

Keywords: *Bargaining Power, Unique, Porter's Five Forces, Service, Lawyers, Chartered Accountants.*

1. INTRODUCTION

Service sector has become an important part of commercialisation in India. it has immensely contributed in the growth of Indian economy in last two decades and the ratio will go on increasing. Service is something where a physical work or intellectual work is done for someone and the same is charged in monetary terms results into revenue for a service provider. it can also be defined as work done for others as an occupation or business. The dictionary meaning of the word service is a type of economic activity that is intangible, is not stored. A service is consumed at the point of sale. Services are one of the two key components of economics, the other being goods. Examples of services include the transportation, postal services, broadcasting services etc and on the other hand, professional services such as legal services, medical services, accounting services, teaching services, hairdresser's and beautician's services as use of expertise or experience of those service providers.

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In the services the ability to provide service in the way that has been promised is important.

Chartered Accountant: As accountancy is one of the professional service but the Chartered Accountants are the professionals, who are specialized experts in this field and the Institute of Chartered Accountancy of India (ICAI) has given them a degree to become member of their institute, if their institute to be state as a *Chartered Accountant* means they had passed through the course and examination conducted by ICAI and therefore they are awarded the professional degree.

The Income Tax Department of India has only authorized the Chartered Accountant to conduct statutory tax audits of the companies, partnership firms, sole proprietorship concern, charitable trust etc which are eligible as per the Income Tax Act. They are also authorized to conduct Companies statutory audit as per the Companies Act 1956 now 2013 and even they are statutorily authorized to correspond with Registrar of Companies (RoC) along with Company Secretary. As the ICAI is producing very lesser numbering of fresh Chartered Accountants, the demand in the country is always been on the increasing. They are also experts of tax consulting for direct & indirect taxes, advising for investments in stock markets, property and entrepreneurship. Getting loans and finances from banks and financial institutions. Their areas of expertise also include financial reporting, auditing and assurance, arbitration, risk management, economics, corporate finance, management accounting, information systems audit, corporate law, direct tax, indirect tax and valuation of businesses. Apart from the field of practice, CAs are also well placed in industry being well placed in senior management positions such as CEO, CFO and Managing Director.

Lawyers: Today lawyers in India are having an unique role. The whole legalization system is incomplete without lawyers. Courts have become the apex authority to decide all the disputes arise in most of the areas. There is huge disparity among the law practice. There are lawyers who are standing outside local courts seeking for customer regarding drafting of agreements, notary etc and there are some lawyers who are in so much demand that without appointment one can't meet them and they are charging about a lac of rupees per appearance in the court. Their practices differentiate in civil, criminal, family matters, labour disputes etc. There are lawyers specialized in property matters, disputes related to universities, company law matters and so on.

Lawyers are identified with their practices in lowers courts, High court, Supreme Court and related Tribunals. The counsellors are expert in debates, drafting skills and interpretation of laws and some are popular referring to their numbers of cases won in past.

Private law practice is squarely in the midst of this change, as technology and numerous other factors are challenging the initiative and creativity of lawyers. The good news is that the legal profession is adapting quickly and innovatively, creating new patterns of practice, developing detour around regulatory rules that might stifle growth and competition, finding resourceful methods of handling the increasing costs of practice and overheads, and adopting new tools of management as competition from professional service firms increases

Application of Michael Porter's five forces model of Competition in Service2: Michael E. Porter, Professor of Competitive Strategy of Harvard Business School has developed five forces model of competition in industry. Here he has described in his Five Forces model, where market factors can be analysed so as to make a strategic assessment of the competitive position of a given supplier in a given market. The five forces that Porter suggests drive competition are: Existing competitive rivalry between suppliers, Threat of new market entrants bargaining power of buyers, Power of suppliers, Threat of substitute products (including technology change)

Porter's Five Forces is a framework for industry analysis and business strategy development formed by Michael E. Porter of Harvard Business School in 1979. It draws upon Industrial Organization (IO) economics to derive five forces that determine the competitive intensity and therefore attractiveness of a market. Attractiveness in this context refers to the overall industry profitability. An "unattractive" industry is one in which the combination of these five forces acts to drive down overall profitability. A very unattractive industry would be one approaching "pure competition", in which available profits for all firms are driven down to zero. Three of Porter's five forces refer to competition from external sources. The remainders are internal threats. (**Porter, M. E. (1980).) Application of Porter's bargaining power in service industry with reference Chartered Accountants and Lawyer will be a interesting area of research**

1. STATEMENT OF PROBLEMS AND NEED FOR STUDY

"*Bargaining Power of Suppliers that the bargaining power of suppliers constitutes their ability, individually or collectively, to force an increase in the price of the products or services.*" (**Porter, M. E. (1980)** In this overall theory formulated by the Michael Porter the emphases is on the bargaining power of suppliers. The model is developed as the manufacturers. The factors affecting the bargaining power are applicable to the production based unit. There is a gap for the same affect of bargaining power in the cases of service providers like the professionals. In India professional like Chartered Accountants and Lawyers are having disparity in their practices. There is a Lawyers charging their consultancy fees around Rs.5000/- to handle a complete matter and a Lawyer with similar qualification Rs.50,000/- for a single appearance in court. The same could be found in a case of Chartered Accountants. Audit fees of same company will differ in their rates by a two different audit firms, though the qualification of auditor is same and the certification is also same. There are professional who are doing wonders in their fields due to their expertise. The uniqueness in their services is inimitable and for those qualities customers are ready to pay any price for utilising their services. Some time they engage a Lawyer or a Chartered Accountant out of force and not by desire when they are helpless.

In this paper researcher desires to take one of the above forces regarding the bargaining power of suppliers and applied to the service industries in India especially the professional services of the practicing Chartered Accountants and Lawyers. In these two cases the bargaining power is high when services provide by them have some uniqueness. Customer are happily accept and ready to pay their charges.

There is research gap to study the bargaining powers of service providers when services are unique in nature. No research work is done specifying this area as per our findings and there is an imperative need for study in this area. Related research work is done using Porter's Five Forces model in the similar cases some of them by Porter himself like his research paper on "The Five Competitive Forces

That shapes Strategy" published in Harvard Business Review.

2. REVIEW OF LITERATURE

2.1 Porter, M. E. (1980). Competitive Strategy: Techniques for Analyzing Industries and Competitors. New York: The Free Press:

Michael Porter has developed a model in 1980.He had applied microeconomic principles to business strategy and analyzed the strategic requirements of industrial sectors. The five forces are existing competitive rivalry between suppliers, Threat of new market entrants, bargaining power of buyers, Bargaining Power of suppliers and Threat of substitute products (including technology change). Although the strength of each force can differs from industry to industry, the forces, when considered together, determine long-term profitability within the specific industrial sector. The strength of each force is a separate function of the industry structure, which Porter defines as "the underlying economic and technical characteristics of an industry." Collectively, the five forces affect prices, necessary investment for competitiveness, market share, potential profits, profit margins, and industry volume. The key to success of an industry, and thus the key to the model, is analyzing the changing dynamics and continuous change between and within the five forces. Porter's model depends on the concept of power within the relationships of the five forces.

2.2 Porter, M.E. (1985). Competitive Advantage: Creating and Sustaining Superior Performance. New York: The Free Press:

"Competition is at the core of the success or failure of firms" he suggested two questions as a choice for competitive strategy, first is attractiveness of industry for long term profitability and the factors that determine it. Both the industry attractiveness and competitive position can be shaped by a firm. Competitive strategy should establish a profitable and sustainable position against the forces of industrial competition. His Five Forces model determines industry profitability as they influences the prices, cost and required investment of firms in an industry, the elements of return on investment. This publication mainly indicates how a firm can actually create and sustain a competitive advantage it its industry and how it can be implemented broad generic strategies and to build a bridge between strategy and implementation. Competitive advantage grows fundamentally out of value a firm is able to create for its buyers that exceeds the firm's cost of creating it.

2.3 Porter, M. E. (1998). Competitive Strategy: Techniques for Analysing Industries and Competitors. (with a new introduction). New York: The Free Press:

After 18 years of his original framework in Competitive Strategy with his five forces model, once again he came out with his experiences after implementation of the strategies of competition. Even his five forces model is been applied in a different situations as per the current scenarios. He told that "This publication is for or practitioners who need to develop strategy for a particular business and for scholars trying to understand competition better. It is also directed at others who want to understand their industry and competitors". He has reworked on his model and elaborated in his first chapter *Structural Analysis of Industries* that "The intensity of competition in an industry is neither a matter of coincidence nor bad luck. Rather, competition in an industry is rooted in its underlying economic structure and goes well beyond the behaviour of current competitors. The state of competition in an industry depends on five basic competitive forces" which are shown in below mentioned Figure.

Porter's explanations on one of his force "Bargaining power of supplier" was that the suppliers can increase the bargaining power for their customers by threatening them to reduce price or the reducing the quality of goods or services in the same price. Powerful suppliers can thereby squeeze profitability out of an industry when they are not able to recover the cost increases in its own prices. He suggested that suppliers group will be powerful if they apply the following methods. i.e. ***It is dominated by a few companies and is more concentrated than the industry it sells to.*** Suppliers selling their products to more fragmented and targeted buyers than it will usually be able to exercise considerable influence in prices, quality, and terms. ***It is not obliged to contend with other substitute products forsale to the industry.*** The bargaining power of even large, powerful suppliers can be checked if the competition is with its substitutes. For example, suppliers producing alternative sweeteners compete sharply for many applications even though individual firms are large relative to individual buyers. ***The industry is not an important customer of the supplier group.*** When suppliers sell to a number of industries and a particular industry does not represent a significant fraction of sales, in fact the more number of buyers will definitely boost the prices and they are more prone to exert power. If the industry is an important customer, suppliers' fortunes will be closely tied to the industry and they will want to protect it through reasonable pricing and assistance in activities like enhancing their research and development or lobbying. ***The suppliers' product is an important input to the buyer's business.*** The raw material is very important to the success of the buyer's manufacturing process or product quality. This raises the supplier power. The input is also had a feature that it cannot be stored or stocked and that makes the bargaining power to still continue. ***The supplier group's products are differentiated or it has built up switching costs.*** Differentiation or switching costs facing the buyers cut off their options and stick to their existing suppliers with their demanded terms and conditions. ***The supplier group poses a credible threat of forward integration.*** This provides a check against the industry's ability to improve the terms on which it purchases and holding on the corners of that side.

2.4 Porter, M.E. (2008) *The Five Competitive Forces That Shape Strategy, Harvard business Review*, January 2008: *Bargaining Power of Suppliers that the bargaining power of suppliers constitutes their ability, individually or collectively, to force an increase in the price of the products or services."*The bargaining power of suppliers is also described as the market of inputs. Suppliers of raw materials, components, labour, and services (such as expertise) to the firm can be a source of power over the firm, when there are few substitutes. Suppliers may refuse to work with the firm, or, e.g., charge excessively high prices for unique resources.

2.5 Hove Progress, Smith Whilhemia and Chikungwa Tarisai, Journal of Economics 4(2): 169-182 (2013) The Delineation of Porter's Five

Competitive Forces Model from a Technological Marketing Perspective:A Case Study of Buffalo City Metropolitan Municipality: *The Redefined Bargaining Power of Suppliers* The utilisation of the Internet and other digital technologies, to speed up and streamline the process of acquiring supplies, is already benefiting many sectors in the economy. However, the net effect of the Internet on supplier bargaining power will depend on the nature of competition in a given industry. The effect of the Internet and digital technologies on the bargaining power of suppliers is two-pronged. On one hand, suppliers may find it difficult to hold onto customers because the buyers can do comparative shopping and price negotiations so much faster online. This is especially damaging to supply-chain intermediaries, such as product distributors, who cannot stop suppliers from directly accessing other potential business customers. More so, these technologies inhibit the ability of suppliers to offer highly differentiated products or unique services. Most procurement technologies can be imitated by competing suppliers. In addition, the technologies that make it possible to design and customise new products rapidly are being used by all competitors. On the other hand, a number of factors may contribute to stronger supplier bargaining power. The growth of web-based business, may create more downstream outlets for suppliers to sell to More so, the suppliers may be able to create web based purchasing arrangements that make purchasing easier and discourage their customers from switching. Also, the use of proprietary software, that links a buyer to a supplier's website, may create a rapid, low cost ordering capability that discourages the buyer from seeking other supply sources. Lastly, suppliers will have greater bargaining power, to an extent that they can reach end-users directly without intermediaries. Technology and the redefined bargaining power of suppliers serve as the determinants of the redefined rivalry amongst existing firms in the market.

2.6 Michael E. Cafferky, 25th Annual CBFA Conference Point Loma Nazarene University, 2005 The Porter Five-force Industry Analysis Framework For Religious Nonprofits: A conceptual analysis :Bargaining power of buyers in the for-profit arena increases when they have low switching costs, when the organization's profits are directly affected by buyer behaviours, buyers pose a threat of backward integration, the relative importance of the product is low compared with other products, products are relatively undifferentiated and the buyer has full information about demand, prices, and costs. A for-profit firm can alter buyer power by attempting to lock buyers into an agreement, differentiating the product, and buyer selection. Do these dynamics have analogous dynamics in the religious non-profits sector? Porter Five-force Framework 21 of all the circumstances that can increase buyer power the following seem to be most relevant for the church: the church's products are perceived as being standard or undifferentiated, switching costs are low, and buyers pose a credible threat of backward integration or for creating their own substitutes for the values offered by religious organizations. In addition to these forces, other influences from consumers might be at work in the world of religious organizations include: Opportunity costs for buyers in giving up one faith tradition to become involved in another, ethnic group expectations, family expectations, and the relative mobility in terms of spiritual alternatives available. Establishing a relationship with one local congregation can result in sunk investments of participation (cf. Miller, 2002). As religious organizations become more astute in targeting consumers with whom they have the most long-term success we see evidence of buyer selection. Religious organizations now understand the power of commitment and agreement and incorporate these principles in new member orientation programs in terms of written covenants between pastoral leaders and members, training programs for and volunteer recruitment to service. These agreements do not carry the same force as do legal purchase agreements but they enhance the sense of obligation to continue supporting the community of believers. Commitments are sealed with authoritative rituals and ceremonies to impress on the new member the solemn significance of the agreements. Just as important charismatic leadership is employed to reinforce long-term commitments. Behaviours related to the commitments of new members are monitored and designated leaders are assigned the task of maintaining contact with these individuals to encourage them until the commitment behaviours become habitual.

2.7 Mohammad Bolorian Tehrani1Faezeh Rahmani. American Journal of Engineering (AJER) 2014 Volume-03, Issue-05, pp-80-85, Evaluation Strategy Michael Porter's five forces model of the competitive environment on the dairy industry (Case Study: Amoll Haraz Dvshh dairy company) One of the models used to analyse the competitive environment in an industry with the aim of formulating strategies, Porter's five forces model. This strategy is based on competition basis. Trying to gain more market share, competition is not only manifested in the actions of competitors, but competition in an industry is rooted in the principles of economic and competitive forces that are beyond the competitors. Customers, suppliers of raw materials and substitutes, competitive factors are all possible depending on the type of industrial fields, are more or less prominent and active. Then test hypotheses conclude that the rate of sales and market share of each of Porter's forces dairy company and a significant direct relationship exists. Since the bargaining power of buyers Porter's forces won more ranking corporate strategists should focus on the customer, so the top end of their work.

2.8 Gordana Dobrivojeviæ, *British Journal of Economics, Management & Trade3(4): 359-371, 2013,* Analysis of the Competitive Environment of Tourist Destinations Aiming at Attracting FDI by Applying Porter's Five Forces Model Bargaining power of suppliers occurs [2,3] when an industry has not many suppliers or if an industry consists of a large number of smaller buyers, that is, companies. However, the bargaining power of suppliers is reduced by substitute products if they are present in that branch of industry. If a supplier delivers its products to several production sectors, its bargaining power increases with larger number of customers to whom it supplies its products. The power of suppliers also grows if product of a supplier is a critical input for the customer. The supplier also strengthens their bargaining position when their products are differentiated and when there are replacement costs for customers. Finally, the bargaining power of suppliers' increases if the supplier can perform business performed by the companies, and are cheaper. In such situation, if the buyer does not accept the terms of the supplier, supplier could acquire a new competitor in his branch of industry that would eventually shut him out of business

Objectives:

- To evaluate the uniqueness in services of Lawyers and Chartered Accountants.
- To present an overview of the various approaches to provide uniqueness in services.
- To ascertain the uniqueness of service and in turn the bargaining power of the service provider

Sample Size: 50 respondents

Hypothesis

- Uniqueness in services does not influence the bargaining power of service provider

Research Methodology:

Source of data collection would be a primary data. A pilot study is carried out at Mumbai through a consumer survey involving 50 respondents who are using services of lawyers or chartered accountants or both.

Uniqueness of Chartered Accountant was evaluated on Likert Scale on the following parameters

a. High quality advisor:
b. Prompt service
c. Goodwill
d. Familiarity
e. Value for Money
f. Allows Bargaining in Fees
g. Providing Alternative Solutions
h. Switching cost to other C.A. is high
i. Provide specific services based on Specific needs
j. Confidentiality
k. Specialisation in particulars branch of studies
l. Tax saving suggestions
m. Helps in getting Loans & Finance
n. Business ideas
o. Investments – Stock Markets
p. Investment – Property
q. Investment – Others
r. Availability on time

Table 1.1

Uniqueness variable has been calculated by the researcher as a linear average of the above-mentioned sub variables

Correlations

		CAU	LA6
CAU	Pearson Correlation	1	.485**
	Sig. (2-tailed)		.000
	N	50	50
LA6	Pearson Correlation	.485**	1
	Sig. (2-tailed)	.000	
	N	50	50

**. Correlation is significant at the 0.01 level (2-tailed).

Uniqueness of Lawyers was evaluated on Likert Scale on the following parameters

a. High quality advisor
b. Prompt service
c. Goodwill
d. Familiarity
e. Value for Money
f. Allows Bargaining in Fees
g. Providing Alternative Solutions
h. Switching cost to other Lawyer is high
i. Provide specific services based on specific needs
j. Confidentiality
k. Specialisation in particulars branch of studies
l. Influential at Court
m. Expertise in debates
n. Expertise in drafting
o. Expertise in interpretation of law
p. Ex - Judge
q. Availability on time

Table 1.2

Correlations

		LA6	LAU
LA6	Pearson Correlation	1	.716**
	Sig. (2-tailed)		.000
	N	50	50
LAU	Pearson Correlation	.716**	1
	Sig. (2-tailed)	.000	
	N	50	50

**. Correlation is significant at the 0.01 level (2-tailed).

Results:

As per **table 1.1** the output of analysis on SPSS statistical software, *r = 0.485* therefore the correlation between uniqueness and bargaining power is weak in the case of practising chartered accountants whereas in **table 1.2,** *r = 0.716* therefore the correlation between uniqueness and bargaining power is strong in the case of practising lawyers

CONCLUSIONS

- Uniqueness in services marginally influences the bargaining power of Chartered Accountants as there is a weak correlation between uniqueness of their services and their bargaining power
- Uniqueness in services do influence the bargaining power of Lawyers as there is definitely a strong correlation between uniqueness of their services and their bargaining power

Limitations:

The study is carried out only in the city of Mumbai and it includes only individual consumers who are using services of Lawyers and Chartered Accountants. It excludes all the organisational and group customers like companies, firms, institutions, society etc.

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Work Life Balance of Women Employees in IT Sector

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Abstract

The changing economic conditions and social demands have changed the nature of work around the globe. Originally, work was a matter of necessity and survival. Throughout the years, the role of "work" has evolved and the composition of the workforce has changed. Today, work is widely viewed as a source of personal satisfaction. A good balance in work and life can play a significant role in the attainment of personal and professional goals. Information Technology (IT) is one of the most promising sectors. It is not only promising because it generates more and more of revenue but also generates more of employment opportunities. The sector exports more than any other sector this makes India globally well know. A rapid change in technology may lead to a competitive environment and employees always want to be the fittest to survive. A fight to survive can lead them to sacrifice a lot and this would also involve their family life. In short, to sustain in the environment employees take and give tough competition, they may also forget the other aspect of their life. Employees need to be very effective in having a good balance between life and work. Work-Life Balance means a proper balance between work .i.e. professional life and life which can include both your personal as well as social life. An improper balance can lead to many issues in both work as well as life. Many employees forget that there has to be a balance and they are responsible for creating a perfect strike between both the aspects. Many a time male employees are not pressurized for giving attention at both the ends but when it comes to women employees they need to give proper attention. IT sector is very dynamic and the competition also prevails for women employees, they need to be update with the technological changes which make it difficult for the employees to sustain as well as have a better work-life balance. The study involves only women employees from IT sector. The changing demographic trends as seen in the changing participation rates for working women and working mothers, the rise in dual-career couples, the increase in single-parent families organisations have crafted many policies and practices to address the changing needs and demands of employees and help them achieve better work-life balance. The whole study focuses on whether they actually face the work-life issues. The study also focuses on what factors hinders their performance at work as well as at home.

Keywords: *Work Life Balance, Performance, Women, IT*

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INTRODUCTION

By definition work life balance is about people having measure of control over when, where and how they work. There is a view that work-life balance is only in the framework of what the company does for the individual. Work–life balance is the proper prioritizing between “work” (career and ambition) on one hand and “life” (pleasure, leisure, family and spiritual development) on the other. Also, what work-life balance does not mean is an equal balance in units of time between work and life. Work life balance has important consequences for employee attitudes towards their organizations as well as for the lives of employees. A balance between work and life is supposed to exist when there is proper functioning at work and also at home (T.S. SANTHI, 2012).

There is a life at work and at home and also a life having space for leisure. With globalization becoming the norm of the day, these issues seem to have taken a back seat for quite a while. Work-life ‘imbalance’ has over a period of time attracted concern because of increasing problems related to employee health, monotony at work place, declining levels of productivity and efficiency at the employee level. The imbalance also has a negative impact in the personal life of working people-some of which have even become social hazards- increasing number of divorces, infertility due high stress levels, advent of nuclear families etc. (Singh, 2006)

Professionals today seem to be more interested in jobs that give them increased flexibility at work. Working people have different needs at different stages of their working life. As a result, people strive for balance in their working hours and their personal commitments. Work life balance has now become a sensitive issue because it offers obvious benefits to organizations and its employees. Successfully addressing this issue can lead to a healthy synergy in the working environment of an organization and its employees. Organizations can look forward to a phenomenal increase in efficiency and working hours and their personal commitments. Work life balance has now become a sensitive issue because it offers obvious benefits to organizations and its employees. Successfully addressing this issue can lead to a healthy synergy in the working environment of an organization and its employees. Organizations can look forward to a phenomenal increase in efficiency and as an ideal place to work in - a place that endows greater volition (flexi-timings etc.) and freedom; and a place that is fun to work in. Employees with a working environment that is conducive.

Information Technology Industry is the rising sector where the long working hours and work overload are typical of the IT industry, according to many human resources managers. Though most of the IT firms have a five-day week, the workload is going up. It is reported that the proportion of women into the various IT based industries in India is in the order of 19% in the software industry; 40% in the telecom industry; 80% in the airlines; 45% in the ITES; and 50% in the BPOs. The high rate of women employees (45 percent on an average) in the ITES sector is a welcome change from the low 12.5 percent women being employed in the IT industry. The massive incorporation of women into paid work has marginally increased their bargaining power and undermined the legitimacy of men’s domination as providers of the family.

REVIEW OF LITERATURE

Reimara Valk (2011) found that one of the significant changes witnessed in the labour market in India has been the entry of women professionals in the IT industry. The challenges that this industry pose are unique but they are aggravated in the case of women professionals. IT industry is faced with uncertainty and instability which leads to pressurizing employees to work for long hours. This pressure is due to time difference with west and other foreign countries and project based working. The industry has to face with rapid technology changes and employees are pressed due to that. Women employees need to be updated with the changes to be the best. To comprehend all the above mentioned points, long working hours, unpredictable workload and the constant pressure of updating the skills as these have a strong impact on work life balance of these professionals. There are ways in which the women professionals can deal with this problem if the work—life balance policies and programmes are supportive to them and if prioritizing is set appropriately.

Singh A. (2010) in his study focused on software professional's for whom the boundary between work and life is generally thought to be distorted and tries to find out their perceptions regarding Work-Life Balance (WLB). The main concern of this study is to provide information that would help the management of the IT companies to evaluate and redesign their current HR strategies in order to retain their existing employees and recruit new ones in a competitive IT sector being faced. While framing or adopting the WLB policies, mainly three or four theories are considered while making the policies. IT professionals are considered to be highly qualified and relatively young and they are engaged in highly demanding and open-ended work. The result of the research carried in this study shows that the awareness of the WLB policies in the mentioned companies is not high. It also showed that some of the policy where similar in most of the organization it implies that the requirement of WLB is almost similar in the organization.

H.S.Sandhu (2006) purpose of this research paper is to identify the factors affecting work- family conflict among women executives. The relationship of personal and organizational characteristics to work-family conflict has been studied. The results of the research indicates that women perceive gender role attitude and spillover between work and family roles as the most important factors affecting their career followed by other four factors namely: i) harmony in home and office ii) organizational support iii) family expectations iv) parenting effect and professional skills. It is also revealed that the natures of organization and education have a significant impact on work- family conflict but marital status does not have any influence on work-family conflict. The findings also reveal that women executives with higher education experience less conflict than the women with low education. It also mentions that more importance the employees give to their families the less work-family coherence they do experience.

A G V. Narayanan (2012) The logic and purpose behind this research is to reflect on why work-life balance has become a key concern, and the likely outcomes of the extensive disappointment with contemporary work schedule. Work-life balance is one among the various human resource concepts in the contemporary business environment. Work-life balance policies can diminish costs by enlightening employee retention rates. Work-life balance policies can boost productivity and profitability of the organization. This present study focus on the work-life balance of software professionals working in IT sector. The study reveals that various factors are responsible for affecting the work-life balance of software professionals. Concentration on life over work or work over life will not yield anticipated return to both the employee and employer. In software field, the employees are enjoying enormous privileges and in return they have to pay by working day and night. The work-life balance is questionable in the field of information technology hence the organizations have to focus on conquering adverse work-life policies for the betterment of employee and organization as a whole.

Supriti Dubey (2010) Work-life balance is about people having measure of control over when, where and how they work. The core of work-life balance could also be summed as achievement with enjoying. Work-Life Balance can lead to a healthy synergy in the working environment of an organisation and its employees. Work-life 'imbalance' has over a period of time attracted concern because of increasing problems related to employee health, monotony at workplace, declining levels of productivity and efficiency at the employee level. This paper is an attempt to identify the impact of various personal factors like family support, proper health, diet, age on work life balance of working women. Various intramural and extramural factors like fair compensation, fringe benefits, Training programs and their quality, working environment (infrastructure, setting arrangement, ambience) and other schemes and their impact on work-life balance is also explored through this paper.

Objectives of the Study:

1. To identify various factors affecting work life balance.
2. To identify the most desirable HR policies contributing to positive work life balance.

Hypothesis:-

- The level of employment has a significant impact on work life balance.
- Unmarried females are likely to have better work life balance than married females.
- The employees with long weekends are likely to experience better work life balance.

Methodology-

The data was collected from a random sample of 25 IT professional females in Mumbai through a questionnaire which had 24 items on work life balance, along with few questions to capture their demographic profile.

Hypothesis-

- **The level of employment has a significant impact on work life balance.**

Majority of the employees are employed at middle level and rest at lower level. The experience of the employees in middle level ranges from 1 year to 12 years and the number of hours put in by these employees in the work is 8-9 hours a day and work for mostly 5 days a week.

T-Test

Group Statistics

	Level of management	N	Mean	Std. Deviation	Std. Error Mean
Factors WLB	Junior Level	8	.0000	.00000	.00000
	Middle Level	16	10.1250	7.00357	1.75089

The result shows that there is no relation between level of management and work life balance.

Hypothesis-

- **The employees with long weekends are likely to experience better work life balance.**

T-Test

Group Statistics

	No. of Working Days	N	Mean	Std. Deviation	Std. Error Mean
Factors WLB	Less than 5	12	8.6667	6.93258	2.00126
	more than 5	12	4.8333	7.77915	2.24565

The results show that there is a positive relation between people having long weekend and work life balance.

Hypothesis-

- **Unmarried females are likely to have better work life balance than married females.**

T-Test

Group Statistics

	Marital Status	N	Mean	Std. Deviation	Std. Error Mean
Factors WLB	No	15	6.3333	7.94325	2.05094
	Yes	9	7.4444	7.00198	2.33399

The results show that the marital status has significant impact on work life balance.

The objective of the study was also to identify the factors affecting work life balance.

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Factors WLB	Equal variances assumed	17.078	.000	-4.043	22	.001	-10.12500	2.50412	-15.31822	-4.93178
	Equal variances not assumed			-5.783	15.000	.000	-10.12500	1.75089	-13.85694	-6.39306

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Factors WLB	Equal variances assumed	1.054	.316	1.274	22	.216	3.83333	3.00799	-2.40485	10.07151
	Equal variances not assumed			1.27	21.7	.216	3.83333	3.00799	-2.409	10.07628

Descriptive Statistics						
	N	Minimum	Maximum	Sum	Mean	Std. Deviation
Work On Holidays	24	0	3	16	.67	.917
Work After Hours	24	0	3	18	.75	1.032
Travelling	24	0	4	22	.92	1.213
Negative Supervision	24	0	4	21	.88	1.227
Negative Colleagues	24	0	4	22	.92	1.139
Negative Spouse	24	0	3	9	.37	.824
NegativeFamily	24	0	3	14	.58	.974
Valid N (listwise)	24					

The results here show that the factors which affect most is travelling time and colleagues support followed by the supervisor support in the organization.

Another objective of the study was to identify the most desirable HR policies contributing to positive work life balance.

Desirable HR policies-
Descriptive Statistics

	N	Minimum	Maximum	Sum	Mean	Std. Deviation
Flexi Hours	24	1	4	45	1.87	1.116
Work From Home	24	1	5	60	2.50	1.383
Time Off	24	1	4	48	2.00	1.142
Job Sharing	24	1	4	62	2.58	1.060
Org Support	24	1	4	51	2.13	1.116
Family Support	24	1	4	44	1.83	1.090
Valid N (listwise)	24					

Independent Samples Test											
		Levene's Test for Equality of Variances		t-test for Equality of Means							
		F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference Lower	Upper
Factors WLB	Equal variances assumed	.198	.661	-.346	22	.733	-1.11111	3.21053	-7.76935	5.54713
	Equal variances not assumed			-.358	18.740	.725	-1.11111	3.10707	-7.62040	5.39818

The policies which contribute in striking a better work life balance based on the study is as follow-

• Flexi Time

56% employees have rated flexible hours as the most important factor for having a successful work life balance. Even though they are happy with their work hours and most of them only work for 8-9 hours but still they want flexible working hours so as to have an excellent work life balance.

• Work from Home

Employees are not so much keen on working from home there can be many reason associated with this. Some reason can be that their productivity would be hampered and they will feel very much suffocated. Only 40% employees feel this factor can help them to have a better work life balance.

• Time off for Family Emergency and Events

40% employees feels that sometime they are able to manage with family occasions and events and that is the reason only 44% employees feel that if the company provides the policy of giving time off for family emergencies and events they will be in a state to maintain their work-life balance .

• Job Sharing

Job sharing is not such an important factor for the employees as they work for personal satisfaction, if job sharing is done their satisfaction level will be affected. They also might fear about losing the value of their job and even their job will be in an inferior position.

• Support from Superior and Colleagues

Only 36% employees mention that it is not amongst one of the most important factor. The employees never or rarely feel the threat of negative attitude and this justifies that these employees do not have the issue of asking for support from superior and colleagues.

• Support from Family and Spouse

52% employees do need support from their family and spouses to have a proper balance between work and life.

So, the results for the most desirable HR policies contributing to positive work life balance are job sharing, work from home, organization support, time off, flexi hours and family support.

CONCLUSION

IT sector being one of the growing industry they also have growing requirements of man power. Women's are contributing in every field and are also focusing on IT sector. The percentage of women employees are increasing. This sector is ever changing and dynamic, to sustain in the industry one need to be update with all the changes. This creates pressure on the employees working in this sector. Women employees bear with double pressure as they have to balance their work life and family life. Today's competitive environment and market makes it difficult for employees to maintain their competitive advantage and they are dragged in this competition. So as to survive one has to constantly fight the competition.

The whole study was conducted by the researcher in order to know how the work-life balance is handled by IT women employees. The factors which show a strong impact on work life policies are flexible timings and colleagues and the supervisor support .The policies which are most desirable among the female employees are work from home and organizational support. All these factors and policies lead to increasing the performance of the individual which can eventually contribute to the effectiveness of the organization

Finally the study concludes that work-life balance is not such a big issue when handled properly and if proper care is taken. The employees want support from their family and organizations to have a wonderful work-life balance.

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Title of Article: Stock Markets – An Irrational Utopia

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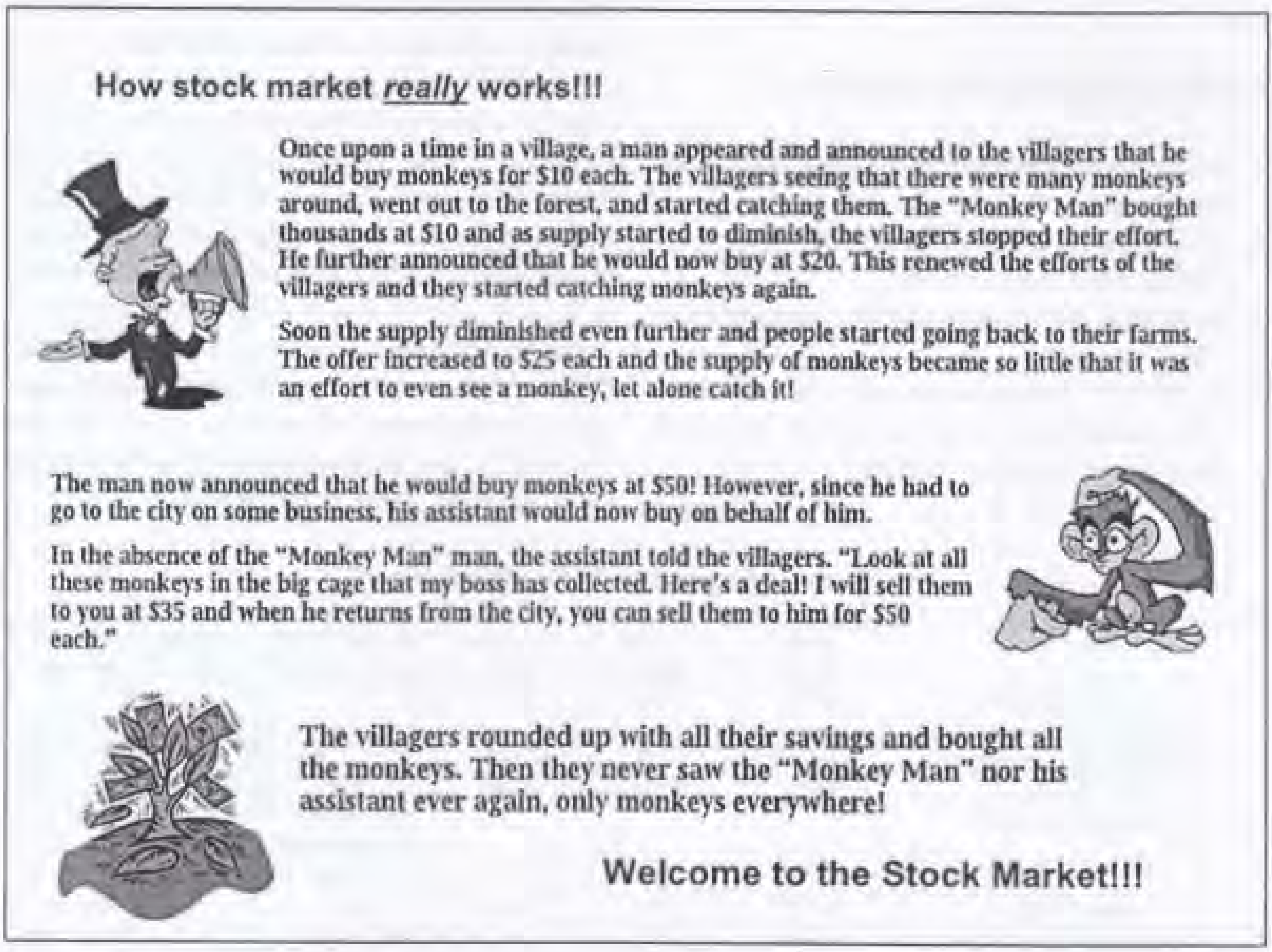

How stock market *really* works!!!

Once upon a time in a village, a man appeared and announced to the villagers that he would buy monkeys for $10 each. The villagers seeing that there were many monkeys around, went out to the forest, and started catching them. The "Monkey Man" bought thousands at $10 and as supply started to diminish, the villagers stopped their effort. He further announced that he would now buy at $20. This renewed the efforts of the villagers and they started catching monkeys again.

Soon the supply diminished even further and people started going back to their farms. The offer increased to $25 each and the supply of monkeys became so little that it was an effort to even see a monkey, let alone catch it!

The man now announced that he would buy monkeys at $50! However, since he had to go to the city on some business, his assistant would now buy on behalf of him.

In the absence of the "Monkey Man" man, the assistant told the villagers. "Look at all these monkeys in the big cage that my boss has collected. Here's a deal! I will sell them to you at $35 and when he returns from the city, you can sell them to him for $50 each."

The villagers rounded up with all their savings and bought all the monkeys. Then they never saw the "Monkey Man" nor his assistant ever again, only monkeys everywhere!

Welcome to the Stock Market!!!

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The capital markets, of which the stock markets is a subset has other products where there are buyers and sellers, like debt instruments, government bonds, commodity markets, and in general long term forward instruments. The BUYERS and SELLERS are the important constituents of any market and with the advent of internet & payment gateways the reaches for Buyers & Sellers is virtually limitless. This also means that gullible from far and wide can be attracted and then trapped into holding "monkeys".

OBJECTIVES OF THIS PAPER

1) To identify the situations in the stock markets that lead to wrong decisions
2) To understand the facts (& myths) when participating in the stock markets
3) To identify the common investor mistakes in the stock markets.
4) To identify whether some relatively safe strategies for optimum investments in the stock markets or elsewhere are possible.

Methodology:

By gathering primary, secondary and historical data. The primary data is gathered by interviewing subject experts, secondary data by referring published articles & historical data by referring the incidents of the past. We have considered the data of stock trading in India, especially the main stock exchanges, Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Objective 1) To identify the situations in the stock markets that lead to wrong decisions:

What is common in Himachal Futuristic Communication, Global Tele-Systems, Zee Telefilms, Satyam Computer, Sterlite, Aftek Infosys, Silverline Technologies, DSQ Software, Pentamedia Graphics and Ranbaxy Ltd.? These shares were all known as K – 10 shares, actively being manipulated by stock broker Ketan Parekh in 1999 ~ 2000, on different stories and had reached jaw dropping price points. A comparison of the stock price highs and lows besides the current prices for these K-10 stocks are as given in Table 1, below:-

Table 1: An analysis of K – 10 Stocks

Scrip Name	Scrip Code	All Time High	All Time Low	Market Price on 15/7/2015	Current Value vis-à-vis` All Time high
Himachal Futuristic Communications Ltd.	500183	2552	5.95	14.7	0.58 %
Global Tele System	500160	3550	10.22	13.24	0.37 %
Zee Telefilms	500537	815	30.08	379	46.5 %
Satyam Computers				**Takeover by the Mahindra group**	
Aftek Infosys	530707	1000	2.44	2.44	0.24 %
Silverline Technologies	500389	1395	2	**Not Traded**	0 %
DSQ Software	523864	2820	5.12	**Not Traded**	0 %
Pentamedia Graphics	500329	2344	0.42	0.68	0.03 %
Ranbaxy	500359	1300	133	**Delisted after takeover**	10.2%
Sterlite	532374	1179.85	15.75	**Now Vedanta**	8.42%

The Pied Piper touch:

Ketan Parekh (KP) was involved in rigging of the share prices from funds received as loans from cooperative banks and other banks which was in blatant disregard of the Reserve Bank of India (RBI) norms. These funds were then used to purchase select shares in large number with an aim to create a scarcity in the market. The scrips were generally tied up in upper circuit with virtually no sellers. This attracted many other participants who would also want to own these shares and gain from their stratospheric rise. Due to constantly upward rising prices, Parekh attracted the attention of market players and they kept track of every move of Parekh as everything he was laying his hands on was virtually turning into gold. KP became the darling of the stock market like the proverbial pied piper. People in droves followed KP into any stock that he cherry picked with any possible eye-popping story. Rumours were floated in non-KP stocks as well that KP was interested in these stocks, leading to heightened demand on these counters. The Indian stock markets started showing signs of hyper-activity whenever any stock was linked to KP, besides the K – 10 stocks.

Everyone from investment firms which were mostly controlled by promoters of listed companies to foreign corporate bodies and cooperative banks were eager to entrust their money with Parekh, which, he in turn used to inflate stock prices by making his interest obvious. Almost immediately, stocks of firms such as Visual soft witnessed meteoric rises, from Rs 625 to Rs 8,448 per unit, while those of Sonata Software were up from Rs 90 to Rs 2,150. However, this fraudulent scheme did not end with price rigging. The rigged-up stocks needed dumping onto someone in the end and although KP used financial institutions such as the UTI for this, lakhs of small time investors taken in completely by the stories being doled out and wanting to make quick money were caught holding the "monkeys".

Almost 8 years before the Ketan Parekh period, Harshad Mehta, who earned the sobriquet of Big Bull, was involved in similar malpractices of selling stories and ramping up share prices of scrip's to stratospheric levels. Associated Cement Companies (ACC) share price increased from Rs 200 to almost Rs 9,000 (an increase of 4400%) on the replacement cost story where it was argued that the cost of setting up a new ACC was the actual value of the stock and not the valuations based on Book Value concepts or historical market performance. In the unregulated days of 1991, Harshad Mehta used the Ready Forward (RF) deals to finance the rigging of the share prices. Ultimately when the truth surfaced the prices crashed, the banks forwarding illegal and forged RF's faced prosecution & closure with many hundreds of investors ending up once again holding the "monkeys". Harshad Mehta and Ketan Parekh are just two names which have surfaced, got identified and finally got prosecuted for the wrong doings. However many similar operators with amazing stories and schemes continue to be active in the markets. Lakhs of people get lured by their "technical" analysis in the print and TV media and in their quest to make easy money.

In the process the collateral damage to the establishments which invested blindly on the stock broker's advice and also the so called investors with stars in their eyes wanting to make fast, easy and quick money get left terribly short changed. The havoc that the losses on borrowed money cause to the traders or investors and their employees / family members can only be imagined. The concern that other similar operators and 'analysts' offering advice to willing people, unhindered, raises a specter of collateral damage to lakhs and lakhs of investors.

The final count of "monkeys" will perhaps never be known but it is a near certainty that almost everyone who is an 'investor' in the stock markets is a holder of "monkeys" in excess of his holding capacity. An interesting aspect of the monkey example is that every participant in the stock market is fully aware about the monkey story but considers himself to be smart enough to hand-over his monkey to someone else. In this foolish haste of handing over the monkey to someone else he ends up holding many monkeys! As Indians are inherently wealthy and with the economy is a boom since 1991, losses made in stock markets are quickly absorbed and the wheels of deceit, greed and fear continues, albeit with different players but with almost similar end results.

To conclude this section, I would state that the investor (or a trader) should be wary about tall stories, jaw dropping claims and any story which has been invented by a 'brilliant' person for the first time ever in this world. There is a saying which says that "those who forget history are condemned to repeat it" but it has been my observation that when Rs 100/- is lost in the stock markets, it is quickly forgotten but when Rs 10/- is gained, it is bragged for a long time. The investments ideas should be heard, mulled, conditioned to our needs, weighed against similar brash ideas of the past and then and then only should be followed. Secondly blindly following the investment ideas of an individual or a "Big Bull" or anyone with a cult following (Warren Buffet included) should be better avoided. The apprehension that we are going to miss out on a wonderful idea is what drives many hasty ill-informed decisions. However, most followers of such cult figures with a MIDAS touche, would agree (in hindsight, though) that missing out on a fantastic opportunity to make super gains is infinitely preferable than making smart moves and losing your shirt.

Objective 2) To understand the facts & myths when participating in stock markets:

Trading	Investing
Short-term	Long-term
Price	Value
Technicals	Fundamentals
Volatility	Risk
P/L	Goals
Borrow	Save
Want	Need
Noise	Signal

There are two distinctly different categories of participants in the stock markets. The first is the quintessential "TRADER" who wants to profit from short term trades and most often the one not having the wherewithal to support his purchases. When there is a primary lack of funds for these bets, it is a form of gambling on borrowed funds. Any respectful sounding definition like speculation (instead of gambling) can be coined. A trader has to be in constant touch with the market, have a second by second update on his bets and operate within a narrow band of profit target along with a strict stop-loss. Futures & Options or derivative trading is another trading option for traders, where with limited investment limitless gains can be targeted. Needless to say that these trading policies are fraught with risks and like any prudent businessman the trader need to know whether his business is making money or losing money. This group of participants should be ideally driven by "TECHNICALS" and hence should be well conversant with charting and the related paraphernalia.

Some of the "Technical terms" a trader must be aware are Absolute Price Oscillator (APO), Accumulation Distribution Line, Arms Index (TRIN), Aroon Oscillator, Ascending Triangle, Abandoned Baby, Bear (or Bull) Spread, Bear (or Bull) Trap, Bearish (or Bullish) Divergence, Bull Bear Ratio, Bump and Run Reversal, Buying on Margin, Candlestick Chart, Chaikin Money Flow (CMF), Chaikin Oscillator, Channel Line, Cup with Handle, Dark Cloud Cover, Dead Cross, Descending Triangle, Detrended Price Oscillator (DPO), Directional Movement Indicator (DMI), Doji, Double Bottom Breakdown, Double Bottom Reversal, Double Top Breakout, Double Top Reversal, Downside Tasuki Gap, Dragonfly Doji, Elliott Wave Analysis, Engulfing Pattern, Evening Doji Star, Evening Star, Exhaustion Gap, Falling Three Methods, Falling Wedge, Fibonacci Numbers, Flag, Gap, Gap – Breakaway, Gap – Common, Gap – Continuation, Gap – Exhaustion, Golden Cross, Golden Ratio, Gravestone Doji, Hammer, Hanging Man, Harami, Harami Cross, Head and Shoulders Bottom, Head and Shoulders Top, Hidden Divergence (Bearish), Hidden Divergence (Bullish), Hindenburg Omen, Inverted Hammer, Key Reversal Day, Long-Legged Doji, Low Pole (LP), MACD (Moving Average Convergence/Divergence), MACD Histogram, Marubozu, McClellan Oscillator, McClellan Summation Index, Morning Doji Star, Morning Star, Negative Reversal, On Balance Volume (OBV), Outside Day, Parabolic SAR, Pennant, Piercing Line, Point and Figure Buy (or Sell) Signal, Positive Directional Indicator (+DI), Price Momentum Oscillator (PMO), Put/Call Ratio, Relative Strength Index (RSI), Retracement, Reversal Pattern, Reversal Spike, Reward-to-Risk Ratio, Rising Three Methods, Rising Wedge, Rounding Bottom, Sentiment Indicators, Shakeout, Shooting Star, Spinning Top, Stochastic Oscillator, Summation Index, Swing Charting, Symmetrical Triangle, Three Black Crows, Three White Soldiers, Top-Down Approach, Topping, Trailing Stop, Triangles, Triple Bottom Reversal, Triple Bottom Breakdown, Triple Top Breakout, Triple Top Reversal, Ultimate Oscillator, Uptrend Line, Upside Gap Two Crows, Upside Tasuki Gap, Upthrust, Volatility Index, Washout Day, Wedge, Whipsaw, Zig Zag.

While the above is a long list, it is by no means an exhaustive list. Moreover knowing the meaning of all these terms and its application is by no means a guarantee of trading ideas and successful end results. Atbest these terms are used for a post-mortem analysis on TV shows of the happenings in the stock market. A quick-in and a quick-out should be followed judiciously by a trader, especially since he is most probably funding his business ideas with borrowed money and has to repay principal amount along with interest. A lack of discipline here would result in their downfall similar to Harshad Mehta or Ketan Parekh when the limitless funding stopped. The second category of participant in the markets are "Investors" or long term investors. This group of participants should be focused on "Fundamentals" and would be advised to better stay away from high Beta stocks. Beta is a measure of a stock's volatility in relation to the market. By definition, the market has a beta of 1.0, and individual stocks are ranked according to how much they deviate from the market. A stock that swings more than the market over time has a beta above 1.0 and can be categorized as a high beta stock. Investors should be calculating their returns or gains on a long term basis with a horizon of at least three years or more. They should invest in blue chip companies or the companies which have a track record of ethical and professional management, spread their investments across all sectors and avoid trading in scrips like a trader. An oft repeated cliché to brokers in relation to a scrip is "Kya Lagta Hain", which means what do you think? This is typical of an investor who tracks his investment on an hour by hour basis. This is precisely what an investor should not be doing, i.e. tracking the movements in the index or their holdings on a minute by minute basis or on a daily basis. The investors should not be concerned with the market fluctuations but make periodic investments and very importantly encash their investments at regular intervals. The encashment proceeds can be spent or invested in other asset classes.

An oft repeated story on "wise" investment on the net & what's app chat groups or as a case is study in B-schools is as follows, Supposing you had subscribed to WIPRO (BSE 507685) 100 shares of face value of Rs 100 in 1980, and had not sold any share till date, then the following would have happened.

- In 1981 company declared 1:1 bonus = you have 200 shares
- In 1985 company declared 1:1 bonus = you have 400 shares
- In 1987 company declared 1:1 bonus = you have 800 shares
- In 1990 company split the share to Rs 10/- = you have 8000 shares
- In 1990 company declared 1:1 bonus = you have 16,000 shares
- In 1992 company declared 1:1 bonus = you have 32,000 shares
- In 1995 company declared 1:1 bonus = you have 64,000 shares
- In 1997 company declared 2:1 bonus = you have 1,92,000 shares
- In 1999 company split the share to Rs. 2 = you have 9,60,000 shares
- In 2004 company declared 2:1 bonus = you have 28,80,000 shares
- In 2005 company declared 1:1 bonus = you have 57,60,000 shares
- In 2010 company declared 2:3 bonus = you have 96,00,000 shares

The present prices of the Wipro scrip is Rs 575/- which means the initial Rs 10,000/- would grow upto Rs 5,520,000,000/- over a period of 35 years, yielding an unbelievable CAGR of 46%. This figure excludes the dividends paid over the 35 year period, which will only increase the CAGR value. The only assumption made here is that the stock with face value Rs 100/- was purchased at Rs 100/- in 1980 as the data of stock price of Wipro in the year 1980 is not reliably available.

Now the moot question which an investor must understand is that these phenomenal gains are just paper gains since these gains are only possible when the investor has not sold any of his holdings, ever over the 35 year period. The fundamental aspect of investments is that there must be periodic reaping of benefits quite similar to an agriculturalist who can be happy when there are good crops but has to cut the crops to reap benefits. Can a farmer be only happy at a good crop but not cut it because the standing crops are looking good?

A very dangerous mistake that both the categories of stock market participants do is that they switch the role from a trader to investor and investor to trader to protect losses. When the value of a trader's bets reduces he prefers to hold his investments and likewise an investor at times squares up his periodic buy or sell to make more profits, whereby he acts like a trader. No one likes to book losses but it is always prudent to book losses as early as possible. The scrips and the strategies that each category of participant operates are distinctly different and cannot be interchanged. A fine line divides the strategic options of both categories and I would christen it the Laxman Rekha, never to be crossed. If crossed the disastrous consequences are almost guaranteed.

How are the share prices decided in the markets? If you have ever wondered what decides the prices of any shares in the market, then the correct answer should be "We don't know!!!"

On the basis of a published balance sheet, presuming it to be authentic, one can calculate the book value of shares. 'Book Value of Equity per Share or BVPS is a financial measure that represents a per share assessment of the minimum value of a company's equity. More specifically, this value is determined by relating the original value of a firm's common stock adjusted for any outflow (dividends and stock buybacks) and inflow (retained earnings) modifiers to the amount of shares outstanding.

Calculated as: $\text{BVPS} = \dfrac{\text{(Equity Capital + Reserves \& Surplus)}}{\text{Total number of Shares}}$

However the market valuation of a share price is much higher (or lower) than the BVPS and the reasons for the same is that there is no connect between the market price & BVPS. The market price is subject to supply and demand and factors in a large component of 'sentiment', historical prices, past performance track record, future scope of growth, the growth possibility for the industry, the stability of the economy and many other factors. It is not uncommon that the market prices known as price equity ratio (P/E) is much higher than 1, for good companies and is an indicator of the trust the market participants place in the scrip. So when someone want to invest in these blue chip scrip's the returns from dividend is a miniscule amount and only when the price increases further there is some gain. The other alternative is to wait with a long time horizon and watch the scrip price increasing & value being added with bonus shares, rights issues along the way.

So now the question is if the traders cannot make big money and the investors can also not make big money, who is actually making money in the markets? Is it the owners of businesses who come out with an IPO and claim a high premium on the share prices or is it the wise men who appear on business channels and who have a reason (& a strategic alternative) for everything that happens in the market? Most times the benign condescending look of "I told you so" is the most endearing part of these wise men, when factually they are none the wiser than the common man watching these business channels. I have never come across anyone in my life (other than the wise men on business channels, offcourse!!!) who have continually profited in the stock markets and have never lost money. Insider trading is one sure way of making the correct trading decisions, but is unethical and mostly illegal. That leaves us with only two choices, either to be a patient investor with satisfaction of making decent gains (higher than the bank rate of interest on fixed deposits) or to follow smart manipulators like Harshad Mehta, Ketan Parekh and make a quick exit when the momentum runs out of steam. A probable third option is to invest in mutual funds which are managed by "professionals" and can give a decent rate of return. However, even in this category considering the exit load requirements, capital gains tax, and other such administrative expenses besides the lack luster performance of many mutual funds, getting a return much higher than the bank rate of interest on fixed deposits, consistently is a tall order. It is therefore important to know that the stock markets or any forward trading markets are not avenues for making quick money and are fraught with many risks. A steady long term moderate gains from the stock markets, in the range 2% or 3% higher than the bank rate of interest can be achievable, beyond which the risk to reward ratio (RRR) becomes unwieldy.

Objective 3: To identify the common investor mistakes in the stock markets:

The first step in any venture is to know about the pitfall therein, learn from other people's mistakes and accept that we are no different. Next step is to rank the mistakes in decreasing order of severity & the third step is to find remedies for the mistakes, if unavoidable. The mistakes listed here are those that the investors have been making since the dawn of modern markets, and will likely be repeating them for years to come. An investor can significantly boost his chances of investment success by becoming aware of these typical errors and taking steps to avoid them.

No Plan:

When you don't have a plan to reach a particular place, all roads will reach you there, but could take an awful lot of time. The same is true for the stock market investing. Unless you have a long term plan of what you desire as a return, getting the same is difficult. A plan should include, Goals and objectives, Risks assessment, appropriate benchmarks, asset class allocation, Diversification / encashment strategy. Beating the stock market is not a goal, it is more of a wishful thinking. Likewise is volatility of the stock markets a risk? The answer is NO, but inflation is definitely a risk. Encashment strategy refers to use of income from dividends or from sale of bonus shares and diversifying into different asset classes. Using the returns from encashing stocks to purchase more stocks does not make sense.

Improper Time Horizon:

If case you are saving for retirement 30 years hence, how the stock market performs this year or next year shouldn't be the biggest concern. Even if you have actually retired your life expectancy is likely to be 15 to 20 years more and this gives enough scope of time horizon. If you are saving for your daughter's college education and she is in high school, then your time horizon is appropriately short and your asset allocation should reflect that fact. Most investors get too focused on the short term gains and end up in investing in high beta stocks. The investors should not deviate from blue chip stocks.

Unnecessary Attention Given to Financial Media: There is almost nothing on financial news shows that can help you achieve your goals. Turn them off. Likewise there are very few business newspapers that can provide you with anything of value. Think about it - if anyone really had profitable stock tip, trading advice or a secret formula to make big bucks, would they blab it on TV or sell it to you as a newsletter or stock trading ideas for a monthly subscription? No - they'd keep their mouth shut, make their millions and would not be to selling a newsletter to make a living. But their path of making their millions is by selling you their monkeys, with their generous investment ideas & 'Tips" being shared on the business channels and newsletters. An analogy to the financial expert is a cricket commentator knowing Sachin Tendulkar's batting average and other data predicting the runs to be scored by Sachin in his next innings. How many times has it been correct & how many times it has been incorrect? Now when a data analyst cannot predict the score outcome of someone who has played record number of innings in the history of the game of cricket, how sure can we be of the predictions made on hundreds of scrip's by thousands of 'wise' men?

Hence, spend less time watching financial shows on TV and reading newsletters but spend more time creating - and sticking to - your investment plan. Overconfidence in the Ability of Managers:

From numerous studies, including Burton G Malkiel 1992 article entitled, "Returns From Investing In Equity Mutual Funds 1971 to 1991", first published in the journal of Finance, it is known that most mutual fund managers will underperform their benchmarks. They don't have any consistent way to select & cherry pick performing stocks in advance. It is also known that very, very few individuals can profitably time the market over the long term. Bernard Lawrence "Bernie" Madoff is an American swindler convicted of fraud and a former stockbroker, investment advisor, and financier. Bernie used to boast that his is the only investment advisory that had consistently beat the S&P (which gave a return of 16.3%) by giving an annual returns of 18% to 20% consistently for 10 years adding for good measure that "I would be surprised if anybody thought that matching the S&P over 10 years was anything outstanding!!"

So why are investors confident of the abilities of mutual fund managers to time the market and select outperforming stocks? Fidelity guru Peter Lynch once observed, "There are no market timers in the 'Forbes' 400' list. So mutual fund hunting for better returns is similar to standing in a queue at a railway ticket counter and observing that all the queues, excepting the queue in which we are standing moving fast!!

Letting the tax tail wag the dog:

In 2008, Meredith Etherington, a Litman Gregory senior investment advisor worked with a family that had held a large Bank of America (BAC) holding +0.84% for years. Not only did they have an emotional attachment to the stock, they didn't want to pay the taxes on the cash they would earn from a sale. Thus they did not sell the BAC shares when the prices were high. When bank stocks got crushed in the financial crisis the family lost much more than the 15% capital gains tax that they would have ended up paying by selling BAC at a high price. At times we come across investors hesitant to book profits because of tax implications, as short term capital gains on stocks and equity mutual funds are taxed @ 15%, whereas long term capital gains on stocks and mutual funds are not taxed. This hesitancy is incorrect because when you would want to encash the shares later you may not get the appropriate price.

Chasing Performance:

Many investors select asset classes, strategies, managers and funds based on recent strong performance. The feeling that "I'm missing out on great returns" has probably led to more bad investment decisions than any other single factor. If a particular asset class, strategy or fund has done extremely well for three or four years, the only one thing known with certainty is that "We should have invested three or four years ago". It is quite possible that the particular cycle that led to this great performance may be nearing its end and the time to hold monkeys is nearing. The smart money is moving out, and the dumb money is pouring in. Stick with your investment plan and rebalance, which is the exact opposite of chasing performance.

Putting too many eggs in one basket:

Often investors hope that by focusing on one stock or sector they can maximize their return, which is very dangerous. In case these positions don't move the way you expect them to a lack, or complete absence, of diversification can be very painful. When the investments are spread across scrips and sectors any sudden downturn in the sector performance will not have a drastic effect on their overall investments.

Thinking you're Special:

Subconscious biases have gotten a lot of attention as the study of behavioral finance becomes increasingly popular. The biggest behavioral mistake, says Anderson, is not recognizing that you have biases – lots of them. "If you don't have them you're not human," he says. There's confirmation bias (giving preference to facts that support your point of view), optimism bias (thinking you're just a better stock picker) and herding bias (what millennials call 'FOMO' or fear of missing out but in this case means turning bullish just because everyone else is). I have often come across people discussing stock picking ideas or stories in hushed tones, as if they are the only one with the knowledge of this idea. It would be wise to believe that they are the last ones to know the idea and take their investment decisions accordingly.

Chasing Yield:

As interest rates remain low, inflation keep rising the investors are keen to identify equities or the stock markets as the one route to gain high returns. Governments also encourage equity investment by framing liberal policies for equity investments to pension funds having use corpuses or government held organisations like LIC. Don't be "mesmerized by something that is paying substantially higher than you can get in other investments," is an oft forgotten maxim. Countless people have lost their earnings in schemes like teak plantations, emu farming, time shares, chit funds, etc., where the schemes exhibit the greed syndrome somewhat similar to the stock market greed syndrome

Changes to Plans Midstream:

It is impossible to completely ignore emotions when it comes to money. The best way to mitigate the harsh reality of emotion is sticking to your original plan. If you say you are going to sell shares when a given stock hits 200/-, actually sell the stock when it reaches the target. After reaching the initial target do not change the target or consider that the time is not ripe for reaping returns. Generally when the target of 200/- is within reach the investor changes the target to 225/- and thus keeps on revising the targets upwards, but does not book profits.

Rushing In:

If you have 1,500 total shares to buy, you don't need to buy them all at once. Spread out your purchases or sales into small quantities at different price points. Never rue missed opportunities in the process, because it is quite possible that the purchase price for subsequent shares might be higher or lower.

Trading the News Instead of the Stock:

Just because you like a company or its product, doesn't mean you should like its stock. The first half hour of the day can be termed "amateur hour." At this time of day average folks jump to buy or sell on overnight news of new products, management shake-ups or political developments. The proverbial savvy investor, on the other hand, waits for the news flow to die down, for the market to restore its fundamental levels and make their investments after the first few hours and preferably in the last half-hour of the day.

Marrying the Shares:

There is a tendency amongst investors to treat shares as family silver, which means that it should be used as a hedge only for difficult times when survival is at stake. For all the other times the shares should be kept "as it is" and at best we should watch the notional value increase. There is also a tendency to like a particular blue chip and not to sell it under any circumstances. This is a bad sign as unless periodic trimming is carried out or the benefits are reaped the shares will not actually add value to any investment.

Timing the Markets:
Many investors and traders like to time the markets, meaning finding the 'right' time for entering & exiting the markets. However, Time (spent) in the market and not timing the markets is important for either class of market participants. It is very, very difficult to predict when is the best time to enter or exit the market. The speed at which markets react to news means stock prices have already absorbed the impact of new developments. When markets turn, they turn quickly. Those trying to time their entry and exit may actually miss the bounce. The business analysts appearing on business channels have always a "resistance" level for every scrip and index, when the markets are rising and also a "support" level for every scrip and index, when the markets are falling. Besides, a 200-day moving average (DMA) which is a popular technical indicator is also used and when the 200 DMA is breached either on the upside or the downside, it indicates a major trend. How are these support levels or resistance levels or 200 DMA so sacrosanct? An investor or trader is better advised to be extremely cautious about such indicators & such indicator using analysts!!

Blaming One's LUCK:
I have come across many stock market participants forever complaining about their bad luck and ruing the lost opportunity as well as ruing their losses. There is nothing as a "Luck" in the markets and if someone was so keen to test his luck then he should be buying government promoted festival and regular lottery schemes or try his luck in the horse races. We cannot imagine that Warren Buffet of Berkshire Hathway was lucky all along to have built his huge fortune and that it was not because he was methodical about his investments.

The above list includes about 14 common mistakes that get committed in the markets. The investor and the trader is advised to be fully aware about these mistakes, which are generic and common to most participants over the years. However the sad part is that the above fallacies are not unknown and even though it makes good reading will hardly be followed!!! Everyone believes in "Advice is for others"

Objective 4: To Identify Whether some Relatively Safe Strategies for Optimum Investments in the Stock Markets or Elsewhere are Possible.

As I have outlined in the above research paper this far there are no absolutely safe strategies in the stock markets that can be universally adopted. However a patient approach to the concept of investment and expectation of moderate returns is a great strategy to be adopted. In the pursuit of these safe strategies over a long period of time it is occasionally possible to locate a multi-bagger or get an IPO allocation that can be immediately liquidated on listing and thus the strategy of time in the market can be useful. I am highlighting some interesting but safe strategies for stock market participants below,

1) Debt Mutual Funds:
Debt mutual funds are like Fixed Maturity Plans or fixed deposit schemes but the investments are in debt instruments like government bonds and can also gain higher returns in the short term call

markets. Debt mutual funds, like other mutual fund are easy to buy and sell. It has been my observation that these debt mutual funds do generate decent returns.

2) Tax Saving Fixed Deposit

Tax Applicability – Amount for Investment is deducted from your taxable income up to 1 Lac (80 C). Tax is applicable on interest income. Tax saving deposit is another form of safe investment. The only drawback with tax saving fixed deposit is that your funds will be locked in for 5 years.

3) Don't Ignore Expenses

When you buy and sell shares, you will have to pay a brokerage fee and a Securities Transaction Tax. This could nip into your profits Especially if you are selling for small gains (where the price of stock has risen by a few rupees). If you sell your shares of equity funds within a year of buying, you end up paying a short-term capital gains tax of 15% on your profit. If you sell after a year, you pay no tax (long-term capital gains tax is nil).

4) Investing in Initial Public Offers, IPO's:

Some of the investments in IPO's can be fruitful, whereas some investments can be very disastrous. However a look at the table 2 below which compares the performance of around 12 IPO's listed over the past 9 months shows that subscribing to an IPO and then immediately selling on listing could be a good strategy. Besides, with ASBA protection {ASBA (Applications Supported by Blocked Amount) is a process developed by the India's Stock Market Regulator SEBI for applying to IPO. In ASBA, an IPO applicant's account doesn't get debited until shares are allotted to them}, the question of refund of initial application money and blocking of funds till refunds are received is avoided.

Table 2: Comparative Analysis of IPO performance

Company Name	Listing Date	Offer Price (Rs)	Listing Price (Rs)	LTP (Rs)	Gain / Loss during listing	Gain / Loss with current market price
Manpasand Beverages Ltd	9-Jul-15	320.00	291	377	-9.06%	19.59%
PNC Infratech Ltd	26-May-15	378.00	381	417.8	0.79%	10.45%
UFO Moviez India Ltd	14-May-15	625.00	600	619	-4.00%	-1.00%
MEP Infrastructure Developers Ltd	6-May-15	63.00	63	59.5	0.00%	-5.56%
VRL Logistics Ltd	30-Apr-15	205.00	288	363	40.49%	54.86%
Inox Wind Ltd	9-Apr-15	310.00	400	437.9	29.03%	31.98%
Adlabs Entertainment Ltd	6-Apr-15	168.00	167.95	170.5	-0.03%	1.49%
Ortel Communications Ltd	19-Mar-15	181.00	181	197	0.00%	8.84%
Monte Carlo Fashions Ltd	19-Dec-14	645.00	585	545	-9.30%	-17.09%
Shemaroo Entertainment Ltd	1-Oct-14	153.00	180	297.5	17.65%	80.28%
Sharda Cropchem Ltd	23-Sep-14	156.00	254.1	344.95	62.88%	74.36%
Snowman Logistics Ltd	12-Sep-14	47.00	75	110.2	59.57%	84.27%

It should be remembered that blindly applying for all IPO's may not be wise and a selective case by case analysis for IPO's is a must.

5) Go with the Trend:

A trader should never bet against the market and should prefer to swim with the tide & benefit from the efforts put in by the tide. This means that if the market trend is higher as in case of a bull market then a trader should take a bullish bet and in case of a bear market take a bearish call, much against once gut feel. In-fact the gut feel should be used to take a contrarian gut strategy, because a gut feel is generally anti-market view. At times there does not seem to be any logic in our decisions but that is to be expected as the markets are basically illogical. For ever rise there has to be a reason and for every fall there is another reason, probably the same but with an opposite effect! So rather than looking out for acceptable reasons to the market trend and in the process wasting precious time, swim with the tide and make money by sticking to disciplines of strict stop-loss and narrow profit range. However an investor sticking to his fundamentals can bet against the market trend.

6) Investments in Private Equity Funds:

As of now the retail investors are not having any options to invest in private equity funds or hedge funds in India. But this window of opportunity maybe available after some time. Private equity is a type of asset consisting of equity securities in private companies that are not publicly traded on stock exchange. A private equity investment will generally be made by a private equity firm, a venture capital firm or an angel investor.

Private Equity is expanding at a fast pace. India acquired US $13.5 billion in 2008 under equity shares and featured among the top 7 nations in the world. In 2010, the total equity investment was predicted to increase up to USD 20 billion, though it did not reach the target. Indian equities promise satisfactory returns and have more than 365 equity investments firms functioning under it. Deal value in 2014, including real estate, infrastructure and venture capital (VC) deals, increased by 28% to $15.2 billion—inching closer to 2007 peak levels of $17.1 billion. Overall deal volume in India grew by 14%, with early- and growth-stage deals accounting for 80% of total deals in 2014. Deal value also rose as a result of a few megadeals. The consumer technology sector led in both deal value and volume, constituting 31% of overall deal value and 35% of overall deal volume.

As ranked by the PEI 300, the 10 largest private equity firms in the world are:

1. TPG Capital
2. Goldman Sachs Principal Investment Area
3. The Carlyle Group
4. Kohlberg Kravis Roberts
5. The Blackstone Group
6. Apollo Global Management
7. Bain Capital
8. CVC Capital Partners
9. First Reserve Corporation
10. Hellman & Friedman.

7) Investing in Index Futures:

Index futures takes a bunch of stocks and in general unless there is a great depression, the futures are expected to only go higher. The simple logic is that after one peak or high is achieved there is a consolidation phase, where it takes some time to stabilize. Once the consolidation phase is over the index only rises higher. However, a caveat here is that the time horizon for this strategy should be more and a minimum of 3 years. A comparison of performance of some of the global and Indian index futures is as shown in table 3 below:

Table 3: Performance of Stock Index Futures

Sr No	Index	Daily	1 Week	1 Month	YTD	1 Year	3 Years
1	Nikkei 225	-1.42%	-1.27%	-1.84%	17.77%	31.89%	141.44%
2	TecDAX	-0.22%	0.28%	6.24%	31.59%	44.01%	134.05%
3	MDAX	-0.06%	-1.79%	1.34%	23.22%	26.82%	92.87%
4	Bank NIFTY	-1.20%	-2.45%	1.80%	-1.18%	21.68%	85.25%
5	FTSE MIB	-0.48%	-0.85%	-1.16%	23.53%	11.76%	79.06%
6	IBEX 35	-1.63%	-2.04%	-0.83%	9.75%	3.28%	77.80%
7	Nasdaq	-1.24%	-1.87%	1.84%	7.80%	15.36%	77.37%
8	DAX	-1.67%	-3.11%	-1.65%	15.41%	17.36%	72.05%
9	BSE Sensex	-1.00%	-0.94%	1.44%	1.87%	8.03%	69.60%
10	CNX Nifty	-0.60%	-0.84%	2.04%	2.57%	9.35%	69.59%
11	Euro Stoxx 50	-1.50%	-2.60%	-1.28%	14.36%	12.72%	59.45%
12	Russel 2000	-1.44%	-3.06%	-4.19%	2.11%	7.35%	58.34%
13	CAC 40	-0.79%	-1.54%	-0.22%	18.03%	16.58%	57.49%
14	OMXS30	-0.58%	-1.40%	0.29%	10.00%	14.67%	53.85%
15	S&P 500	-0.93%	-1.88%	-0.80%	1.29%	5.45%	53.46%
16	South Africa 40	-1.84%	-2.70%	-2.98%	3.50%	-1.18%	52.36%
17	AEX	-1.87%	-2.64%	-1.46%	13.93%	20.09%	51.86%
18	SMI	-0.97%	-1.44%	3.15%	4.17%	8.40%	47.86%
19	US 30	-0.83%	-2.60%	-1.92%	-1.25%	3.78%	36.68%
20	Hang Seng	-1.64%	-1.75%	-6.31%	5.59%	3.19%	32.68%
21	S&P/ASX 200	-0.76%	-2.58%	-0.58%	1.58%	-1.83%	31.79%
22	BIST 30	0.36%	-4.77%	-7.01%	-8.35%	-7.43%	23.46%
23	FTSE 100	-1.21%	-3.26%	-3.03%	-0.30%	-3.54%	17.66%
24	Singapore MSCI	-0.48%	-0.29%	0.94%	-1.89%	-1.24%	8.15%
25	WIG20	-0.88%	-4.34%	-6.55%	-5.56%	-7.41%	4.11%
26	KOSPI 200	-1.13%	-2.06%	-4.02%	0.27%	-7.66%	3.69%
27	ATX	-0.81%	-1.19%	0.16%	16.23%	5.49%	-
28	BUX	0.21%	-0.45%	2.28%	33.89%	20.96%	-
29	OBX	-0.62%	-1.23%	-0.83%	10.31%	1.53%	-
30	OMXC20	-0.15%	-0.10%	5.10%	30.20%	29.98%	-
31	IPC	-1.38%	-2.54%	-3.19%	2.41%	-	-
32	China H-Shares	-1.05%	-2.62%	-11.64%	-3.48%	5.06%	-
33	China A50	-2.47%	-2.66%	1.46%	1.18%	65.38%	-
N 34	iBovespa	-0.48%	-5.91%	-9.63%	-1.69%	-14.85%	-8.82%
35	S&P 500 VIX	3.85%	2.70%	2.00%	-17.76%	9.78%	-22.61%

Note: A reduction in volatility index, S&P 500VIX is a positive. Except for the Brazil index all the other indices have given positive returns over 3 years.

In the Indian context the reasons for trading Trade NSE Nifty 50 & CNX IT Stock Index Futures is because it is difficult for most investors to select and invest only in the top performing stocks. Investing in products that track stock indices, which provide exposure to the whole market or a sector of the market rather a few individual stocks, therefore become increasing popular. Besides the advantage of indexing available in mutual funds and exchange-traded funds. The stock index futures can be considered for the two main reasons of flexibility and leverage. Investors can identify mutual funds that invest only in these futures & benefit from the gains therein.

8) Momentum Investing:

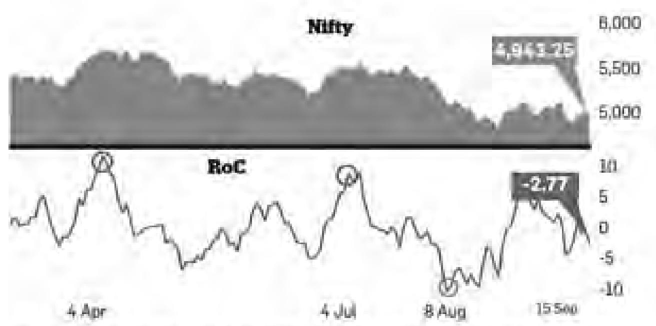
Momentum investing involves buying and selling stocks that are likely to witness a substantial jump in prices in a short span of time. In other words, the investor buys stocks that are about to soar and sells them at a much higher price. As a momentum investor, one seeks to identify stocks that have the potential to yield spectacular returns within a short to medium holding period, say, 1-6 months. When the market rallies, momentum stocks are usually better placed to lead the market and touch new highs. Typically, the strategy involves capitalising on an existing trend. So, one would try to lock in gains by riding hot stocks, those that are already witnessing a surge in prices, or momentum. Alex Mathews, head of research, Geojit BNP Paribas Financial Services, says, “Momentum investing is essentially about betting on stocks that have already gathered momentum.”

This involves monitoring stock prices daily and cashing out within weeks or months of acquiring the asset. However, this is not as easy as it sounds. Momentum play can be highly misleading and frustrating at times. If you get your calculation wrong, the money may just as easily go down the drain. Without the right tools, getting a fix on such stocks is difficult. Hitesh Sheth, head, technical research, Prabhudas Lilladher, says, “Momentum investing can be rewarding if you can master the use of the indicators available. The strategy can work both ways—you can ride the bull markets as well as benefit from market declines.”

As anyone driving a car knows, he needs to slow down to change the direction. Likewise, the speed at which a stock is moving up or down will reduce before the final turnaround. The momentum indicators help you capture this reduction in speed. However, a stock that is losing momentum need not necessarily result in a turnaround. Just as a car can slow down, but then accelerate again, so should a loss in momentum be considered as an indication of a possible turnaround.

Rate of Change

The rate of change (RoC) indicator is a basic momentum oscillator, which measures the speed at which the stock price is changing within a defined time period. It calculates the percentage change between the most recent stock price and the price that existed ‘n’ periods ago. When plotted as a trendline, it forms an oscillator that fluctuates above and below the zero line as the RoC moves from positive to negative.



The chart plots the 10-day ROC of the Nifty (as percentage change). The red circles indicate the points where the fall in ROC has signalled a downward shift in the Nifty, while the green circle shows where the rise has signalled an upward shift.

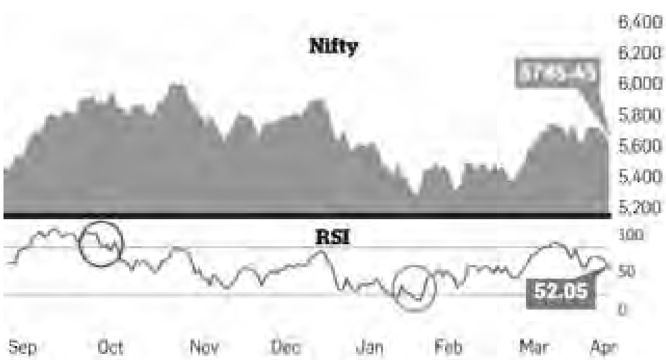
A value greater than zero indicates an increase in upward momentum (spike in RoC reflects a sharp uptick in price) and a value less than zero suggests an increase in downward pressure (plunge in RoC reflects a sharp fall in price). However, this indicator can be misleading if used in isolation. It should be used in combination with other momentum indicators.

Trading Volume:

Another indicator to be considered is the trading activity around the stock, which is represented by its trading volume. The stocks that are adequately supported by strong volumes can be assured of continued interest, at least in the near term. Low trading volumes, on the other hand, indicate lack of interest in the security and, therefore, a lack of momentum. Usually, momentum investors prefer to buy stocks that are rising with high volume and sell stocks that are falling with high volume.

Relative Strength Index

The RSI compares the magnitude of recent gains to recent losses. It is calculated by using the formula, RSI=100-100/(1+RS), where RS is the average price for ‘x’ days when the stock closes up divided by the average price of ‘x’ days when it closes down. RSI ranges from 0 to 100 and a stock is considered to be overbought when this value is above 70, and oversold when it is below 30.



The chart plots the 14-day RSI of the Nifty. The red circle shows the sell signal given by the RSI, where the line cuts the overbought level from above. The green circle shows the buy signal, where the line cuts the oversold level from below.

However, these are not considered as buy or sell signals because the stock may continue to move, taking the RSI to much higher/lower levels. Like other indicators, a signal is generated when a stock loses its momentum and turns around. In this case, RSI crossing the 70 mark from above is considered a a sell signal and crossing the 30 mark from below is considered a buy signal.

9) Arbitrage Opportunities with Algo Trading:

In economics and finance, arbitrage is the practice of taking advantage of a price difference between two or more markets: striking a combination of matching deals that capitalize upon the imbalance, the profit being the difference between the market prices. In the Indian markets, we have the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). It is quite feasible, technically to buy the scrip on one exchange and sell the scrip at a higher price on the other exchange. With the aid of algorithms or algo trading this can become a safe strategy, because there is a near simultaneous purchase / sale and a neat profit minus brokerage can be earned. This option can be tried in case of high value high volume scrips. However, most traders / brokerages with access to algo trading would be using this alternative resulting in fewer arbitrage opportunities.

10) Investments in Gold Deposit Scheme:

The government of India is very keen to unlock the gold in the vaults of temples and households and has hence announced a gold deposit scheme. The initial scheme launched in 1999 controlled by SBI, was not attractive for the retail investor and was aimed at only trusts, firms, HUF’s with no upper ceiling. The interest payable was in rupees and was a very low rate, thus unattractive to any segment. In the modified scheme launched in the year 2015, the interest rate on gold deposits will be decided by the banks. Both principal and interest, will be ‘valued’ in gold. In other words, if a customer deposits 100 gms of gold and gets 1 percent interest, then on maturity he will

Table 4: List of Arbitrage Opportunities

	Arbitrage Opportunity As of 23-Jul-15				
Sr No	Company	NSE Price	BSE Price	Difference	Difference
		in	in	in	in %
1	Hinduja Foundries	34.5	31.75	2.75	8.66
2	Zenith Exports	68.3	63	5.3	8.41
3	Orient Press	65	61.6	3.4	5.52
4	Times Guaranty	21.1	22.15	1.05	4.74
5	Upper Ganges Sugar	39.95	38.15	1.8	4.72
6	TCI Developers	388.8	371.45	17.35	4.67
7	Zodiac-JRD-MKJ	60	62.7	2.7	4.31
8	Asian Hotels (West)	113.9	109.25	4.65	4.26
9	Rajvir Industries	50	48	2	4.17
10	Vardhman Polytex	49.5	47.6	1.9	3.99
11	Allsec Tech.	33.55	32.4	1.15	3.55
12	Filatex India	35.65	34.6	1.05	3.03
13	Ruby Mills	306	314.9	8.9	2.83
14	Nahar Ind.Enterprise	55.5	54	1.5	2.78
15	Minda Corporation	85	87.4	2.4	2.75
16	Remsons Inds	36	35.1	0.9	2.56
17	V-Mart Retail	544.6	548.9	4.3	0.78
18	Savita Oil Tech	622.5	637.1	14.6	2.29
19	Seshasayee Paper	205.6	210.2	4.6	2.19
20	Xpro India	52.95	51.85	1.1	2.12
21	Advani Hotel&Resorts	59	57.8	1.2	2.08
22	Sandesh	555.25	566.05	10.8	1.91
23	Sreeleathers	200	196.55	3.45	1.76
24	Genesys Intl. Corpn	67.2	68.4	1.2	1.75
25	NIFETF	90	88.5	1.5	1.69
26	Gandhi Spl. Tubes	251.2	255.5	4.3	1.68
27	ICICIPRUGETF	2411	2450.45	39.45	1.61
28	Kothari Products	217.4	213.95	3.45	1.61
29	EIH Associated Hotel	230.1	226.6	3.5	1.54
30	Uniphos Enterprises	43.7	43.05	0.65	1.51
31	Superhouse	197.6	200.6	3	1.5
32	Bombay Rayon Fashion	129.6	131.5	1.9	1.44
33	Balkrishna Inds.	692.55	682.75	9.8	1.44
34	Rane Engine Valve	512	505.1	6.9	1.37
35	Bharat Gears	79.1	78.05	1.05	1.35
36	IVP	76	75	1	1.33
37	Panama Petrochem	76.25	77.25	1	1.29
38	Eimco Elecon (India)	607.5	615.45	7.95	1.29
39	Kewal Kiran Clothing	2190.5	2218.7	28.2	1.27
40	Hubtown	109.75	108.4	1.35	1.25
41	Zodiac Clothing Co	321	325	4	1.23
42	Weizmann Forex	295.7	292.15	3.55	1.22
43	Uniply Inds	106.6	107.9	1.3	1.2
44	Greenlam Industries	340	336	4	1.19
45	Kalyani Investment	2443	2472.1	29.1	1.18

46	Motilal Oswal Mutual	81.1	82.05	0.95	1.16
47	Auto.Axle	642.25	649.65	7.4	1.14
48	Harita Seating Sys	188.1	186.05	2.05	1.1
49	Future MarketNetwork	13.9	13.75	0.15	1.09
50	Spice Mobility	23.5	23.25	0.25	1.08
51	Kernex Microsystems	45.7	46.2	0.5	1.08
52	Asian Hotels (East)	173	171.15	1.85	1.08
53	Technocraft Inds	182.8	180.9	1.9	1.05
54	V2 Retail	71.55	72.3	0.75	1.04
55	Dhanuka Agritech	605	611.35	6.35	1.04
56	Summit Securities	288.9	286.05	2.85	1
57	Bannari Amman Spg	207.9	210	2.1	1
58	India Motor Parts	745.5	738.25	7.25	0.98
59	Indian Bank	134.95	136.25	1.3	0.95
60	P&G Hygiene	6308.9	6367.95	59.05	0.93
61	TIL	782	774.8	7.2	0.93
62	Bharat Rasayan	1190	1201.1	11.1	0.92
63	Sterling Tools	363.4	366.75	3.35	0.91
64	Themis Medicare	171.2	172.75	1.55	0.9
65	Shoppers Stop	408.8	412.5	3.7	0.9
66	Navin Fluorine Intl	1088	1097.65	9.65	0.88
67	GRP	1044	1053.15	9.15	0.87
68	Minda Industries	558	553.2	4.8	0.87
69	Sobha	360.25	363.35	3.1	0.85
70	TD Power Systems	306.6	309.2	2.6	0.84
71	Rane Holdings	642	636.65	5.35	0.84
72	Muthoot Finance	197.65	199.3	1.65	0.83
73	Sagar Cements	460.1	456.3	3.8	0.83
74	Dhunseri Investments	147.3	146.1	1.2	0.82
75	Cimmco	90.75	91.5	0.75	0.82
76	State Bank Of Mysore	469.05	465.3	3.75	0.81
77	Aro Granite	55.6	56.05	0.45	0.8
78	Asahi Songwon Colors	143.5	144.65	1.15	0.8
79	OCL India	514.9	510.8	4.1	0.8
80	DIC India	520.7	524.85	4.15	0.79

have 101 gms. Minimum quantity of gold that can be deposited is proposed to be set at 30 grams, so that even small depositors are encouraged. Gold can be in any form - bullion or jewelry, but in case of jewelry format the gold would be converted into pure gold by melting the ornaments in the presence of the customer. The redemption of gold can be in terms of gold or rupees. The Gold deposits donot attract capital gains tax and wealth tariff.

The advantage to the investor is that he will be free from the risk of protecting his physical gold investments, which hitherto was kept in bank lockers. If the bank locker gets stolen, then there is no liability cover for the same. In October 2014, thieves dug 125-feet tunnel & robbed 77 bank lockers in the Gohana branch of Punjab National Bank in the state of Haryana. The interest being generated by the gold is also welcome as otherwise the returns on gold investments were only with increase in its value.

CONCLUSION

Stock Markets have been attracting billions of dollars of investments and millions of participants and an entire industry involving brokerages, media, funding institutions look forward to the growth of these markets to protect their earnings. No other speculation driven industry is as well entrenched as the stock markets and hence the longevity of these markets. With strict governmental controls and regulatory bodies like SEBI (Securities and Exchange board of India) the chances of a catastrophic default of the stock market institution can be ruled out. Although there are no systemic risks, the investor and the trader should be better advised to calculate the potential losses that he may suffer in case his bet goes wrong and the implications of such a loss. Only when he is convinced that he is in a position to weather the potential losses should he consider the high risk high return world of the stock markets.

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Micro – Money – Manifold Through Financial Inclusion

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Abstract

Banking industry has shown tremendous growth in volume and complexity in last few decades. But banks have not been able to include vast segment of the population especially the underprivileged section of the society. So many strategies have been designed for financial inclusion of the poor and disadvantaged. Mudra bank, Atal pension Yojana, Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Bima Yojana, Vidya Lakshmi Karyakram, Atal Innovation Mission are some elements in Union Budget 2015. Under these schemes, credit is made available to low income group at a cheaper rate, insurance policies are offered at a very low premium, re-finance facility is given to micro finance institutions, money transfer through mobile and many more facilities are offered to low income groups. Crores of rupees have been spent by government to implement the goal of reaching each and every person in the country for providing them financial benefits. Reduction of gap between rich and poor is the key to success of economic development in any country. Financial inclusion has become a buzzword for all these strategies. For a country to grow, the need and aspirations of all section of the society should be in limelight and financial inclusion is the first step in the journey of thousand miles. An attempt has been made in this paper to highlight the importance of financial inclusion and the role of micro finance institutions and government in achieving that goal. The findings of this paper will give vital insight to regulatory authorities for improving the system for improving the living standard of still untouched section of the society.

Keywords: *Union Budget, Financial Inclusion, Micro Finance Institutions, Government, Banking Industry*

INTRODUCTION

Financial inclusion is delivery of financial and banking services at affordable costs to low income and disadvantaged section of society. It is mainly done to ensure growth of the economy. Through self-help groups and nationalization of banks still we are in the face of financial inclusion. Micro Finance institutions have developed products to cater the needs of low income group in the society for example mobile banking, micro insurance, lending without collateral etc. It involves small amount of money like small credit, small savings and small finance. Financial literacy helps in making them realize the importance of savings for future investments. It gives a transformation from "maintaining

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everyday survival" to "sustaining by planning and organizing for future". By improved services, the rate of illiteracy can be reduced; further amount can be spent on nutrition to benefit the society with health and wisdom.

FINANCIAL INCLUSION

Financial inclusion helps the low income group access to affordable financial services like insurance, banking and credit and the absence of these services act as a constraint to growth of any economy.

Challenges in Financial Inclusion:

- Illiteracy
- Improper Infrastructure
- High cost of administration
- Lack of awareness
- Language problem
- Obsolete Technology

Importance of Financial Inclusion:

- Neglected segments of society get access to financial services like saving, insurance, fund transfer, credit
- Development of economy as a whole
- Enhance standard of living of people
- Poor section is not deprived of basic amenities like education, health care, shelter, insurance etc.
- Mobile banking and money transfer through mobile has contributed a lot to economic progress for the poor people especially in rural areas.

INITIATIVES AND PROGRESS OF FINANCIAL INCLUSION

Various steps were initiated by the Govt. of India, Reserve Bank of India (RBI), National Bank for Agricultural and Rural Development (NABARD), various commercial and regional rural banks, Non-Governmental Organizations (NGOs) and state governments. Some of the steps and the achievements registered are discussed as follows:- (Sangmi)

i) No Frills Accounts: RBI advised all banks in the country to make available a basic "No Frills" account with no or very low minimum balances and minimum charges to make such accounts accessible and affordable to vast population of the country.

ii) Easier Credit Facility: Banks have been asked to introduce Credit Card facility in the nature of revolving Credit up to Rs. 25,000 without insisting on security / collateral especially in the rural areas. In this direction, the scheme of Kisan Credit Card was launched which achieved tremendous progress in the country

iii) Simplify KYC norms: The banks have been advised to observe the new simplified Know your customer (KYC) norms for opening accounts. The relaxed norms are applicable to those balances not exceeding Rs 50,000, credits thereto not exceeding Rs 100,000 in a year and all withdrawals and transfers in a month does not exceed rupees ten thousand.

For this purpose, the banks have been directed to treat Ration Card, PAN Card, identity Card, NREGA card, Aadhaar Card etc. as address proof.

iv) Electronic Benefit Transfer through Banks and NREGA payments: In order to encourage banks adopt information technology, the RBI has reimbursed the cost of opening accounts with biometric access/smart cards. The payments to beneficiaries under NREGA are required to be routed through banks. 'Opening of accounts of poor rural households provide an immense opportunity to bring the NREGA beneficiaries into the fold of the organized banking.

v) Branch and ATM Expansion: RBI in its new Branch Authorization Policy has totally freed the location of branches and ATMs by the banks in towns and villages with a population less than 50,000. Thus under this policy, branch expansion has been taken up in a big way and network expanded exponentially.

vi) Development Fund and Technology Fund: As to bring, the vast hitherto excluded and vulnerable sections into main stream of banking initially is a herculean task, the committee on inclusive finance suggested to set up supporting funding for promotional and developmental initiatives for the purpose of creating an institutional support structure. Based on the recommendations of this, Govt. of India in collaboration with RBI and NABARD constituted two funds viz. Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF). The FIF for meeting the cost of developmental and promotional interventions of the financial inclusion and FITF to meet the cost of adoption of the technology.

vii) Business Correspondent: Recognizing the divide between the poor people and the organized financial system, banks were permitted to use the services of individuals, non-governmental organizations (NGOs), micro finance institutions, retired bank employees, ex-serviceman etc. as agents to outreach financial services to un-bankable population of rural areas. These agencies are called Banking correspondents. Banking correspondent (BC) with internet Kiosks at villages as well as armed with mobile phones with back-end interface are used extensively. Under this model, a BC goes home to home in a village and collects small savings from villagers on behalf of a bank. If they want to withdraw from their accounts, the same BC gives them the money as required by them. Thus BC acts as a mobile bank branch for the villagers.

viii) Common Service Centers: The common service centers (CSCs) are ICT enabled front end service delivery points at the village level for delivery Government, financial, social and private sector services in the areas of agriculture, health, education. Entertainment, banking, insurance, pension, utility payments etc. A typical CSC is enabled with a PC, printer, scanner, UPS, digital/ web camera and broad connectivity. Under PPP mode, the CSC envisages a three tier structure consisting of the CSC operator (called Village level entrepreneur/VLE, the service center agency (SCA), and a State Designated agency (SDA) identified by the state govt. to manage it in the state. Services offered by CSCs include-Account opening, Deposit/ withdrawal in account, NREGA's wage payment, govt. pension distribution, Loan for farm equipment and house, Micro finance for small ventures, loan recovery, etc.

ix) Financial Literacy: Setting up credit counseling and financial education and multilingual website in different Indian languages on all matters concerning banking and the common person by RBI is a step further in the direction of financial literacy. Moreover, in every state, the RBI has advised the Convener Bank of each state level bankers committee (SLBC) to set up a financial literacy-cum-counseling center in any one district on a pilot basis, and then extending the facility to other centers in due course. In this center full information regarding banking, insurance and other financial services is provided to the general public who later this for their financial decision making. This program has been launched a few years ago in all states and now lot of seminars, symposia, is conducted in all states. The media strategies through TV and community Radio programs have improved the financial literacy of the citizens.

x) Development of Micro Insurance Products: These products are tailored to the needs of low income families by promoting insurance coverage among economically vulnerable sections of society. Micro insurance policy is general or life insurance policy with a sum assured of Rs. 50,000 or less. Micro insurance products can be distributed through non-government organizations, self-help groups or micro finance institutions, urban co-operative banks, banking correspondents and individual owners of kirana stores, public call offices and fair-price shops.

The regulator has proposed that all micro variable life insurance products shall have a lock-in period of five years from the date of inception of the policy during which period surrenders are not to be allowed, but partial withdrawals may be permitted subject to above reports.

Micro Finance

Micro Finance is a tool used for financial inclusion. Micro Finance companies offer small scale financial services in saving and credit forms to poor in rural, semi urban and urban areas. These funds are provided to poor people for starting new business, smoothening consumption, medical emergencies and self-empowerment through innovative ways. There are around 3000 Micro Finance companies and NGOs in India.

Importance of Micro Finance

- Profitably large outreach
- Unmet financial demand of the poor is met on a larger scale.
- The poor, women, unemployed and illiterate people get chance to reveal their potential and unleash their creativity.
- Poorest of poor people can be targeted under micro finance.
- Critical market information on real time basis is provided to poor and farmers based on which they can make important decisions raising their livelihoods.
- Individual acquiring micro credit will initiate upward social mobility through entrepreneurial endeavors getting a chance to improve their situations by raising their income and welfare.
- It accelerates consumption levels and further reduces the need to sell basic assets to meet basic needs.
- Sudden expenses of illness and death can be met with micro insurance.
- Micro Finance has played an important role especially in the empowerment of women in the society making them self-confident and assertive, being able to negotiate the public sphere, improving their status in the society.

RESEARCH METHODOLOGY

Need of the Study

The purpose of the study is to help the researcher in different ways such as:

- Understanding the deep rooted concept of and relationship between Financial Inclusion and Micro Finance
- Analyzing the impact of Financial Inclusion in the progression of society
- Evaluating the role of Micro Finance in Financial inclusion for the development of the economy
- Discovering further recommendations to help micro finance become a major contributor for the

economy's success

Limitations of the Study

- Limited access to internal data of institutions contributing to micro finance and financial inclusion
- Limited acceptability & awareness of people whose opinions were taken as a part of the study [As a result of the concept being at a niche level in spite of so many advancements in policy guidelines]
- The study could be completed with a sample size of only 60 respondents. This leaves further scope for this research to be taken ahead

Data Collection

Through this research, the author has endeavored to set forth an evaluative research strategy to be acquainted with the current scenario and determine the future development in the field of micro finance and financial inclusion.

The research included both Primary and Secondary data sources. Secondary data was obtained from multiple sources like online articles, journals and reports pertaining to financial inclusion and micro finance. For gathering first hand opinion and information, primary data was collected through a survey undertaken to understand and assess knowledge of Micro Finance and Financial Inclusion.
Hypotheses of the study

H1 : Micro finance initiatives have a significant contribution in bringing about financial inclusion in India

H0 : Micro finance initiatives do not have significant contribution in bringing about financial inclusion in India

Data Analysis

The study has been accomplished with the help of one questionnaire. Based on the survey and data analysis using a sample of 56 respondents following were the results and its interpretations:

- Approximately 68% of the respondents said that they are aware about the Financial Inclusion initiatives in India.
- From them nearly 80% feel that Micro Finance is very important for Indian Economy and RBI is the best agency working toward Micro Finance and Financial Inclusion so far.
- Around 50% respondents feel that Pradhaan Mantri Suraksha Bima Yojana is the best budget initiative as in India we have more working population which would like to be get covered through Suraksha Yojanas.
- Nearly 57% respondents feel that the initiatives have not been very successful as they feel that government should take holistic perspective and for that government should create more awareness programs.
- Around 75% of the respondents say that Mudra bank which is a refinancing institution for micro finance institutions will definitely help government in achieving Financial Inclusion

RECOMMENDATIONS

- Customized products in the form of hybrid insurance product like Medi claim, life insurance with disability benefits should be offered for better penetration into the under privileged section of society.

- A detailed study on the spending and saving habits of people as well as seasonal variations for the same should be carried out. Accordingly, products should be designed to cater to needs of most of the people.

- Awareness programs in the form of easily understandable way (for example: skits, role plays, road shows) should be created.
- In some area of India especially rural areas, collateral is a must to acquire loans so it becomes difficult for poor people who can't afford to arrange collateral and have to approach private money lenders for money; making their financial conditions worsen further.
- Payment banks can be brought under the purview of micro finance institutions. Micro loan facility can be granted through payment banks as well as micro insurance products can be attached to payment banks through different schemes while transferring money.

CONCLUSION

The scale and spread of micro finance is very limited in India. Micro Finance has to move forward proactively not only as a means of financial inclusion but has to work towards reducing dependence of poor on informal source of funds. Bringing banking and financial services to unbanked and poor people is a biggest challenge and micro finance is the key to success. Customized products after studying the saving and spending habit of people can be developed for improving the reach of micro finance. Innovation and technology can lubricate the wheels of financial inclusion by increasing the pace and reducing cost. Financial inclusion is priority goal of micro finance sector and lots of efforts have been put by government in this area for greater success of the initiative in future. The government has been proving for the past few years that it is very keen to bring many untapped areas under financial inclusion for boosting the growth of Indian economy. Now, it is a collective responsibility of individuals, businesses and society in adding value to the initiatives taken.

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ANNEXURE

Questionnaire :

1. Do you know about micro finance initiatives in India?
   1. Yes
   2. No

2. How important is Micro Finance for Indian Economy?
   1. Very IMP
   2. Average
   3. Not IMP

3. Which is the best agency working towards MF and FI so far?
   1. RBI
   2. SEBI
   3. IRDA

4. Which is the best budget initiative so far on MF & FI?
   1. Atal pension Yojana
   2. Pradhan Mantri Suraksha Bima Yojana
   3. Mudra Bank

5. How successful have the initiatives been so far?
   1. High
   2. Average
   3. Low

6. How can initiatives be made more robust?
   1. Awareness
   2. Government Announcement
   3. Risk Management initiatives

7. Can 'Mudra Bank' type of initiatives help government in achieving FI?
   1. Yes
   2. No

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Infringement of Copyright in Academic Research with Special Reference to Plagiarism: Causes and Consequences

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After 1st January, 2009 teachers' promotion in higher education system is based on research and academic contribution. In order to generate Academic Performance Indicator (API) as per 6th pay University Grants Commission (UGC) guidelines, teachers have to be more cautious as borrowing contents from copyrighted works of others may ruin their academic career. Hence the present article is juxtaposing the Copyright and Plagiarism in the light of Indian Copyright Act, 1957.

Copyright literally implies right to copy. Copyright is a unique kind of intellectual property. The right which a person acquires in a work, which is the result of his intellectual labour, is called copyright. It is an incorporeal right, being the exclusive privilege of printing, reprinting, selling and publishing his own original work, which the law allows an author (Wadehra, 2011). Copyright as defined in the Oxford Dictionary as the exclusive and assignable legal right, given to the originator for a fixed number of years, to print, publish, perform, film, or record literary, artistic, or musical material. The statutory definition of Copyright is given under Section 14 of Indian Copyright Act, 1957 which means the exclusive right to do or authorize other(s) to do certain acts in relation to literary, dramatic or musical works; artistic works; cinematograph film; and sound recording. Indian Copyright law protects original literary, dramatic, musical and artistic works; cinematograph films and sound recording. The present article is restricted to literary works. Literary work as defined under Section 2(o) of Indian Copyright Act, 1957 includes computer programmes, tables and compilations including computer [databases]. Section 51 of Indian Copyright Act, 1957 deals with acts which constitute infringement of Copyright whereas Section 52 of the same Act, 1957 lays down certain exceptions to infringement of Copyright. Sub-section (a) of Section 52 of the said Act permits a fair dealing with a literary, dramatic, musical or artistic work not being a computer programme, for the purposes of private use including research and criticism or review, whether of that work or any other work.

Further under Sub-section (h) of the same Section the Statute permits the reproduction of a literary,

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dramatic, musical or artistic work by a pupil in the course of instruction; or as part of the questions to be answered in an examination; or in answers to such questions. At the outset it seems that these statutory exceptions clearly make borrowing of copyrighted material for ones study or research an act not constituting infringement. Here, arises a question of Plagiarism? Whether or not it is Plagiarism, as the Copyright Act is silent about Plagiarism and does not even define it.

"Thou shalt not steal, but paraphrasing is OK" – King James Bible, Teacher's Edition.

The word 'Plagiarism' comes from Latin word 'plagiare' which means 'to kidnap' or 'to abduct'. According to Oxford Dictionary, Plagiarism can be defined as taking someone else's work or pretending it to be your own work. Infringement of Copyright is often confused with Plagiarism even though the former being a legal issue and latter an ethical issue. Plagiarism *per se* is not illegal in India under any law whatsoever. It is only when plagiarism constitutes infringement of copyright that it becomes illegal.

Infringement v. Plagiarism:

Infringement and Plagiarism are distinct and may not occur simultaneously. This is partly because copyright generally subsists in an original literary, dramatic, musical, and artistic works for life of an author and only sixty years thereafter, while the right of an author to be attributed for his work is perpetual (Sakia, 2011). In case of a work of joint authorship, the term of sixty years shall be computed from the date of the author who dies last (Indian Copyright Act, 1957). In the case of cinematograph films, sound recordings, photographs, posthumous publications, anonymous and pseudonymous publications, works of government and works of international organizations, the sixty years period is counted from the date of publication (Kaushik, 2010).

As such, if a copyrighted work is plagiarized in a manner violating Section 14 of the Indian Copyright Act, possibly through an exact reproduction, then both plagiarism and infringement occur simultaneously. As a corollary, the plagiarism of a work more than sixty years after the death of its author does not involve copyright infringement.

Further, infringement may take place without plagiarism occurring (Capusan, 2013). For example, the unauthorized, substantial reproduction of a copyrighted work is copyright infringement even if its author is credited. As long as the author is credited, there is no plagiarism. However, according credit does not negate the commission of copyright infringement (Sakia, 2011).

Concerns and Causes:

Infringement of Copyright	**Plagiarism**
Researchers and writers in general are not aware of laws governing copyrights and acts constituting infringement there under.	Plagiarism is mainly due to vast amount of data/information available on web and such availability being free, cheap and handy at one click of button.
Copyright infringement is basically committed under the garb of plagiarism.	Plagiarism is like law of passing off and often pleaded as just borrowing of idea etc.

One of the fundamental causes of committing infringement particularly in academic research is expensive reference material especially in India.	Writing skills, creative thinking, meticulous guidance etc are some of the main causes in India which lead to Plagiarism.
Copyright infringement may arise from copying of constituent elements of the work.	Plagiarism is taking credit for the efforts of another.
Copyright infringement is illegal and is an offence under Indian Copyright Act for which punishment is prescribed under the said Act (Kaushik, 2010)	Plagiarism though is an offence against the author there is no law governing plagiarism in India, it is only violation of academic norms for which the punishment differs from institutions to institutions.
Copyright infringement can be seen commonly across all fields/streams/businesses et al.	Plagiarism is often seen more in academics. (James, 2004)
There is legal remedy for copyright infringement that means infringer can be sued in the court of law (Capusan, 2013)	There is no adequate and satisfactory legal remedy as such and one cannot sue another for plagiarism in India. (Roma Mitra Vs State of Bihar, 2000)
In copyright infringement there is no question of acknowledgement or accreditation being attributed to original author.	It leads to Plagiarism when acknowledgement or accreditation is not attributed to original author (Capusan, 2013).

Consequences:

Infringement of Copyright	**Plagiarism**
Action has to be initiated against the infringer by the author/owner of work in which copyright subsists in case there is infringement.	The plagiarist may face consequences irrespective of any complaint or other action taken by the original author.
Copyright being a bundle of rights viz. moral rights, economic rights etc. each of these rights may be infringed independently. Though the types of rights depends upon the nature of work. (Wadehra, 2011)	No question of rights in case of plagiarism even though there are different ways of plagiarizing ranging from taking extracts, sentences, paraphrasing to verbatim. (Bansal, 2008)
Both the civil and criminal remedies are available to copyright owner in case of infringement. Civil remedies includes injunctions, damages and account of profits whereas under criminal punishment prescribed is imprisonment for six months with minimum fine of Rs. 50,000/-. In case of second and subsequent conviction the minimum punishment is imprisonment for one year and fine of Rs. One lakh as per Indian Copyright Act, 1957.	In academic setting plagiarism is often handled by the individual instructors and the academic institution involved. Punishment prescribed may involve doing the assignment again, grade reduction, fine, warning or suspension for first time plagiarist whereas in serious cases or repetitive instances it may lead to expulsion from university or rescission of a degree. (Bansal, 2008)

Hence it is clear that reference to someone's work may either lead to infringement of copyright or plagiarism. However this is not the case if the concerned act/s fall within the exceptions laid down in Copyright Act, 1957, which is "Fair use" of copyrighted works for educational activities. The exception is laid under sub-section (1) of (52) of the said Act which reads as:

The following acts shall not constitute an infringement of copyright, namely:-

(a) A fair dealing with a literary, dramatic, musical or artistic work [not being a computer programme,] for the purposes of-
   (i) Private use, including research.
   (ii) Criticism or review, whether of that work or of any other work.

Further under the clause (h) of sub-section (1) of the same section provides that the reproduction of a literary, dramatic, musical or artistic work-
(i) By a teacher or a pupil in the course of instruction; or
(ii) As part of the questions to be answered in an examination; or
(iii) In answers to such questions.

The words "private use including research" implies that a person will not be infringing copyright while conducting research or for his private study if he deals fairly with the literary work. However such dealing shall not involve any publication (Kumar, 2005). Private study covers the case of a student copying out a book for his own use and not the circulation of copies among other students. The Act is silent on the meaning of word "Research". The Indian courts provide that a review may summarize the original work and present it for perusal to a third person so that such person may get an idea about the work; a criticism may discuss the merits and demerits of the work and a guide may seek to enable students of the original work to better understand it from the point of view of examinations, but verbatim copying cannot be provided any shield under the copyright regime (Sharma, 2009). However, rigid copyright legislations aiming exclusively to bring commercial benefits to copyright holders without considerations to other social issues are counter-productive (Reddy, 2012).

It is nonetheless true that the literary work created by scholars/researchers shall be rewarded for their intelligence and hard work but at the same time others shall not be allowed to take undue advantage in terms of commercial benefits. On the other hand the same work shall be made available to the students, researchers and others without infringing on their right of being the creators of such work. The copyright legislations protect the rights of the creators while access to information is provided under Section 52(1) of the Indian Copyright Act, 1957 - the exception. (Goel, 2011)

CASE STUDIES

Fareed Rafiq Zakaria Case (Haughney, 2012)

Fareed Rafiq Zakaria is an Indian born American journalist and author of *Newsweek* and editor of *Newsweek International*. He is the host of CNN's Fareed Zakaria GPS. He is also a frequent commentator and author of issues related to international relations, trade and American foreign policy. He was suspended for a week in August 2012 while *Time* and *CNN* investigated an allegation of plagiarism involving an article "The case for gun control", with similarities to a *New Yorker* article by Jill Lepore. In a statement Zakaria apologized "unreservedly", saying that he had made a "terrible mistake". Six days later, after a review of his research notes and years of prior commentary, *Time* and *CNN* reinstated Zakaria. Time described the incident as "isolated" and "unintentional", and *CNN* said, "We found nothing that merited continuing the suspension…Zakaria has apologized for journalistic lapse. In yet another instance Zakaria was criticized for giving a commencement speech at Harvard that was very similar to the one he had earlier given at Duke.

Sutapa Bhattacharya Case

High Court of Patna; Criminal Miscellaneous No. 31757 of 2000
(Roma Mitra Vs State of Bihar, 2000)

Sutapa Bhattacharya obtained a PhD in 1988 under the Guidance of Roma Mitra from Bhagalpur University, Bihar. After PhD she permanently settled in Calcutta, West Bengal. In 1992 a book was published by her guide Roma Mitra. In April 2000 during a visit to Bhagalpur, Sutapa Bhattacharya came across the book and found it to be virtually copied from her PhD thesis. She filed a criminal complaint for cheating and infringement of copyright against Roma Mitra and publisher of the book. After conducting an inquiry the Judicial Magistrate First Class, Bhagalpur took cognizance of the matter. However, Roma Mitra approached the Patna High Court against the order of cognizance and made the following few among others arguments:

1. Roma Mitra had not exactly copied from the thesis of Sutapa Bhattacharya. Further, "in a case of a guide and disciple, the allegation of copying from the thesis by the guide cannot be applicable unless it is a case of exact copying from the thesis".
2. The thesis was prepared under the guidance of Roma Mitra who had allowed Sutapa Bhattacharya to access certain unpublished manuscripts [presumably, written by Roma Mitra herself] in order to prepare the concept of thesis.
3. Sutapa Bhattacharya adopted the ideas, language and expression of Roma Mitra to some extent while conducting the research for her thesis and while writing it.
4. Roma Mitra had published extensively on the Subject even prior to the preparation of thesis.

The High Court set the order aside as it was barred by limitation.

Soumitra Kumar Bera's Case
(North-Eastern Hill University, Shillong, 2010)

Soumitra Kumar Bera was admitted to Department of Economics as PhD scholar in 2010 with North Hill East Hill University (NEHU), Shillong. He was found to be plagiarizing blatantly. He also writes that he is a PhD from NEHU in one of his papers at MPRA which is false information. The RePEc Plagiarism Committee has published Soumitra Kumar Bera's plagiarism case and his in the list of RePEc plagiarism offenders. NEHU took Bera's academic misconduct very seriously. His guest lectureship in the Dept. of Information Technology, NEHU – that Mr. Bera had managed to obtain with his CV proclaiming his publications at MPRA and SSRN – was terminated with immediate effect. His admission to research program was also cancelled banning his admission to any other academic program for the next five years.

CONCLUSION AND SUGGESTIONS

There is a thin demarcation between copyright infringement and plagiarism – one has to be very careful while dealing with works of others - such dealing shall be Fair. It can also be concluded that the exception given under Indian Copyright Act, 1957 have been framed keeping in mind the public interest by making available of vast educational material to general public as well as to the research students, scholars et al. As far as plagiarism is concerned higher education institutions shall take the call of the situation and come out with suitable guidelines to reduce such violations by taking the extensive help of Information and Communication Technology (ICT). In today's technological era a number of plagiarism detection software are available such as ithenticate, duplichecker, turnitin etc. more so these are free of cost, user friendly and very quick, hence these shall be used to detect plagiarism. Also Universities, higher educational institutions, teachers, guides shall insist on detailed and acceptable forms of bibliographies, references, citations etc. which would be the first honest step towards fair dealings with the works of others. Guidelines framed by a particular institution under which a researcher or scholar is enrolled shall be strictly adhered to. Even guides or teachers shall be vigilant and make sure that the student and researchers are honest and fair to the works of others.

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Brand Concept Maps New Technique to Exploring Celebrity Brand Association

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Abstract
John, Loken, Kim and Monga (2006) offered a "brand concept map" (BCM), which identified important attributes associated with a brand, showing how these attributes are interconnected and conjured in consumers' minds. Applying "the Brand Concept Map" (BCM) method. Understanding brand equity involves identifying the network of strong, favorable, and unique brand associations in memory. This article introduces a methodology, Brand Concept Maps, for eliciting brand association networks (maps) from consumers and aggregating individual maps into a consensus map of the brand. Consensus brand maps include the core brand associations that define the celebrity brand' and show which brand associations are linked directly to the celebrity brand, which associations are linked indirectly to the brand, and which associations are grouped together.

Keywords: *Brand Concept Map, Brand Association, Celebrity Brand, Brand Equity*

INTRODUCTION

India is a country where people love to live in dreams and some even build castles in the air. The people watch films as their source of entertainment and watch sports They worship celebrities. Cricket and Movies are practiced as religions in India. Celebrities which might be cricket stars like Sachin Tendulkar Sania Mirza M.S. Dhoni or Film Stars like Shah Rukh Khan Etc.The people treat them as God and give a lot of importance to what these celebrities wear, the way they talk, their statements and style of fashion. Marketers use this very preposition so as to influence their target customers may be existing or potential ones They believe that by doing this they can associate their products with their target customers.

Consumers usually have a relationship with a specific brand based on their emotional experiences to the symbolic image they associate with the brand. Such emotional attachment and brand images are often an outcome of consumers' prior experience with the brand in conjunction with diverse corporate marketing and communication activities. In the excessively competitive environment that exists

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today, differentiation through brand image has emerged as an important marketing method. To state that consumers develop associations about product brands is well accepted in marketing. Surprisingly, research has failed to explore the unique associations consumers link to human brands, such as celebrities. Studies in the celebrity endorsement literature have highlighted that the effectiveness of an endorsement is reliant on the match-up between the celebrity's image and the endorsed brand's image (Kamins 1990; Misra and Beatty 1990; Kamins and Gupta 1994). However, research has not been directed towards identifying the sources of human brand equity in terms of the unique associations that create a celebrity's brand.

According to Keller (1993), brand image refers to the set of associations linked to the brand that consumers hold in their memory. Similarly, brand association is defined as "anything 'linked' in memory to a brand" (Aaker1996). Brand associations help the consumer to process, organize, and retrieve information from memory to aid product choice (Aaker1991). In consumer memory, these usually exist as a network of associations. Therefore, understanding the brand-association structure that is formed in consumers' minds could provide marketers a significant advantage in managing their brand image and brand equity. Accordingly, marketers have used several methods to create a brand association network, in order to administer the brand image effectively, to explore the celebrity brand associations.) Brand Concept Mapping is used.

John et al. (2006) offered a new "brand concept map" (BCM), which delivers a consensus brand map. The BCM method identifies the most important associations in order to show consumers' connection to the brand, and also how these associations are interconnected. BCM can help managers differentiate the perceptions of the various consumer segments. It can aid managers in understanding how the brand is perceived by consumers in general, or by a particular segment as well as how this perception corresponds to the brand positioning, which can help them determine and adjust their integrated communication strategy.

LITERATURE REVIEW

Brand Equity and Brand Associations

According to the customer-based brand equity model, brand knowledge, consisting of brand awareness and brand image, is the key to creating brand equity (Keller 2008). Leveraging Celebrity brand awareness and celebrity brand image, in order to enhance brand equity, is the basis of using human brands. Brand image is defined as "perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller 2008: 51). The brand awareness and are also able to facilitate the transfer of strong, unique and favorable associations onto the brand. Brand awareness for celebrity brands is particularly strong, since by definition they are highly skilled in their chosen field, and because of these accomplishments, they have acquired great public recognition (Pringle and Binet 2005; Cronin 2003). It is the identification of the celebrity brand image component of brand knowledge, i.e. the associations that become linked to a celebrity brand in memory, that are highly important to brand managers in their strategic positioning and they should focus on leveraging the positive and unique secondary associations from the human brand. (Keller 2008).

- Consumer knowledge for celebrity brands may be more limited than product brands since, for example, functional benefits are unlikely in a celebrity brand context. Associations tied to celebrity brands could consist of celebrity attributes, the advertisements they feature in, brands they endorse, attitudes towards endorsements as well as consumers' perceptions of experiences they have had with the celebrity themselves (e.g.,autograph signing, fan clubs, media articles and blogs such as Twitter). The associations that consumers tie to celebrity brands are developed through experiences with the brand and influence consumers' perceptions, preferences, and choices in relation to celebrity brands and the brands they endorse (Aaker1991). Celebrity brand associations are powerful as they can be transferred onto an endorsed brand (McCracken 1989) and may become part of the endorsed brand's association set. This is due to the spreading activation process, whereby several nodes in memory act as triggers resulting in the simultaneous activation of two connected nodes in the memory network (Anderson 1983). Identifying brand associations provides useful information for brand managers to better differentiate and position their brand from competitors, create positive feelings and attitudes towards their brand and aid in the retrieval of brand information (Aaker 1991; Low and Lamb 2000). Prior to selecting an endorser, brand managers should be aware of the unique positive and negative associations tied to the celebrity brand, since these associations can be transferred onto the brand (McCracken 1989), becoming a part of its association set and ultimately influencing its equity.

Brand Concept Maps: A New Technique to Measure Brand Associations

Knowledge of brand associations is essential for marketers, yet the identification and measurement of brand associations has tended to be more artful than precise .One of the first approaches developed to draw out consumer brand associations is ZMET, Zaltman's Metaphor Elicitation Technique (Zaltman and Coulter 1995). ZMET uses qualitative research techniques to identify key brand associations followed by in-depth interviews to uncover links between the brand associations. John et al. (2006) introduced the BCM method, which can help answer the need for a more accessible and standardized method of producing brand maps. The BCM methodology elicits brand-association networks from consumers, and aggregates individual maps into a consensus map of the brand. Consensus brand maps include the core brand associations that define "the brand image, and show which associations are linked directly or indirectly to the brand".The BCM technique produces an aggregated map from a sample of individually-produced maps. Brand maps, or graphical representations of brand associations' networks are particularly useful when trying to understand the links and relations between brand attributes. These brand associations can be based on particular features, logos and usage situations. The networks show the value of the brand to consumers.

Brand network maps are important because they help answer the following questions with regard to brand assessment and protection:

- Brand associations are more or less important?
- Which brand associations are directly linked to the brand and which are indirectly linked o the brand?
- How can stronger associations and inter-connections between associations be built?
- If a brand association changes in the network, how does it affect other associations?

Method

For the present study composed of student from Mumbai A convenience Sample of college student was selected for establishing a BCM, a set of 50 respondents, primarily youth, of an age group of 21-28, completed brand concept maps for the Celebrity brand, Salman Khan.

There are three stages in the creation of brand concept maps:

- Elicitation: The elicitation stage involves eliciting brand associations from respondents and answers the question: What that comes to mind when you think about the Salman Khan Responses are open-ended and retained if stated by at least fifty percent of respondents.

- Mapping: In the mapping stage, respondents use the set of brand associations to make a network map of how they see the brand. Respondents view a concept board which contains a separate card for each association culled from the elicitation stage and are asked to select cards that, for them, represent the brand. Respondents are also able to add concepts that do not appear on the concept board by writing each additional association on a separate card. Respondents then connect the concepts, making a map of the set of concepts selected, using one, two, or three lines to indicate the perceived strength of that connection (where three lines indicate a very strong connection and one line a weaker one). Associations with direct connections to the brand (those that are physically and mentally seen as closest to the brand) are called first-order associations. Associations with indirect connections to the brand, less central to the brand mental map but nevertheless important, are called second-, third-, or fourth-order associations.

14th brand associations were identified; with minimum frequency of word selected were 7. Total 15 participants out 50 were asked to generate their individual concept maps by drawing different types of lines (single, double or triple) between associations to signify the strength of the connections. Selection criteria more than 40 % selected word.

- **Aggregation:** The aggregation stage involves aggregating individual brand maps to produce a consensus map of how respondent see the brand. Two measures, in particular, are used to produce the consensus map: frequency of mention of each association and number of interconnections found between brand associations.

Table 1: STUDY 1: BCM MEASURES FOR SALMAN KHAN

Association	Frequency	Order				Association %		
		I	II	III	Total	I	II	III
Being Human	30	10	2	0	12	83 %	17 %	0
Body Builder	24	6	2	0	12	50%	50 %	0
Dabangg	21	7	4	1	12	58 %	33%	8%
Big Boss	17	7	5	0	12	58%	42%	0
Handsome	14	4	7	1	12	33%	58%	8%
Katrina	13	8	4	0	12	67 %	33 %	0
Ashiwarya Rai	12	5	7	0	12	42 %	58%	0
Smart	12	6	4	2	12	50%	33%	17 %
Revital	11	9	3	0	12	75%	25 %	0
Macho	10	8	4	0	12	67%	33%	0
Rash Driving	8	2	9	1	12	17%	75%	8%
Stylish	8	0	9	3	12	0	75 %	25%
Arrogant	7	6	5	1	12	50 %	42%	8%
Bachelor	7	2	9	1	12	17%	75 %	8%

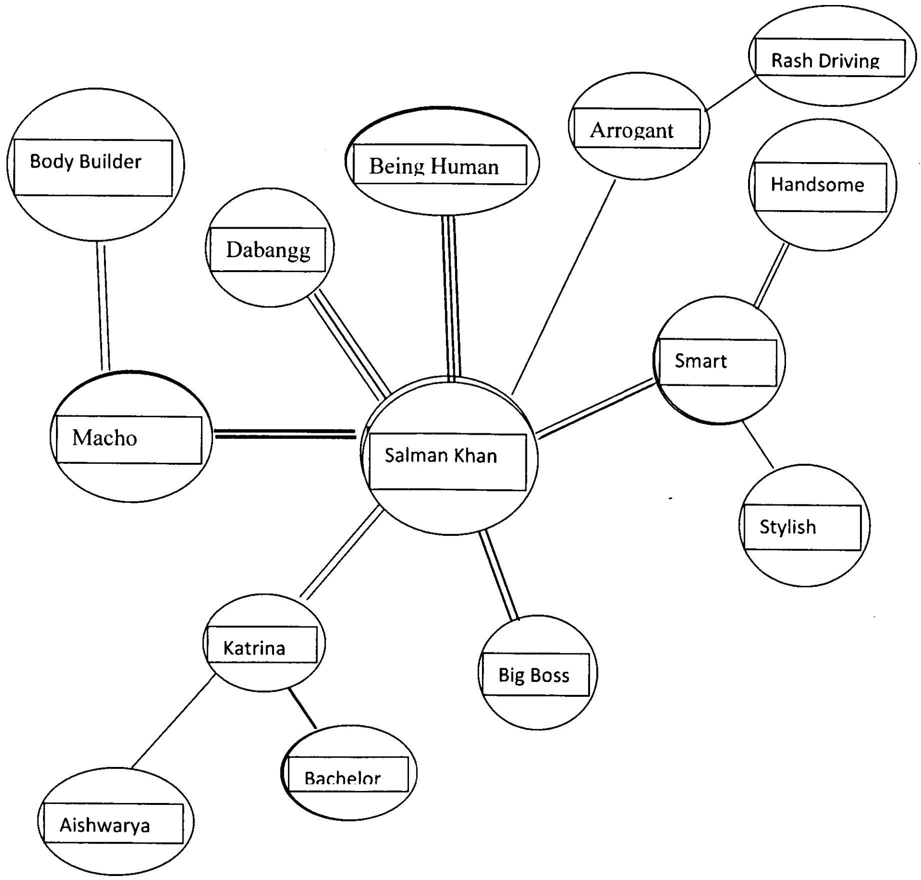

Figure 1 presents the graphical representation of the brand associations for Salman Khan. The nodes in the graph specify the characteristics and items reported to be associated with the celebrity brand and the lines show the interconnections among the nodes, with the thicker lines indicating core associations. Not surprising, the Salman khan node dominates the graph with 8 direct association .Respondents are particular in attributed Salman khan success to creating his own brand: "Well he's successful in what he's made himself. He's branded himself and they think he's one of the highest paid celebrity."

CONCLUSION

A combination of Brand Concept Mapping proves to be a useful technique to elicit, map and aggregate consumer knowledge structures for celebrity brands, providing a holistic view of consumers' perceptions of a celebrity's brand image. Findings from this study identified many factual, concrete attribute associations tied to the Salman Khan brand, such as his career, hobbies and the movies or TV shows in which he has starred. These attributes explain the sources of the celebrity's brand equity.

The results of the BCM provide valuable information on the key Celebrity brand features or attributes that should be focused on to effectively position the brand in future promotional campaigns, providing consistent alignment with consumers' knowledge structures. Results of this study demonstrate that by using a combination of methods, brand managers are able to identify and develop a positioning strategy focusing on the identified strong and unique celebrity brand associations. Thus enhancing the equity of both brands.

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Financial Inclusion: Challenges and Opportunities, An Indian Perspective

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Abstract

India's economic policy since Independence lays emphasis to Financial Inclusion. Financial Inclusion is one of the ways to reduce poverty in the country. Government of India (GOI) as well Reserve Bank of India (RBI) is been taking continuously efforts for the expansion of financial services to the weaker and underprivileged society. This paper is written with the objective of understanding current extend of financial inclusion in India with different models implemented to achieve it . Study is based on descriptive and empirical study of available literature. The finding of the research paper has brought forward challenges, strategies and way forward for Financial inclusion.

Keywords: *Financial Inclusion, Challenges, Opportunities.*

1. INTRODUCTION

India today has a clear visionary approach towards inclusive and sustainable economic development to become Vibrant. It has various key areas on it's agenda like innovation, sustainability, inclusiveness, youth and skill development, knowledge sharing, networking for all inclusive development. Inclusiveness is wider term and includes various aspects of wellness like economic, social, financial, infrastructural etc. Financial wellness comes with financial inclusion. Sustainable economic development calls for Financial Inclusion. Financial Inclusion refers to involving all in the formal financial system. Financial Inclusion talks about universal access to financial services. It is about connecting everyone including those who are living in remote of rural areas to well functioning financial services. However various studies have argued that financial inclusion has failed to be meaningful. It has been successive in being connective to some extend but has failed to become involving. All the accounts opened are not operative or many of the accounts are in dormant stage. Statistics says half of the world's adult population (more than 2.5 billion) is still excluded from formal financial system. Not all 2.5 billion unbanked adults need financial inclusion but there are other barriers like 11% do not

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have enough money, 50% have bank account but lack banking attitude, 39% give reasons for not using bank accounts like cost of delivery, travel distance to banks, amount of paper work involved, religious reasons etc.The similar problems of exclusiveness are faced by India. According to census 2011, In India out of 24.67 crore households only 14.48 crore (58.70%) have access to financial services . According to world Bank Findex survey (2012) only 35% Indian adults had access formal bank accounts.

2. FINANCIAL INCLUSION - THE INDIA STORY

The term financial inclusion is not new and revolutionary to India. Though it is more in talks now. The roots of financial inclusion can be traced back to 1969 with the nationalization of banks. However, the awareness about the same and the necessary actions to promote it were limited upto 2005. The progress of Financial inclusion can be seen in terms of different Models and support systems initiated by Reserve Bank of India (RBI) and the Government of India (GOI) till date.

The Reserve Bank of India setup a commission (Khan Commission) in 2004 to look into Financial Inclusion and the recommendations of the commission were incorporated into the Mid-term review of the policy (2005-06). In the report RBI exhorted the banks with a view of achieving greater Financial Inclusion to make available a basic "no-frills" banking account. In India, Financial Inclusion first featured in 2005, when it was introduced, that, too, from a pilot project in UT of Pondicherry, by Dr. K. C. Chakraborthy, the chairman of Indian Bank. Mangalam Village became the first village in India where all households were provided banking facilities. The progress story thus far —

- Out of 6,00,000 habitations only 30,000 have commercial bank branch
- Only 40% of population across country have bank accounts
- Out of the above many are dormant accounts
- Proportion of people with life insurance 10%
- Proportion of people with non life insurance 0.6%
- People with debit cards 13%
- People with credit cards 2%
- 51% of 90 million house-holds did not have credit from institutional/non-institutional sources
- Only 27% had credit from formal financial institutions

2.1 Financial Inclusion Phases

Phase 1: 1950-70: Consolidation of the Banking sector & Facilitation of Industry and Trade

Phase 2: 1970-90: Focus on channeling of credit to neglected sectors and weaker sections

Phase 3: 1990-2005: Focus on Strengthening the financial institutions as part of financial sector reforms

Phase 4: 2005 onwards: Financial Inclusion was explicitly made as a policy objective

2.2 Financial Inclusion : Policy & Regulatory Measures:

- Nationalisation of Banks (1969 & 1980) to make available banking services to all the segments of the society.
- Lead Bank Scheme (1975/76) : Under the Scheme, each district had been assigned to different banks (public and private) to act as a

consortium leader to coordinate the efforts of banks in the district particularly in matters like branch expansion and credit planning Under the scheme it was targeted that all villages above 2000 population will be provided access to financial services by March 2012. Villages below 2000 population will be covered in an integrated manner.

- Setting up of Regional Rural Banks (1975/76) : RRBs have been established primarily for the purpose of developing the rural economy by providing credit and other facilities particularly to the economically weaker / disadvantaged sections of the society such as small and marginal farmers, agricultural labourers, artisans and small entrepreneurs.
- SHG-Bank Linkage Programme (1980- pilot run project 1992)
  - o It helped banks to reduce transaction costs by dealing with groups of people rather that with individuals
  - o Reduce credit risk due to peer pressure
  - o Inculcate the behavior of Saving
  - o Helped to solve problems of low recovery of loans in rural areas and high transaction costs in dealing with small borrowers at frequent intervals
  - o Social and economic empowerment of the members.
- Service Area Approach (1989)
- Financial Sector reforms (1990)
  - o Focus to strengthen financial institutions and brining in new players to increase competition with the ultimate objective of enhancing financial access, greater efficiency and improved customer satisfaction.
- Special Agricultural Credit Plans (SACP) (1994-95) with a view to achieve distinct and marked improvement in credit flow to agriculture
- The Kisan Credit Card (KCC) (1998-99)
- Opening of No-Frills accounts & Relaxed and simplified KYC norms (2005)
  - o A new concept of basic banking ‘no-frills’ account with ‘nil’ or very low minimum balance was introduced to make such accounts accessible to vast sections of the population.
- Overdraft in Saving Bank Accounts (2005)
- Business Correspondent (BC) Model (2006) and Opening of intermediate brick and mortar structure
  - o Based on the recommendations of the Internal Group on Rural Credit and Microfinance, adopted the ICT based agent bank model through Business Facilitators (BFs)/ Business Correspondents (BCs)
  - o In the beginning MFI/NGOs became BCs or BFs under the societies / Trust Act , sec 25 companies , post offices etc.(individuals like retired bank/government employees, kirana/fair price shops, insurance agents, operators of common service centres, etc.), have been brought in under the BC model so as to scale up the financial inclusion drive in a sustainable manner, latest being the use of corporate entities as BCs of banks.
- Mobile banking : The mobile penetration is very high in the country, to make use of the opportunity the green signal from RBI was given in October 2008 and 32 banks were authorized to provide the facility. But still the object of achieving financial inclusion with the help of technology looks far beyond the target.
- Simplified Branch Authorization Policy (2009)
- Compulsory Requirement of Opening Branches in Un-banked Villages / Annual Brach Expansion plan
  - o banks are directed to allocate at least 25%

of the total number of branches to be opened during the year in un-banked (Tier 5 and Tier 6) rural centers.

- Financial Inclusion Plan (by Public and Private sector banks (excluding RRB)(2010)
- SWAVALAMBAN (2010) A co-contributory pension scheme launched on September 26,2010 for workers of unorganized sector..Swavalamban scheme totaling to 40 lakhs subscribers by March 2014.
- SWABHIMAN (2011) The central government has launched in a way to achieve financial inclusion programme 2011 in which five crore household of 73000 villages would be provided access to banking services in unbanked area by opening 50,000,000 crore no frills account till march 2012.
- Basic Saving Bank Deposit (BSBD) accounts (2012) with minimum common facilities such as no minimum balance, deposit and withdrawal of cash at bank branch and ATMs, receipt/ credit of money through electronic payment channels, facility of providing ATM card.
- Revised guidelines on Financial Literacy Centres (FLCs) (2012)
- Direct Debt Transfer (DBT) (2013) Social benefits will be directly transferrred to the bank account of the benficiary after validiating identiy through Aadhar. A provision for Adhar number UID (Unique Identity) number in the smart card.
- Comprehensive Financial services to small business and low income households (committee was formed) (2013)
- *Jan Dhan Yojana (People's Wealth Plan)(2014) an ambitious financial inclusion program – was launched amid much fanfare in India on 28th August, 2014.* In the first phase, the aim is to provide universal access to banking facilities through a business correspondent or bank branch, zero-balance bank accounts with overdraft facility of Rs.5,000 after six months and RuPay debit card (domestic card payment network which competes with MasterCard and Visa) with inbuilt insurance cover of Rs.100,000. Those who open accounts by January 26, 2015will be given life insurance cover of Rs.30,000. In the second phase starting from 15th August 2015, the focus of JDY would be to provide additional financial services such as micro insurance and pension schemes meant for unorganized workers.

3. REASONS FOR FAILURE

1. Target driven approach of banks towards Financial Inclusion, could not bring qualitative change.
2. There is no one size fits all strategy for financial inclusion.
3. Social initiatives of banks not integrated with its business plans.
4. Financial inclusion initiatives are looked up as non viable initiatives.
5. Absence of required technology to reach the last mile.
6. Ineffectiveness of models in terms of sustainability, scalability and viability.
7. Widening gap between demand and supply of planning and delivery of financial services.
8. Poor governance of financial inclusion institutional framework.
9. Lack of financial literacy among people.

4. WAY OUT

More than four decades of experience tells us clearly that there is no single formula to get success toward financial exclusion in India. To have universal, sustainable financial inclusion both supply-side and demand-side challenges have to be addressed simultaneously in a systematic manner.

The government should develop a holistic framework and infrastructure support focused on four core dimensions of financial inclusion – affordable products; reliable and viable delivery models; diverse customer needs; and multilingual financial education programs The key to the success will lie in the government's ability to address these challenges in a coordinated, coherent and collaborative manner with banks and other stakeholders.There is need to grab opportunities in below areas:

1. Technology
2. Infrastructure
3. Addressing Social issues
4. Financial literacy and awareness
5. HR perspective to Financial inclusion
6. Innovative product developments and process improvements.
7. Meaningful collaborations
8. Policy improvements and effective Governance
9. Customer service and consumer protection
10. Development of Business models & improvement of existing models

5. CONCLUSION

It is widely known that financial inclusion is a means to an end and not an end in itself. Financial inclusion alone cannot lift millions of poor Indians out of poverty but the regular usage of banking products and services can provide them with an opportunity to overcome poverty and improve their lives. The real challenge is to encourage poor people to actively use a variety of formal banking services (including savings, credit and remittance) so that their dependence on informal sources is greatly reduced.Thus, there is a need to develop sustainable model as per varying cultural, social, economic, demographic factors for untapped areas.

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A Conceptual Study on the Role of Financial Services in Entrepreneurship Development

* **Purvi D. Patel**

Abstract

The changing nature of money is only one facet of the financial services revolution. The term "Financial Services" in a broad sense means "mobilizing and allocating savings". Financial services, through the network of elements such as financial institutions, financial markets and financial instruments, serve the needs of individuals, institutions and corporates. The growth of financial sector in India at present is nearly ***8.5% per year****. Financial services not only help to raise the required funds for an entrepreneur to establish an enterprise but also ensure their efficient deployment. Financial services sector is a key area and it is very vital for entrepreneurial development. A well developed financial services industry is essential to mobilize the savings and to allocate them to various investable channels and thereby to promote development in a country. With the injection of the economic liberation policy into our economy and the opening of the economy to multinationals, the free market concept has assumed much significance. As a result, the clients both corporates and individuals are exposed to the phenomena of volatility and uncertainty and hence they expect the financial service company to innovate new products and service so as to meet their varied requirements. The Paper attempts to understand the Conceptual framework and Role of Financial Services in the development of entrepreneurs as well as the enterprises for achieving their objectives. The study is Descriptive in nature with major focus on Secondary Data available with respect to the theme. The emergence of various financial institutions and regulatory bodies has transformed the financial services sector from being a conservative industry to a very dynamic one.*

Keywords: *Financial Services, Entrepreneurship Development*

INTRODUCTION

Entrepreneurship experiences lot of challenges in its course of execution. One such important challenge is FINANCE. Money speaks for business and every entrepreneur ensures that the capital management is done on priority. The Financial services support the essence of Entrepreneurship. Financial services are fundamental to economic growth and development. The financial services sector is the largest in the world in terms of earnings, comprised of a wide range of businesses including merchant banks, credit card companies, and stock brokerages among other services. The term "Financial

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Services" in a broad sense means "mobilizing and allocating savings". Financial services, through the network of elements such as financial institutions, financial markets and financial instruments, serve the needs of individuals, institutions and corporates. It is a key area and is very vital for entrepreneurial development. A well developed financial services industry is essential to mobilize the savings and to allocate them to various investable channels and thereby to promote development in a country.

RATIONALE AND SIGNIFICANCE OF THE STUDY

The emergence of various financial institutions and regulatory bodies has transformed the financial services sector from being a conservative industry to a very dynamic one. The growth of financial sector in India at present is nearly **8.5% per year**. Also the Industrial sector which is of dynamic nature where market plays an essential role in it where entrepreneurs, corporate firms as well as individuals need to not only adopt those changes but also to function and act as per those transformations. To adopt these transformations and not just to survive, compete but also to succeed in this competitive environment of the world economy whether an individual or corporate associates will have to look towards the financial service providing institutions and markets who are specialized in providing services that shall cater their needs. India's services sector has always served the country's economy well, accounting for about **57 per cent** of the gross domestic product (GDP). In this regard, the financial services sector has been an important contributor. The significance of Finance for Business, the growth of Financial Institutions & bodies, contribution of the financial services sector and growing inclination of individuals towards leading ventures ensures the rationale behind the study of the Role of the Financial Services in Entrepreneurship Development.

RESEARCH DESIGN

"A Conceptual Study on Role of Financial Services in Entrepreneurship Development" is a Descriptive study conducted through the review of literature through Secondary Data in the form of the books, Published articles, related websites and other sources. The Paper attempts to understand the Conceptual framework and Role of Financial Services in the development of entrepreneurs as well as the enterprises or businesses for achieving their objectives. The study comprises of the learning through the theoretical data collected by secondary sources and analyzing the context of the said data. The scope of the study accommodates the overall learning on Role of Financial Services on Entrepreneurial development rather identifying any specific sector or domain; this may turn out to be major limitation of the study. The study although is descriptive in nature yet may not be true determinative instead will be indicative in nature.

OBJECTIVES OF THE STUDY

The research paper has been prepared with the following objectives:

- To study the conceptual theory of financial services and related aspects demonstrating current scenario.
- To study the concept of entrepreneurship and how entrepreneurial activities help the economy to grow by accessing the funds provided through various sources.
- To study how financial services play the role in developing entrepreneurs, entrepreneurship, businesses along with the economy of the country.

Financial Services:

As per section 65(10) of the Finance Act, 1994, "Banking and Financial services" means the following services provided by a banking company or a financial institution including a non banking financial company, namely;

i. Financial leasing services including equipment leasing and hire-purchase by a body corporate;
ii. Credit card services;
iii. Merchant banking services:
iv. Securities and foreign exchange (Forex) broking;
v. Asset management including portfolio management, all forms of fund management, pension fund management, custodial depository and trust services, but does not include cash management;
vi. Advisory and other auxiliary financial services including investment and portfolio research and advice, advice on mergers and acquisition and advice on corporate restructuring and strategy; and
vii. Provision and transfer of information and data processing.

Financial services are the economic services provided by the finance industry, which encompasses a broad range of organizations that manage money, including credit unions, banks, credit card companies, insurance companies, accountancy companies, consumer finance companies, stock brokerages, investment funds, real estate funds and some government sponsored enterprises. It is a term used to refer to the services provided by the finance market. Financial Services is also the term used to describe organizations that deal with the management of money. These are the types of firms comprising the market, that provide a variety of money and investment related services. Financial services are the largest market resource within the world, in terms of earnings.

Financial services cover a wide range of activities. They can be broadly classified into two, namely:

1. Fund based activities and
2. Non-fund based activities.

The fund based financial services that are provided are leasing and hire purchasing, consumer credit, credit cards, real estate financing, bills discounting, factoring and forfeiting and venture capital. The fee based financial services which are provided are mergers and acquisitions, portfolio management services, credit syndication, credit rating, mutual funds and business valuation.

Financial Services caters the needs of financial institutions, financial markets and financial instruments geared to serve individual and institutional investors. They not only help to raise the required funds but also to ensure their efficient deployment. They assist in deciding the financial mix and extend their services up to the stage of servicing of lenders. Banking, savings and investment, insurance, and debt and equity financing help citizens save money, guard against uncertainty, and build credit, while enabling business to start up, expand, increase efficiency, and compete in local and international markets.

FUNCTIONS OF FINANCIAL SERVICES

- Facilitating transactions (exchange of goods and services) in the economy
- Mobilization of funds
- Effective employment of funds
- Allocating capital funds (notably to finance productive investment)
- Provision of need based services
- Provision of regulated services
- Transforming risk/reducing risk Enhancement of economic development

Types of Financial Services

Figure 1- Types of Financial services
Source: http://www.indiamart.com/egnytefinancial/services.html

CURRENT SCENARIO IN TERMS OF FINANCIAL SERVICES

India has a diversified financial sector, which is undergoing rapid expansion. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. India's services sector has always served the country's economy well, accounting for about **57 per cent** of the gross domestic product (GDP). In this regard, the financial services sector has been an important contributor.

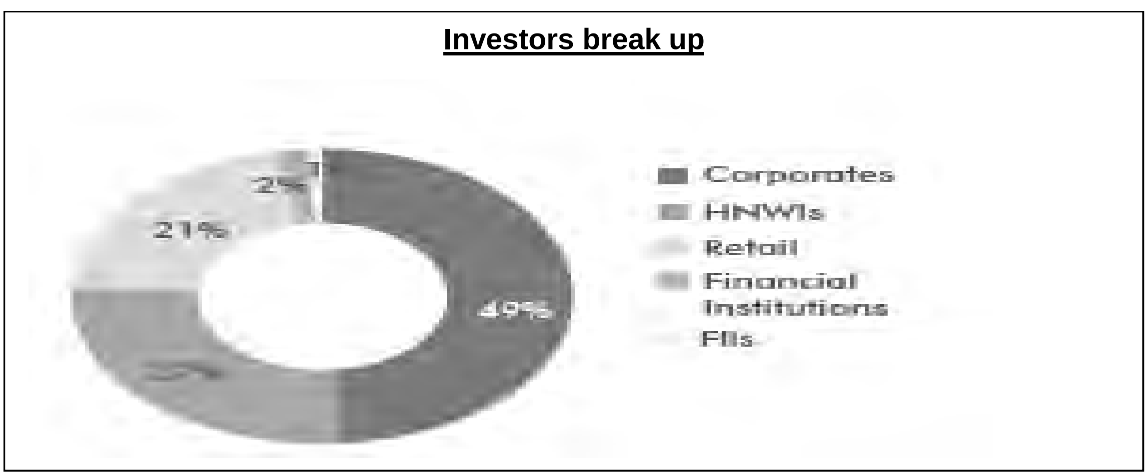

Chart 1-Investors break up
(Source: http://www.ibef.org/industry/financial-services-india.aspx)

The growth of financial sector in India at present is nearly 8.5% per year. The rise in the growth rate suggests the growth of the economy. The financial policies and the monetary policies are able to sustain a stable growth rate. The major step towards opening up of the financial market further was the nullification of the regulations restricting the growth of the financial sector in India.

The Government of India had introduced reforms to liberalise, regulate and enhance this industry. At present, India is undoubtedly one of the world's most vibrant capital markets. With the opening of the financial market variety of products and services were introduced to suit the need of the customer.

Financial services plays a vital role in providing various kinds of services required at each step of business activities or on individual levels. They develop initiatives to build human and institutional capacity and using their experience and influence to shape policy frameworks in the regions in which they work.

- Financial services provider Reliance Capital Ltd, a part of Anil Ambani's Reliance Group, has formed a long-term strategic alliance with Japan's Sumitomo Mitsui Trust Bank Ltd, offering the Japanese lender a small equity stake in the company. As part of the agreement, Sumitomo Mitsui Trust Bank will pick up an initial 2.77 per cent stake in Reliance Capital for Rs 371 crore (US$ 60.22 million) through a preferential allotment of shares.
- SIS Prosegur has acquired the cash management business of Danish major ISS for about Rs 150 crore (US$ 24.25 million) which will make it India's second largest cash management operator. SIS Prosegur operates in 320 cities across the country.

ENTREPRENEUR AND ENTREPRENEURSHIP

The word "entrepreneur" originates from a thirteenth-century French Verb, Entreprendre, meaning "to do something" or "to undertake". By the sixteenth century, the noun form, entrepreneur, was being used to refer to someone who undertakes a business venture. The first academician to use the word was by an economist likely in 1730 by Richard Cantillon, who identified the willingness to bear the personal financial risk of a business venture as the defining characteristic of an entrepreneur. An entrepreneur is someone who organizes, manages, and assumes the risks of a business or enterprise. An entrepreneur is an agent of change.

The Entrepreneurship Center at Miami University of Ohio has an interesting definition of entrepreneurship: "Entrepreneurship is the process of identifying, developing, and bringing a vision to life. The vision may be an innovative idea, an opportunity, or simply a better way to do something. The end result of this process is the creation of a new venture, formed under conditions of risk and considerable uncertainty."

"Entrepreneurship" is the process of discovering new ways of combining resources. It refers to a process of action an entrepreneur undertakes to establish an enterprise. It is the process of identifying opportunities in the market place, arranging resources required to exploit the opportunities for long term gains. When the market value generated by this new combination of resources is greater than the market value these resources can generate elsewhere individually or in some other combination, the entrepreneur makes a profit.

For an example:- An entrepreneur who takes the resources necessary to produce a pair of jeans that can be sold for thirty dollars and instead turns them into a denim backpack that sells for fifty dollars will earn a profit by increasing the value those resources create.

An activity to convert ideas into economic opportunities is the core of entrepreneurship. Entrepreneurship is referred to as a source of improvement and change resulting into improvements in productivity and economic competitiveness. With technological advancement and global competitiveness brought about by globalization and economic liberalization, fostering entrepreneurship increases a country's competitiveness in the ever changing economic forefront. Influence of entrepreneurship to economic growth can be expressed through competition, innovation. *The key to transforming an individual from being "self-employed" to become an "entrepreneur" is the establishment of a business organisation.*

Entrepreneurship Development:

Chart 2 – The Entrepreneurial Development Framework: Five Pillars that foster Entrepreneurship. (Source: EY Report, 2013)

In this era of globalization, fostering entrepreneurs, these days has become one of the prime concerns of the government policy makers. Thus, the most reliable tool for policy implementation to promote entrepreneurship should be thought of rather than focussing solely on microeconomic conditions or access to finance. No doubt, such policies are important to broaden the base of entrepreneurs to start up a business but these policies alone will not suffice.

Government of India support schemes complements and supports other policies to create an environment conducive to entrepreneurial activities. In this connection, government support schemes are well designed and well-targeted for a fruitful outcome. The government constantly evaluates and revise existing programmes.

Entrepreneurship is a key indicator of economic development of any country. As more and more of the population becomes involved in opportunity entrepreneurship and as more and more people leave necessity entrepreneurship (self-employment) the more we see rising levels of economic development. In other terms, the entrepreneurs are known as an economic agent - the "driving force of the market". Entrepreneurs create new businesses, and new businesses in turn create jobs, intensify competition, and may even increase productivity through technological change. High measured levels of entrepreneurship will thus translate directly into high levels of economic growth. The idea that entrepreneurship and economic growth are very closely and positively linked together has undoubtedly made its way since long. An increase in the number of entrepreneurs leads to an increase in economic growth. This effect is a result of the concrete expression of their skills, and more precisely, their propensity to innovate.

Entrepreneurs state that the second-most important funding source after bank credit for fuelling entrepreneurship is public aid and government funding. Government start-up programs are also viewed as one of the most valuable sources of help. Public money can act as powerful catalyst, especially when delivered in partnership with the private sector. The Government of India has been taking active steps to promote entrepreneurship in various industry & service sectors. It has declared several policy measures and is implementing schemes and programmes to enhance the global competitiveness of small enterprises across the country. The Government has setup various organisations which specialize in industry promotion & entrepreneurship development in different sectors. The organisations provide policy framework support, in addition to training & financial aid.

- Khadi & Village Industries Commission
- COIR Board
- Small Industries Development Bank of India
- National Manufacturing Competitiveness Council
- National Skill Development Corporation

In association there are other several State level, Development support organisations, Industry associates as well as International Organisations working for the development of Entrepreneurship which organise Entrepreneurship development programmes (EDPs).

Linking Financial Services and Entrepreneurship

Development:

With the injection of the economic liberation policy into our economy and the opening of the economy to multinationals, the free market concept has assumed much significance. As a result, the clients both corporates and individuals are exposed to the phenomena of volatility and uncertainty and hence they expect the financial service company to innovate new products and service so as to meet their varied requirements.

Over **500 million poor people** around the world run profitable **microenterprises** and often **cite credit as the primary constraint** to business growth (IFC, 2002) thus, credit is essential for poor entrepreneurs in less developed countries. Additionally; firms supplying the finance and various financial services to these entrepreneurs are equally dependent on them for business, and to expand their services to more villages or urban areas. Poorly developed capital markets make it difficult for potential entrepreneurs to borrow the funds needed to establish new businesses and take advantage of new investment opportunities. It has also been observed that official policies often make business difficult for micro entrepreneurs. Here the role of financial services comes into picture where it provides the required services to the needy as per their capacity and requirement. Also improved business regulations, tax regimes, licensing requirements, financial sector reform and bank supervision will promote better conditions for microenterprise development.

Funding Entrepreneurial business

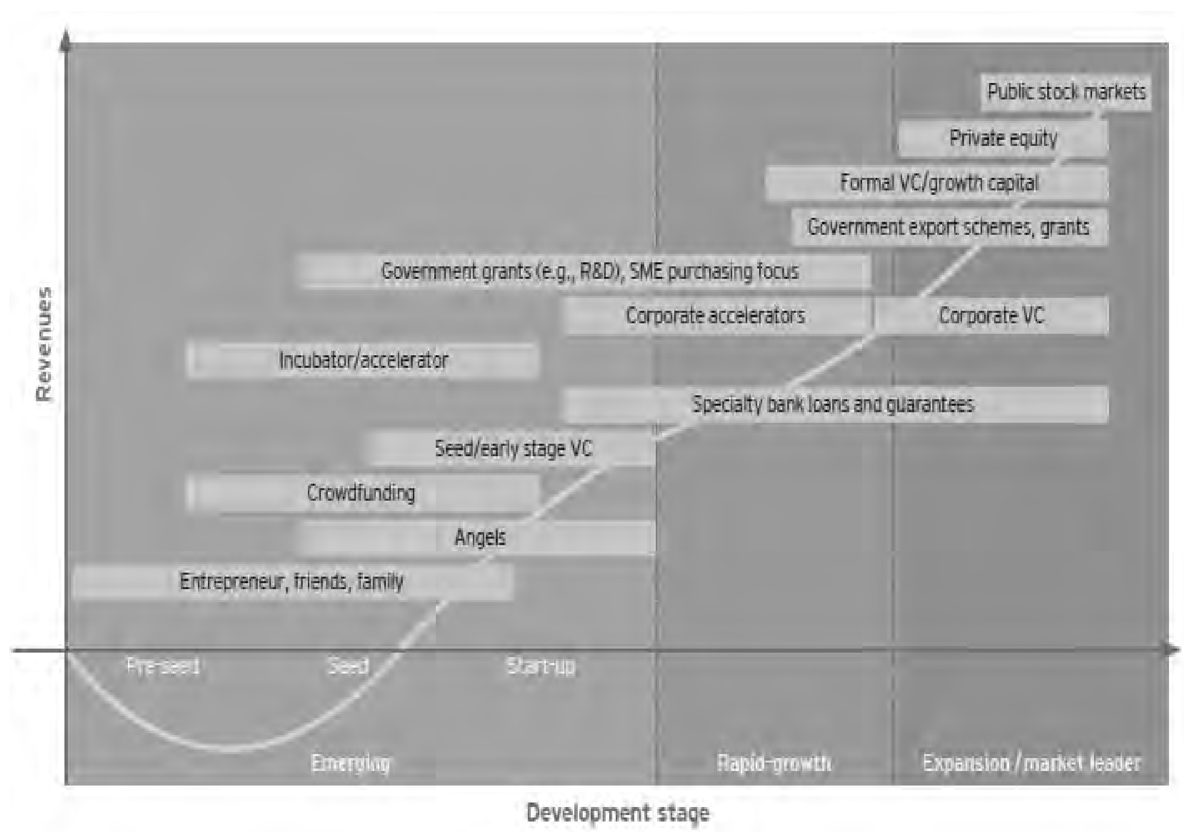

Chart 3- Funding Entrepreneurial Business (Source: EY Report, 2013)

As entrepreneurial businesses grow and develop, the sources of finance they rely on changes. An entrepreneur requires a continuous flow of funds not only for setting up of his/ her business, but also for successful operation as well as regular Upgradation/ modernisation of the industrial unit. It is therefore essential that governments create a range of mechanisms and institutions that provide entrepreneurs with the capital they need to support their businesses at every stage of the growth journey. To meet this requirement, the Government (both at the Central and State level) has been undertaking several steps like setting up of banks and financial institutions; formulating various policies and schemes, etc. All such measures are specifically focussed towards the promotion and development of small and medium enterprises.

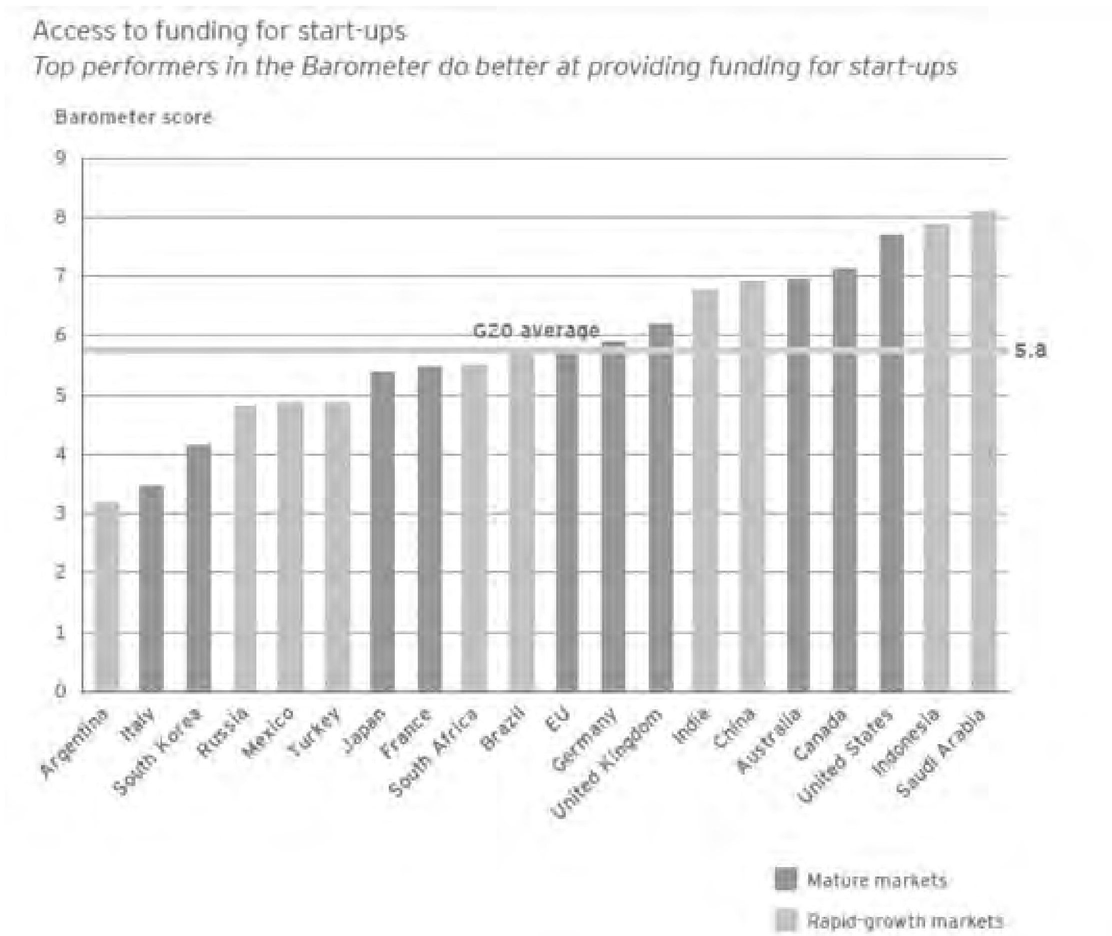

Chart 4- Top performers in the barometer do better at providing funding for start-ups (Source: EY Report, 2013)

Companies at the seed and start-up are signs, however, that this situation is slowly improving. Across the G20 economies, entrepreneurs say that access to early-stage funding has improved over the past three years, although the pace at which this is taking place varies. Countries that perform well in providing funding for start-ups include the US, Canada and Australia, as well as, perhaps more surprisingly, Saudi Arabia and Indonesia. According to a survey by the World Economic Forum, across the G20, Saudi Arabia lags only the US on the ease of access to venture capital, with a Government scheme to guarantee 50% of certain bank loans and a corporate venture capital fund backed by Saudi Aramco, a state oil company, as some examples. In Indonesia, the Government guarantees 70% of loans in its Kredit Usaha Rakyat scheme, with lending expected to reach US$2.9b in 2013.

Among the various sources of finance following points are few of those sources that are required and essential for entrepreneur to start up ventures and at early stage of their venture.

1. Small Business Administration Loan
2. Venture Capital Investors
3. Bootstrapping.
4. Friends and family.
5. Small business grants.
6. Private Loans or lines of credit.
7. Incubators.
8. Angel investors.
9. Form a partnership.
10. Commit to a major customer.

SME Finance: SME Financing is critical in helping entrepreneurs and small businesses reach sizes where it is possible to take advantage of economies of scale and create jobs in significant numbers. Much of the innovations have been outside the commercial banking sector. In South Africa, for instance, Anglo Zimele makes debt and equity investments in small and medium black economic empowerment (BEE) enterprises connected with the mining industry, sometimes facilitating linkages between its portfolio companies and its parent Anglo American. With the support from the Shell Foundation, Grofin, a pan–African investment firm, provides debt and equity along with business development services to SMEs in South Africa, Kenya, Uganda, Tanzania, Rwanda and Nigeria.

Aligned with a background of sharp risk, market and regulatory pressures, Financial Services organizations are striving to grow and enhance their shareholder values. Day by day the customer needs and expectations are growing. Thus, making a target of increasing personal wealth, a mature population desires that can be made available more easily thorough the personalized financial products and services. Intense competition has squeezed market margins and forced most enterprises to cut costs while enhancing the quality of customer choice and service.

As Financial Services organizations strive to become more innovative and entrepreneurial, the war for talent is intensifying. The risks increase as the products become more complex, the organizations and the business environment ever more uncertain. At the same time, regulation is the tightening highlight within the reach of public and government pressure for improved supremacy, transparency and accountability. In this environment, the winners will be companies that can turn the challenges into opportunities to build stronger and more enduring customer relationships, sharpen their process efficiency, unlock talent and creativity, use improved risk management processes to deliver more sustainable returns and fulfil regulatory demands. Here the Financial services shall act as a catalyst which shall smoothen or act as specialist in providing the appropriate service efficiently, for strengthening the business and enhancing market confidence.

The fast pace of change aspect element within the global Financial Services market has created the need for a new generation of solutions that can operate in real time with a very flawless reliability. The challenges faced by the Financial Services market are forcing market participants to keep pace with technological advances and to become more proactive and efficient while keeping in mind to reduce costs and risks. The Financial Services have been able to represent an increasingly significant financial driver, and a significant consumer of a wide range of business services and products.

The market in Financial Services is not only a powerful economic force, but can also be considered as a driver of other industries' success, standards, and operations. Virtually each and every company uses financial services institutions for not only their own, but their customers business purposes, and the practices, regulations and standards that the market adopts affects the way that their own customers. To have an effective network strategy in place enables the Financial Services organizations to become more customer-oriented. This helps to increase their profitability, enhance the alertness factor, also lessen total ownership costs, and deal with used business challenges. There are many companies working with financial organizations worldwide to develop a sound networking strategy for connecting companies with customers, suppliers, partners, and employees too.

CONCLUSION

The Financial Services market is diverse and dynamic. It is an ever-changing versatile, high-growth market, which consist of everything from individual or group consultants to banks, credit cards and alternative financing providers. Businesses have differing needs and the diversity and range of the financial services market has several selections available to better suit them all. The study indicates the various opportunities that the Entrepreneurs have in their way of operations. The several types of financial services catered by the Financial sector in a sense helps the budding entrepreneurs. Entrepreneurial Development has a strong a support from the Financial Services Industry which is an important industry that has a direct impact on the way businesses operate and grow, and subsequently, the economy of our nation too. Finance acts as a major aspect in growth of Businesses and Financial services supports as a tool to succeed.

ADDENDUM

Figure/Chart Number	Minutiae
Figure 1	Types of financial services.
Chart 1	Investors break up
Chart 2	The Entrepreneurial Development Framework: Five Pillars that foster Entrepreneurship.
Chart 3	Funding Entrepreneurial business.
Chart 4	Top performers in the barometer do better at providing funding for start-ups.

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Industrial Waste Management: A Case Study of Industrial Estates in Mumbai

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INTRODUCTION

Waste is a term for unwanted material. According to the Basel Convention, 'Wastes' are "substances or objects, which are disposed off or are intended to be disposed off or are required to be disposed off by the provisions of national law". There are many types of wastes which are determined on the basis of its source like domestic wastes, hospital waste, industrial waste and agricultural wastes. Industrial waste is the waste produced by industrial activity which includes any material that is rendered useless during a manufacturing process. It has existed since the outset of the industrial revolution. Industrial waste treatment covers the mechanisms and processes used to treat industrial wastes that have been produced in some way by anthropogenic industrial or commercial activities. Since, industrial wastes are generated in all forms, managing it is a herculean task for the entire world.

LITERATURE REVIEW

(Haggar, Salah: 2007) One of the major problems facing the world today is the environmental protection cost and return. The current practice of pollution control, treatment and environmental protection can be considered very expensive activities where people consider it a burden for development. There is a worldwide misconception that 'environmental protection comes at the expense of economic development or vice-versa'. This is not true if sustainable development is achieved. The traditional approach for clinical waste, agricultural waste, industrial and municipal solid waste, industrial and municipal liquid waste, etc. can be considered disastrous worldwide because it is depleting the natural resources and may pollute the environment if it is not treated/ disposed off properly. Any solution should suit not only the developed countries but also the developing countries should include the economic benefits, technological availability, environmental and social perspectives otherwise they will never be sustainable.

(Pitchel, John:2014) All industrial wastes affect, in some way the normal life of a stream. When the effect is sufficient to render the stream unacceptable for its 'best usage', it is said to be polluted. Streams can assimilate a certain quantity of contaminants before reaching a polluted state. Generally speaking, the larger, swifter, and more remote

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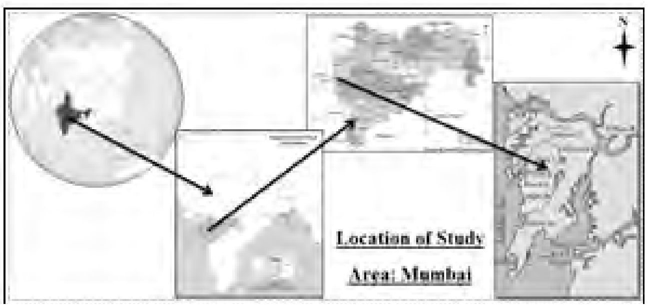
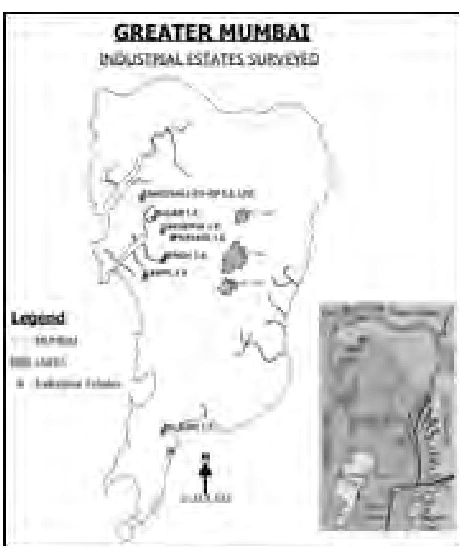
streams that are not much used are able to tolerate a considerable amount of waste, but too much of any type of polluting material causes a nuisance. To call a stream polluted, therefore, generally means that the stream contains an excessive amount of a specific contaminant or contaminants (Walter, 18.1975) describes pollution as originating basically from four sources in the economic process viz. materials, process, product and residues.

AREA OF STUDY



The area of study selected is the city of Mumbai. It's co-ordinates are 18°582 303 N 72°492 333 E. It lies on the Western Coast of the state of Maharashtra and is a part of the Konkan Division of the state. It is bound by water bodies on all sides, namely, the Arabian Sea in the West, Thane Creek in the South and East and Ulhas River in the North.



Following industrial estates in the city were surveyed:

1. Kandivali Co-Operative Industrial Estate Limited
2. Malad Industrial Estate
3. Sakseria Industrial Estate
4. Pravasi Industrial Estate
5. Singh Industrial Estate
6. Laxmi Industrial Estate
7. Nilgiri Industrial Estate

Objective:

To understand the types of wastes each activity produces and the methods of disposal that the industry has adopted.

- To know the status of ISO 14000 Certification in the industries.
- To suggest measures for sustainable development of the industrial sector.

Scope of the Study:

- The study caters to the problems of not only the present era, but, it tries to do the same for the future also.
- The recommendations will be practical in nature. Hence, can easily be implemented and sustained in the near future
- Though the study is only indicative with the help of certain areas in the city of Mumbai, the outcomes and solutions are applicable at all scales of development as the situation is more or less the same.
- The study has a multidisciplinary approach as it requires inputs from all fields of development.

Research Methodology:

Here, the research methodology is divided into three stages viz. pre-field, on-field and post-field methodology.

Pre-Field Method:

This includes collection of primary and secondary data on the respective topic from various books, journals, articles and internet sources. A questionnaire was framed to cover aspects related to management of waste in industries. Information was also obtained using secondary sources.

Field Method:

Qualitative as well as quantitative methods of data acquisition were undertaken. First of all 100 samples were selected with the help of simple random sampling from seven different industrial estates in the selected study area. The questionnaire was put forth the industries and the data collected out of these formed the major source of numerical data.

Post-Field Method:

The collected data were processed, assimilated, analysed and presented with the help of MS-Excel v. 2010, IBM's SPSS v. 22.0, Esri's Q-Gis v. 2.0 and MS-Word v. 2010. A suitable bibliography was prepared to show the references used.

Limitations of the Study:

- Only a part of the city could be surveyed due to time constraint, hence, the results are only indicative in nature.
- Respondents were too careful in answering some questions.
- Some time had to be devoted to talk to the respondents to assure them about the anonymity of certain data.

Discussion:

After processing the data collected, the following is obtained:

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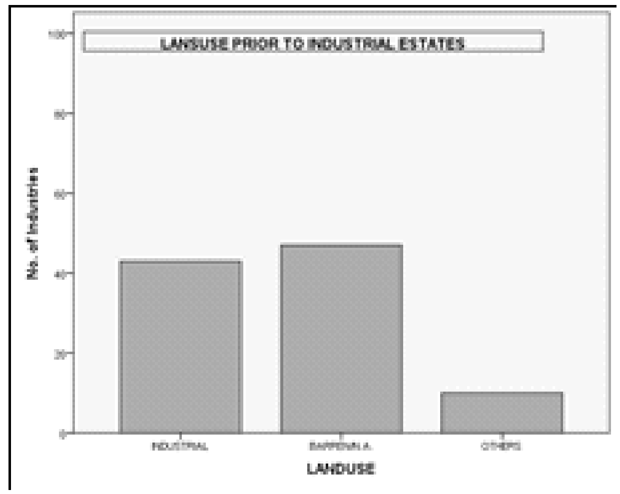
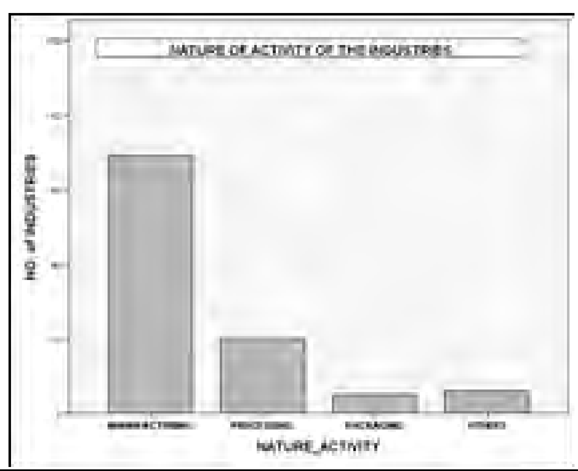
1. **Fig:1**



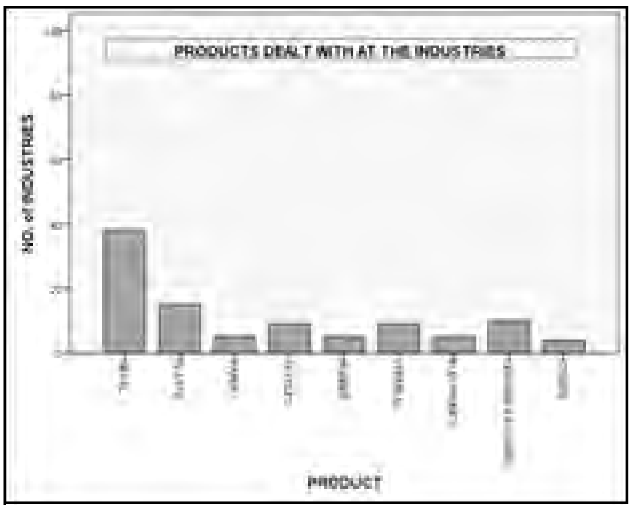
The given bar graph (Fig: 1) represents the land use prior the industrial setup in areas of study. It can be observed that 42% of the total land under study areas was industrial, followed by 46% being barren land and 9 % being others before the present industrial estates. The category of others includes land under marshy areas, agricultural land and vegetated land. From this it can be concluded that, most of the land on which industrial estates are developed was barren or was declared N.A. (non-agricultural) by the concerned authorities. Thus, the level of deforestation or destruction of natural elements has not been very high.

2. **Fig:2**



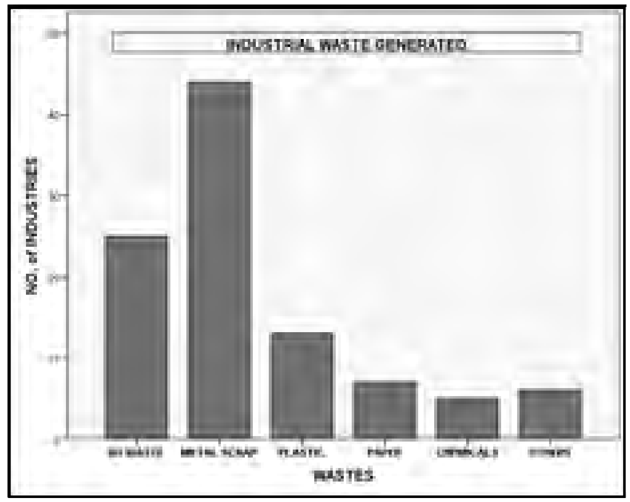
The graph (Fig: 2) represents the nature of activity of the industries surveyed. It can be observed that 67% of the industries are into manufacturing, 19% are into processing followed by packaging and others including warehouses, offices and showrooms of lighting and fixtures like those in Laxmi industrial estate and research labs. Thus, it can be concluded that since, most of the industries are into manufacturing, the amount of wastes generated is high. This is because, manufacturing is the most waste generating activity of all.

3. **Fig:3**



The graph (Fig: 3) represents the types of products produced at the industries or the products that industries deal with. It can be observed that 37% of the industries are metallurgical in nature i.e., they deal with metal and related products; 14% deal in plastic products, followed by lighting and fixtures 9%, textiles and chemicals 8%, and rubber, paper, electronics and others, 4% each. Metallurgical industries include production of products like dye casting, ship building equipments, metal clips and many more. Since, we find a dominance of metallurgical industries in the area of study, it can be assumed that generation of metal waste takes place in huge quantities; which may lead to accumulation of waste causing land pollution.

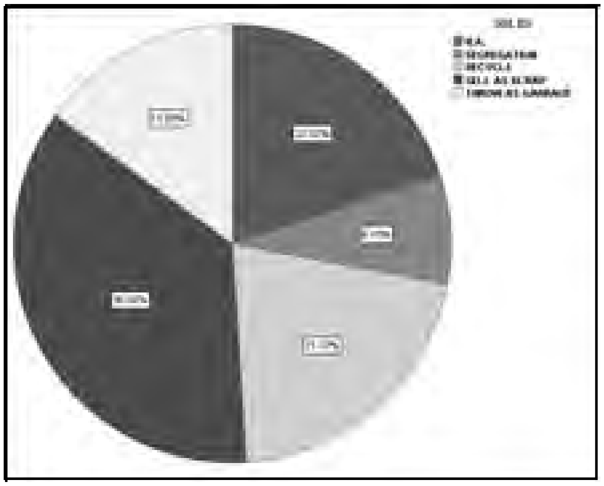
4. **Fig:4**



The bar graph (Fig: 4) represents the type of wastes generated by the industries. It can be observed that, 45% of the industries generate metal waste, followed by plastic waste, paper waste and chemicals. There are around 24% industries which claim to have adopted 0% waste generating technology. However, it should be noted that, even though the industries claim to be 'zero waste generating industries', wastes like small paper strips and fine metal powder or liquid waste including water and oil are generated which was observed during the survey. The industrialists do no declare this as waste because; according to them, the quantities are negligible and are harmless to the environment. The other wastes that are generated include pharmaceutical scrap, pieces of packaging materials, some plastic bags etc. As assumed earlier, since most of the industries are metallurgical in nature, maximum waste generated is metal scrap inclusive of steel, aluminum, brass and other metals. This has been rightly proved in this section also.

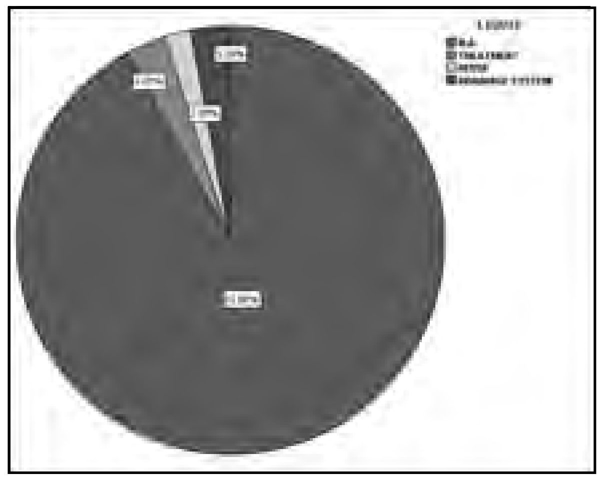
5. **Fig:5**

The pie chart (Fig: 5) represents the methods used



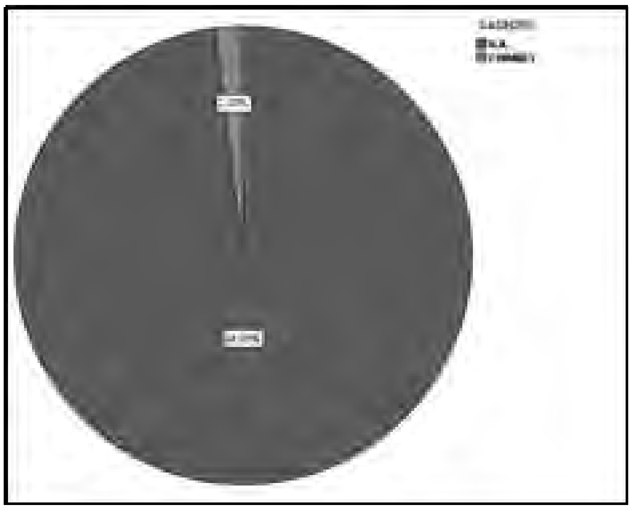
by the industries for disposal of solid waste. It can be observed that 36% of the waste is disposed by selling it as scrap to the scrap collectors. This enables the industrialists to earn extra profits by selling the waste metal parts at a considerable good rate and they can get rid off the scrap easily. The second most common method adopted by the industrialists is by recycling the left over scrap. Most of the industries melt the scrap and reuse it for further processes. In this way, they avoid wasting money and also help the environment. With this method, they are left with very little scrap or powdered metal which is then either thrown away or is sold as scrap. Though the scrap collectors sell the scrap to the recycling plants in the end, the industrialists are not concerned with it and do not recycle on their own and try to reuse it, but just dispose it off. 15% of the industries throw the solid waste generated as garbage in the common bins provided by the industrial estate. This may not necessarily include only metal scrap but may also include paper, powdered materials or wastes alike. This may harm the environment if not disposed later. Similarly, it indicates that the industrialists are just not bothered about their responsibilities towards the society and the environment at large. The remaining 8% try to segregate the waste generated from their processes. It includes segregation of plastics, metals and rubber parts and then disposing them separately, by adopting suitable techniques. In some industrial estates, separate dustbins are provided so that waste is segregated before disposal making easier for estate authorities to manage it.

6. **Fig:6**



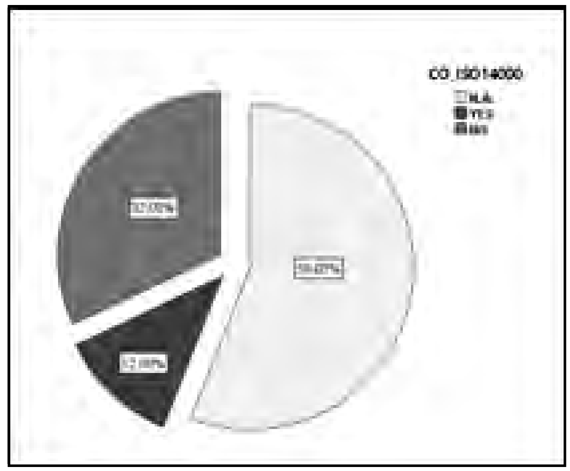
The pie chart (Fig: 6) represents industrial methods of disposing liquid wastes. It can be observed that only 8% of industries generate liquid waste which is disposed off in three ways viz. treating the effluent before disposing it or draining directly into the drainage system without treating it or reusing it. It was observed that some of the industries have their own treatment plants with the help of which they treat the effluent before discharging it into the drainage. Even after treating the effluent, it is very important to drain it properly or else it may get accumulated on land and might spread water borne diseases and cause other complications related to hygiene and sanitation. Thus, it was found that some industries had connected their drainage with the main drainage system of the Municipality, but few threw it directly into the nearby gutters which were rivers in the good old days. Some industries reuse the waste water for cleaning purposes. This is the best practice which needs to be adopted by all the industries, provided the water is reusable.

7. **Fig:7**



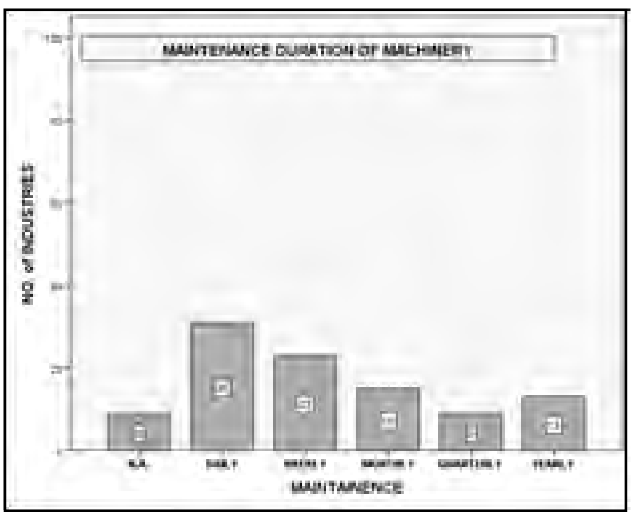
The pie chart (Fig: 7) represents the methods of disposing gaseous waste as adopted by the industries in the study area. It can be observed that only 2% of industries have gave out gaseous waste through chimneys directly into the atmosphere, but, it was witnessed that, the chimneys were not tall enough to let the gases high above in the atmosphere and thus, the chemicals lingered in the air for a longer time and could be sensed too. During the survey, it was found that all air polluting industries, have already been shifted to the industrial estates outside the city. This action is taken by the government, primarily to avoid the severe impacts that air pollution may have on the health of the urbanites. This gives us an indication about the collective concern that the government and the industrialists have exhibited so far. Shifting the hazardous industries somewhere outside the city will help in two ways- firstly; it would attract development of the fringe areas; secondly, the urban areas can be protected from the impacts of chemicals released in the air. Overall, we find that, disposal of gaseous waste may not be properly done inside the city, but measures have been taken to avoid the same on a fairly large scale.

8. **Fig:8**



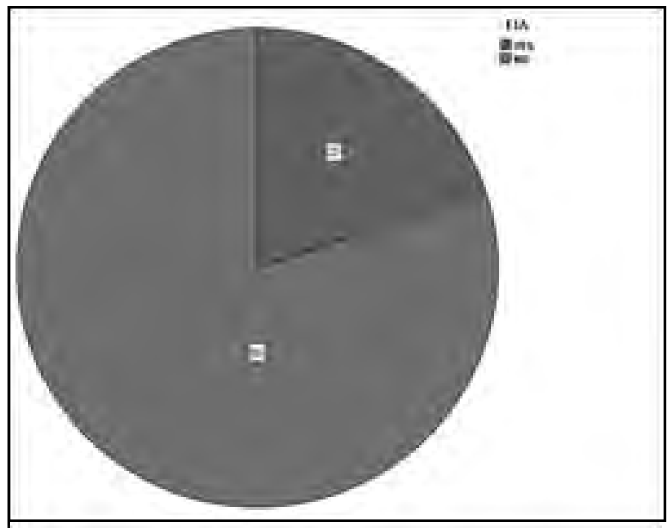
The given pie chart (Fig: 8) represents the status of ISO 14000 certification of the industries surveyed. ISO 14000 is a family of standards related to environmental management that exists to help organizations (a) minimize how their operations (processes, etc.) negatively affect the environment (i.e., cause adverse changes to air, water, or land); (b) comply with applicable laws, regulations, and other environmentally oriented requirements, and (c) continually improve in the above. From the survey it was found that only 12% of the industries surveyed were ISO 14000 certified and 32 were not. On the other hand it did not apply to 56% of the industries as the industrialist himself did not have any knowledge of the same. This indicates that only a small number of industrialists have knowledge about ISO 14000 and only a few more even bothered to apply for it and work towards achieving it. While interacting with the industrialists, it was found that, since, their plants are small and the machinery and methods used do not comply with the standard's specifications, they have not attempted to get their industries certified by ISO 14000. Most of them had ISO 9000 certification, but ISO 14000 went missing. Some industries who are ISO 14000 certified underwent the standardization only to keep terms with their clients, who demanded the certification and the intension to save the environment never existed. On the other hand one of the industrialists said that since, he has applied for CRISIL[1], he did not feel the need to apply for ISO 14000. This implies that there are other standards helping to reduce the environmental impacts caused by industrial processes, but the responsiveness is less.

9. **Fig:9**



The graph (Fig: 9) represents the duration of undertaking maintenance work for the machinery at the industries. From the graph it can be observed that 31% of the industries undertake daily maintenance, followed by 23% undertaking it on a weekly basis, 15% on monthly basis, 13% on yearly basis and only 9% do it on a quarterly basis. Maintenance of machinery is important from the point of view of production, but it is also important as far as environment is concerned. It has been found that there is an indirect relationship between the maintenance of machinery and its impact on the environment. The impacts include air pollution caused due to the release of carbon particles due to increased friction among the parts, noise pollution caused due to same reason and improper functioning will lead to more wastage. In the present study, most of the industries carry out maintenance work on a daily basis which should become a regular practice with all to reduce the impacts.

10. **Fig: 11**



The pie chart (Fig: 11) represents the number of industries that undertake Environmental Impact Assessment (EIA) on a regular basis. It can be observed that only 20% of the industries undertake an EIA on a regular basis whereas 80% do not. An EIA is a formal process used to predict the environmental consequences (positive or negative) of a plan, policy, program, or project prior to the implementation decision. It proposes measures to adjust impacts to acceptable levels or to investigate new technological solutions. Environmental impact assessments protect the environment by providing a sound basis for effective and sustainable development. The purpose of the assessment is to ensure that decision makers consider the environmental impacts when deciding whether or not to proceed with a project. However, it can be carried on a regular basis by an industry to check the levels of pollution or other kinds of impacts it may produce. From the survey, it is found that only few industries undertake an EIA. This is primarily due to two reasons; firstly, the pressure from the clients to do business with standardised organizations forces the industry to undertake an EIA- as in the case of pharmaceutical industries, where, an industry has to comply with special standards as made mandatory by the Government or the authorities; secondly, the awareness among the industrialists regarding the assessment and the realisation of ones responsibilities towards the environment, also, forces the industry to undertake an EIA on a regular basis. Generally, an EIA on annual basis is preferred, but in some cases, it may be done every 3 years or 5 years too. This helps the industry to be consistent in its quality of production and the stand in the market is also maintained. Nowadays, being eco-friendly has become an issue of prestige. Hence, industries that are conscious of the impacts they have on the environment, and the ones who try avoid the same gain a special status in the consumers' minds and indirectly profits increase. Therefore, it's always a 'win-win' situation for the industrialists. Hence, all the industries must undertake an EIA on a regular basis.

OBSERVATIONS MADE DURING THE SURVEY

1. In an estate, one particular industry dominates; hence, the type of waste generated from one particular estate is high.
2. Some industrial estates were highly maintained and were renovated from time to time, but some like the Sakseria Industrial estate was badly maintained with potholes and waterlogging all over the estate. This makes managing waste even more difficult.
3. The number of trees in and around the campus of each estate was too less to serve as absorbants of pollutants and cleaning agents of air.

CONCLUSION

From the survey it can be concluded that, industrial waste is extremely hazardous. If not treated or disposed properly, it can cause various types of pollution. The stakeholders of the same include social and economic elements. There has been a perceptible improvement in the techniques of disposing and handling waste which are successfully accepted by the developed countries of the world. Some of the developing countries like India have also started espousing the same, but, on a very small scale. The survey suggests that though the impacts wastes can have on the environment, the importance of waste treatment methods, and the need of ISO 14000 are known to many industrialists, implementation has not taken place up to the same level.

RECOMMENDATIONS

- All industrial estates must try and maintain cleanliness on a collective basis.
- There should be provision of separate dustbins for dry and wet solid waste.
- All the industries must adopt energy efficient methods so as to reduce the pressure on electricity producing company.
- Only methods that best suit the type of waste generated in an eco-friendly way, should be adopted.

- Draining the effluents directly or indirectly into the nearby rivers should be avoided strictly.
- If ISO 14000 cannot be adopted due to non-compliance, then at least an annual EIA must be undertaken on a regular basis.
- The construction of residential areas around industrial estates must be avoided so as to reduce the impacts on people.

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[1] CRISIL stands for
Credit Rating Information Services of India Limited.
In India, CRISIL Research is an independent and integrated research house and provides growth forecasts, profitability analysis, emerging trends, expected investments, industry structure and regulatory frameworks.

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Venture Capital as a Catalyst for Entrepreneurial Development in India

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Abstract
Entrepreneurial development aims to enlarge the base of entrepreneurs by encouraging new ventures. It concentrates more on growth potential and innovation and offers the benefits such as employment generation and economic development to the country. But the commercial exploitation of any business idea requires finance. Venture capital, as a form of financing, refers to equity or equity related investments in the projects involving high risk and high returns, besides providing managerial assistance and contributing to overall strategy, for making long term gains for themselves. Commercially viable projects developed out of new technology and knowledge-based ideas by the new generation entrepreneurs have most of their assets in intangible form where as conventional lending is done on the basis of tangible assets and risk factors involved in the projects, which creates a gap in the financial intermediation. The focus of this paper is on entrepreneurial development and the role played by venture capital in this process in India. It examines the growth of venture capital industry and the projects supported by them. It also examines the entrepreneurial needs and extent to which they have been fulfilled by the venture capital industry in India. The research is based on primary data through informal interview and secondary data collected from books, journals and e-sources. The paper concludes that entrepreneurial talent is supported by venture capital through providing the required finance and business skills and makes recommendations for further enhancement.

Keywords: *Venture Capital, VCF, Entrepreneurial Development, Seed Capital, SME/ MSME.*

1. INTRODUCTION

India, with decadal growth in population at the rate of 17.7%[1], with 65.6% in the age group of 15-64 years, with the rate of literacy of 72..986%, finds it challenging to provide decent economic opportunities to its citizens. To maintain the growth rate between 5.4% to 5.9%[2] (in the fiscal year 2014-15) a stimulus to private and public investments in the economy is required to be given to increase the industrial output, and maintain low inflation and conductive investment environment.

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A vibrant private entrepreneurial sector, particularly, micro, small and medium-sized enterprises (MSMEs) plays vital role in this respect. MSME is the second largest employer in the country with 3.6 crores of employers offering jobs to 8 crores of people[3]. A significant contribution of 45% of the total industrial production, 40% of the exports and 37.4% of GDP[4] explains the crucial role MSMEs can play in bringing economic stability and sustainability for the future.

In the words of Gottlieb[5] “An entrepreneur is someone who can take any idea, whether it be a product and/or service, and has the skill set, will and courage to take extreme risk to do whatever it takes to turn that concept into reality and not only bring it to market, but make it a viable product and/or service that people want or need.”

High rewards attached to high risks motivate an individual to take initiative to become an entrepreneur, making him instrumental to economic change. The entrepreneurial endeavors give rise to economic activities, resulting in economic growth and development. By exploring and exploiting opportunities, entrepreneurs encourage effective resource mobilisation of capital and skill, create new products/services and expand markets for growth of the economy besides creating large-scale employment opportunities, capital formation etc.

Thus, entrepreneurial efforts can be an important input in the process of economic growth and development to all nations. And to achieve it through the entrepreneurial development approach; enough opportunities for development of functional skills and entrepreneurial skills, financing and mentoring of entrepreneurial efforts will have to be provided for, especially for the first generation entrepreneurs in the MSME sector.

India, as an emerging economy, is striving for development. It is rich in human capital- both technical and entrepreneurial. Through entrepreneurial development the talent and potential of unemployed young generation can be used productively. The projects of budding entrepreneurs with the new technologies developed by them and industries and services supporting these technologies need finance since the inception. With adequate finance they can change the future of the economy for better. But their projects withdomestically developed technologies are usually perceived to be uncertain by the conventional financial system. Besides, the DFIs which lend on long term basis are the debt providing organisations.

The new entrepreneurs find it difficult to raise equity/risk finance required as start up capital as they neither have physical assets nor low risk plan that conventional lenders want.There is a growing need for lending facilities complementary to existing ones which can provide risk finance to such projectsand fill up the gap in financial intermediation. Private Equity and Venture Capital can be instrumental in helping small enterprises grow into medium-sized enterprises and semi-formal into formal businesses.

The present study is undertaken to assess the performance of venture capital in supporting entrepreneurial development in India.

2.0 REVIEW OF LITERATURE

Efforts were taken to consult available literature on the topic of study.Research studies related to entrepreneurial development in India and abroad bring the following in light:

Large established companies are no doubt the backbone of most economies however, **Beck et al., (2003)**[6] observed a positive link between the SMEs' share of total economic activity and economic growth. According to them the performance of SMEs is, however, greatly important for the long-term vitality of any economy. **Davidsson, Lindmark and Olofsson, (1988)**[7]**; OECD, (2005a)**[8]**; Hijzen et al., (2007)**[9] established that SMEs dominate net creation of new jobs. "For entrepreneurship to contribute to competitiveness, entrepreneurial activity based on innovation and opportunity needs to be cultivated" **GEM, (2004)**[10]**. World Bank, (2004)**[11] observed that environment needs to be business-friendly to foster more entrepreneurial activity. **Andersson and Napier (2007)**[12] opined that not lack of capital but the activation of the reservoirs of passive capital, raising the level of investment readiness among entrepreneurs has been the prime challenge. For the policymakers, addressing the combined impact of the prevailing conditions on the willingness and ability of market players and increase their propensity to collaborate in generating new, high-risk business activities shall be challenging. **Lal, and Clement (2005)**[13] concludes that India can generate additional economic growthby fostering entrepreneurial activities as in case of a wide variety of nations have been found to yield significant economic benefits. According to **Ibanez (1989)**[14]**,** entrepreneurs need venture capital to develop ideas in the initial stage to product development stage and thus venture capital has encouraged an increasing number of potential entrepreneurs to develop their ideas in the marketplace.

The present research is undertaken to find out the extent of support by venture capital to entrepreneurial development in India.

3.0 RESEARCH OBJECTIVES

The research has following objectives:

- To bring out the importance of entrepreneurial development.
- To examine the role played by venture capital in the process of entrepreneurial development in India.
- To study the growth of venture capital industry and the projects supported by them.

4.0 RESEARCH METHODOLOGY

Data collected from annual reports of SIDBI along with other information pooled from books, journals and e-resources form the basis of study.Besides,informal interview of SVCL official was taken by the researcher personally. They were co-operative in giving information but were cautious that the name should not be revealed when the research was finalised. Thus, both primary and secondary data sources form the basis of research.

5.0 SCOPE AND LIMITATIONS

Before 1990, there were very few venture capital firms, now the number stands at 180[15].There are small and big registered VC firms inIndia. With the best of efforts put in by the researcher, the relevant data and information could not be obtained from all the firms. Since SIDBI is a dominant player in MSME sector, it was decided to gather data from them for accomplishing the research objectives. A period of 15 years from 1999-2000 to 2013-2014is covered in the study.

6.0 VENTURE CAPITAL

Venture capital is a non-conventional risk finance provided to new ventures of innovative and technically or professionally qualified entrepreneurs to encourage innovative entrepreneurships- to turn innovative business ideas into a commercially viable project.

6.1 Definition:

"Venture capital is a risk finance provided to enterprises which, for a variety of reasons are unable to raise such finance in the public or quoted capital market."[16]

The various reasons could be size, stage of development, degree of leverage, the nature of company or business.

6.2 Meaning:

Venture capital means

- a long term investment held for capital appreciation.
- financing through mainly equity and quasi-equity securities and sometimes debt - straight or conditional.
- investment in the projects of new but qualified entrepreneurs with inadequate funds.
- taking higher risk for higher return' - higher risk as the project involves new or relatively untried technology and higher capital gains through capital appreciation when the new technology succeeds (not through the dividend payout).
- a long term association between Investors and entrepreneurs as business partners. Investors support the project with finance and business skills to exploit the market opportunities for return.

It also involves actively working with the company's management to devise strategies pertaining to the overall functioning of the project and networking and marketing of the product /service being offered.

6.3 Origin of Venture Capital and Recent Trends:

Venture Capital originated in the 20th century and now many countries of the world including India have adopted it as a means to bring about development of SMEs and MSMEs by encouraging entrepreneurs in the country.

6.3.1 Origin:

Post World War II, the history recorded origin of venture capital in USA by setting up the American Research and Development Corporation (ARDC) as the first venture capital organization in 1946.

However, the venture capital industry in India is of a recent origin and is still in its infancy. Venture Capital activity in the past was possibly done by the developmental financial institutions by using debt as an instrument of funding.The awareness for venture capital could be traced back to a committee on Development of small and medium enterprises (1973), set up by GOI in 1973, which recommended VC as a source of funding new entrepreneurs and technology.The need for venture capital was acknowledged in the 7th five year plan. and long term fiscal policy.

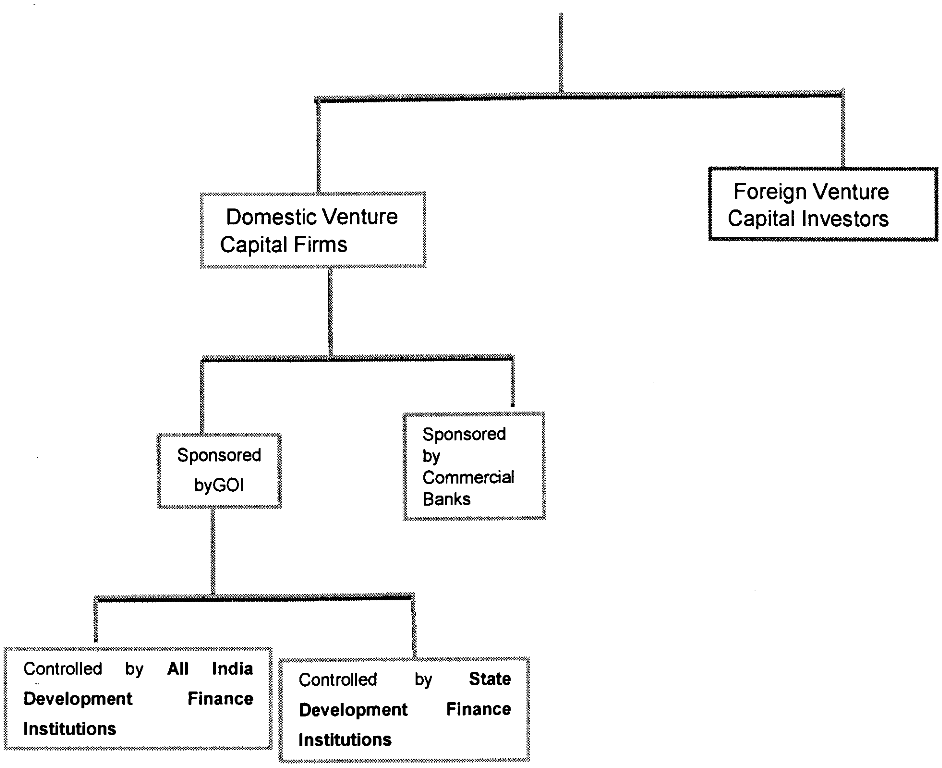
6.3.2 Recent Trends:

VC financing really started in India in 1988 with the formation of Technology Development and Information Company of India Ltd. (TDICI)- promoted by ICICI and UTI. The first private VC fund was sponsored by Credit Capital Finance Corporation and promoted by Bank of India, Asian Development Bank and the Commonwealth Development Corporation viz. Credit Capital Venture Fund. Besides, various state level financial institutions also started VC firms in the states. Sources of these funds were the financial institutions, foreign institutional investors or pension funds and high net-worth individuals.

Venture Capital in India is governed by the SEBI Act, 1992 and SEBI (Venture Capital Fund) Regulations, 1996, which states that, any company or trust proposing to carry on activity of a Venture Capital Fund shall get a grant of certificate from SEBI. However, registration of Foreign Venture Capital Investors (FVCI) is not obligatory under the FVCI regulations. Venture Capital funds and Foreign Venture Capital Investors are also covered by Securities Contract (Regulation) Act, 1956, SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 1997, SEBI (Disclosure of Investor Protection) Guidelines, 2000.

6.3.3 Institutional Set Up in India:
The institutional set up of the Venture Capital firms is given in figure 1:

Figure 1
Institutional Set Up of Venture Capital Firms[17] in India



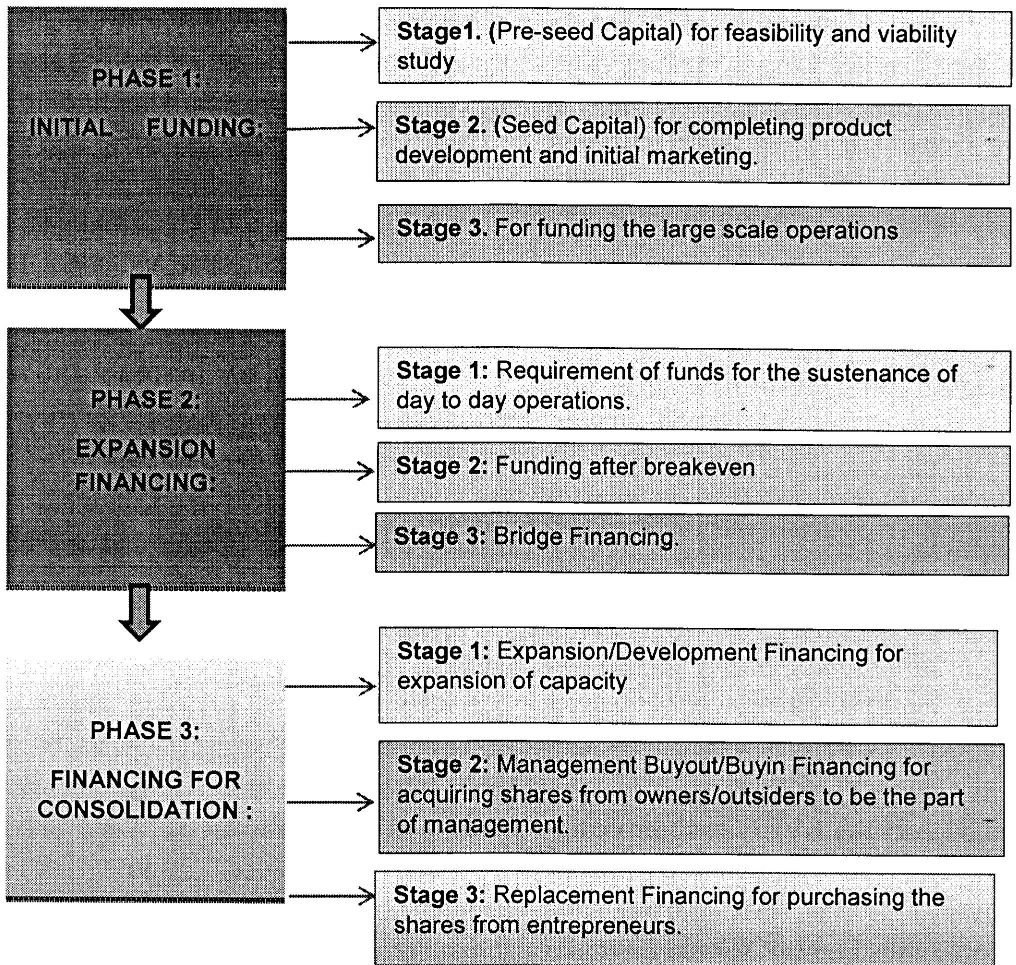
Source: Designed by Researchers

From figure 1 it can be inferred that the venture capital firms in India are diverse in nature and are in both public and private domain.

7.0 ROLE OF VENTURE CAPITAL

Initially VC firms were started with the investment interest of provision of start up capital to newer or small companies. A change is noticed in their aptitude as they now select the investees appropriate for different stages of entry to balance the time involved, acceptable level of risks and reward potential besides providing ongoing assistance. Figure 2 explains entrepreneurs'need for VC at various stages:

Figure: 2
Entrepreneurial Needs and Venture Capital Financing



Source: Designed by the Researchers.

From the figure 2 it can be inferred that from inception to consolidation phase, entrepreneurs require finance at every stage. The requirement may be different. For eg amount of funds required for modernisation is much larger than that for purchasing the materials. However, the risk element is much lower in phase 3 than in phase 1 and 2. Irrespective of degree of risk and quantum of finance, the entrepreneurs need support from venture capitalists until they stabilise themselves in the competitive environment. Many a times it is found that vulnerable ventures are given turnaround finance by the venture capitalists.

8.0 SIDBI AND VENTURE CAPITAL

SIDBI (Small Industries Development Bank of India) is statutory company set up under an act of the Parliament in 1990 as the principal financial institution to meet the difficulties and increasing and varied needs of the growing MSME sector in India.

SIDBI, the main public financial institution involved in VC funding, operates through wholly owned subsidiary- SIDBI Venture Capital Ltd ., set up to provide venture capital to emerging MSME sector[18]. SIDBI Venture Capital Ltd., a venture capitalist for the entrepreneurs in the MSME sector, is selected for case study. A study of the operational aspect of this organisation is dedicated for of SMEs and MSMEs may bring more visibility about the need for venture capital in supporting entrepreneurial activities in India.

8.1 SVCL - Venture Capital- Entrepreneurial Development:

SIDBI Venture Capital Ltd. (SVCL) was incorporated in 1999 as a WOS of SIDBI with the following mission statement :

"*To catalyse entrepreneurship by providing capital and other strategic inputs for building businesses around growth opportunities and maximize returns on investment* "[19]

Currently (as on 31.3.2014) SVCL hasfour designated fundsnamely National Venture Fund for Software and Technology (NFSIT), SME Growth Fund (SGF),India Opportunities Fund (IOF) and Samridhi Fund (SF).

The functioning of SVCL entails a partnership with the entrepreneur. The working may be summarised as follows:

- Viability/ feasibility of the business idea is studied carefully. Project is selected on the basis of promoters, management team, organization of the business, sector specific policies to ensure deployment of funds in promising projects.
- risk analysis of the proposed projects which includes: Product risk, Market risk, Technological risk and Entrepreneurial risk. The final decision is taken in terms of the expected risk-return trade-off
- a deal is structured to provide risk finance to the investees in the form of financial instruments – equity and quasi-equity instruments.
- active role is played in the management of the company by appointing a nominee in the Board.as well as provide the expertise and qualities of a good banker, technologist, planner and manager- a value addition to the company in terms of knowledge, experience and contact base.
- Regular follow up in the form of quarterly reports is kept to keep themselvesupdated

8.2 Overview of Operations of SVCL:

The latest status of the funds set up by SVCL as on 2013-14 is presented in the following Table 1 gives a birds eye view of operational aspects of SVCL.

From the table, one can know that SVCL strives to achieve its goal of supporting the entrepreneurial initiatives during the period of study. A few names of entrepreneurs/enterprises who benefitted from their endeavor include Karrox Technologies Limited, Mumbai, Manthan Software Services Private Limited, Bangalore, Indus Teqsite Private Limited,Chennai from NFSIT, Basil Communications Private Limited, Bangalore,Champion Agro Limited, Rajkot, Direct Logistics India Private Limited, Mumbai by SGF,Autocal Solutions Private Limited, Mumbai, Avni Energy Solutions Private Limited, Bangalore, GEO Biotechnologies (India) Private Limited, MITCON Consultancy & Engineering Services Limited, Pune, Prasad NC Machine Systems Private Limited by IOF and Glocal Healthcare Systems Private Limited, Rite Water Solutions (India) Private Limited, Sahaj Inclusive Opportunities (India) Private Limited by SF.

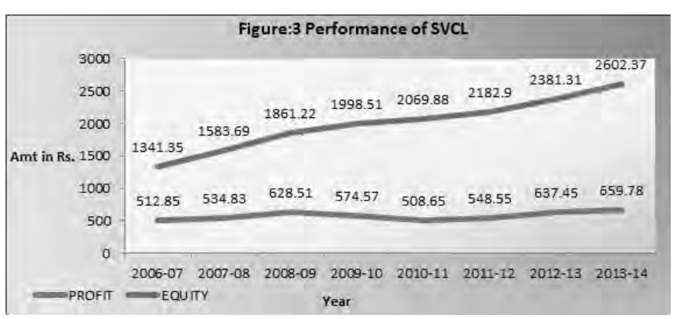
8.3 Performance of SVCL:

A snapshot of performance of SVCL .for the period 2006-07 to 2013-14 is presented below graphically.

TABLE: 1
Operations of SVCL at a Glance

	Fund Name	NFSIT	SGF	IOF	SF
1.a	Established in	1999-2000.	2004-2005.	2011-2012.	2013-14
b	Closure on/Term	2016.	2012, but extended upto September, 2014.	2021.	7 years
2.	Objectives	To support unlisted SME enterprises by way of equity and equity linked instruments.	To focus on the growth stage SMEs.	As sector agnostic fund, it focuses on meeting growth capital needs of growing and unlisted MSMEs.	To provide capital to social enterprises which can deliver both financial and social returns to 8 poorly developed states in India.
3.	Contributors	Contributed by Ministry of Communication and Information Technology, IDBI, SIDBI.	Contributed by SIDBI and 8 scheduled commercial banks.	Contributed by SIDBI,LIC, Technology Development Board, Canara Bank and other leading SCBs and insurance co.s	.Major contributor Department for International Development (DFID), United Kingdom along with SIDBI, LIC, United India Insurance.
4.	Number of Investee Co.s	31; Rs.84.4 crs	25; Rs.456.09 crs.	9; Rs. 58 crs. besides commitment in 15 co.s for Rs.182 crs.	5; Rs.39 crs .besides commitment in 7 co.s for Rs.111 crs.
5.	Sectors	IT industries, IT training, IT enabled services, Internet-related businesses geographically spread all over the country.	Diverse: auto components, textiles, life sciences, clean technologies, light engineering, services etc 63% of the funds to MSMEs and SSIs.	Emerging sectors such as educational services, IT/ ITES, agro based industries, logistics, clean technologies, light engineering, infrastructure etc.	Water and Sanitation, affordable health care, agriculture and allied services, clean energy, financial inclusion, skill building, education.
6.	Stage/Phase	Divested	Investment phase completed. Exited from 14 co.s	NA	NA
7.	Returns to Contributors	Rs.219 crs.	Rs.282.09 crs.	NA	NA
8.	Portfolio IRR	16.79%	16.86% on exited portfolios.	NA	NA
9.	Significance	Instrumental to establishment of hi-tech enterprises, creating jobs for technology work force, earning foreign exchange, establishment of environment friendly processes. Investee companies attracted over Rs.600 crs of foreign investment through foreign venture capital fund and acquisition by overseas companies	Investee companies attracted over Rs.1000 crs of foreign investment through foreign venture capital fund and acquisition by overseas companies.	NA	NA

Note: NFSIT: National Venture Fund for Software and Technology, SGF: SME Growth Fund , IOF: India Opportunities Fund and SF: Samridhi Fund
Source: Adapted from the various Annual Reports of SIDBI, and website of SVCL



Source: Developed by the researchers from the Annual Reports of SIDBI for the years from 2006-07 to 2013-14

It is clear from the graph that there is a consistency in the performance, barring the period between the years 2009-10 to 2010-11. It also implies that SVCL is on a perfect roadmap and in the process of achieving mission.

9.0 CONTRIBUTION

The research paper brings out the importance of venture capital as complementary source of funding for achieving the economic growth through the development of MSMEs and by improving the entrepreneurial skills.

10.0 CONCLUSION

The venture capital industry in India has really taken off. Promotion of venture capital activity can be effective in bringing the dream projects of the first generation entrepreneurs into reality through the equity participation and participation in management. Due to its potential to promote innovation, enterprise and conversion of scientific technology and knowledge based ideas into commercial production, it can be also useful in other sectors such as bio-technology, pharmaceuticals and drugs, agriculture, food processing, telecommunications, services, etc. besides information technology.

To make a venture capital sector vibrant, the VC firms should be highly capitalized which means that a larger pool funds from FVCI and all domestic institutional investors must be made. Due to the risk involved it should remain confined to sophisticated investors. There is a need to provide infrastructure and R&D facilities to VC firms and MSMEs.

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18. MSME is a sector beset with problems like non-availability of credit on suitable terms, poor response from the capital market/ banks, slow recovery of debts, weak bargaining power for obtaining raw materials, lack of/poor infrastructure facilities, old outdated machines, low level of technology, lack of skilled manpower etc. but has been a major contributor to the economic growth, entrepreneurial development, balanced regional growth and creation of employment opportunities.

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A Conceptual Study on Issues and Challenges of Labour Reforms in India

* Tamanna A. Patel

Abstract
Indian labour law refer to law regulating labour in India. Both central and state governments have enacted laws on labour relations and employment issues. This paper makes an attempt to present an overview of existing literature pertaining to the issue and brings forth some major concerns that need attention before any alternate framing of labour laws. As so labour reforms are concerned, Government of India has failed to reap demographic dividends as consequences of policy paralysis. Changes in Labour laws have been not so effective in attracting foreign investors. Even today it persist that the issues pertaining to welfare of labour and flexibility of the firms to grow in sync with market conditions for better industrial relations. For the past few years Labour laws are acting as a pro-worker in every organised sector, Government should reform Labour laws in India by highlighting the need for flexibility in Indian labour laws that would give appropriate to the industry which is essential to compete in international markets. But the attitude has mainly been towards skill enhancement and focus on flexible labour markets rather than assessment of proper enforcement of the laws. This paper focuses on emerging issues and challenges that pose roadblocks for labour reforms and imperatives for enhancing operations of the Labour markets.

Keywords: *Labour Reforms, Welfare, Labour Law*

INTRODUCTION

Labour reforms have often been associated with competitiveness. However it attempts at reforming Indian labour market which have been slow. Even the globalization and liberalization process that began in India in 1991 impacted labour market in limited manner. No wonder, India missed the opportunity of being manufacturing hub of the world due to rigidities in labour market, labour laws and glaring skill deficit. In last twenty-five years, the government of India has tried to bring in immense changes in labour laws aiming at labour flexibility. There have been recommendations by the government to reform labour laws in India by highlighting the need for flexibility in Indian labour laws

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that would give appropriate flexibility to the industry that is essential to compete in international markets. Labour reforms are viewed in a holistic manner so that India is able to gain demographic dividends by becoming manufacturing destination of the world owing to higher labour productivity, flexible labour market practices and lower labour cost without compromising on labour standards. Indian labour market is spoiled by over-arching complexities of archaic labour laws, unmindful bureaucratic control and corrupt inspectorate having unlimited abilities to exploit the susceptible factory owners at the cost of welfare of the workers. Hence, labour market liberalization is urgent need of the day.

RATIONALE & SIGNIFICANCE OF THE STUDY

Labour policy reforms in India are due for a long time; it was framed 40-70 years back, now the context in which they were framed has changed drastically. The Laws were framed mainly to cater the manufacturing sector. The outdated and inflexible nature of labour laws protects a handful of say **6-7 percent** of the workforce, seriously hampering employment generation capacity. In India, the relationship between economic growths has often been inconsistent; they have been mainly in the informal sector. A growing informal sector often affects potential for business productivity and workforce security, highlighting the shifting relationship with economic growth. Labour reforms suggested by businessmen are drastic in nature, failing to consider stakeholders with vested interests in an inflexible labour market, which is directly hampering the GDP of the country. The rest of the **93 percent** have no direct access to unemployment insurance, skills or training programmes, which also makes them less employable. Wages are lower as the minimum wage legislation would be too expensive for small informal businesses to implement. In fact, as shown on Table 1 below, the share of informal jobs in the formal sector companies is on the upward trend **(Papola and Sahu, 2012)**.

Table 1: Distribution of Informal workers in India

Year	Informal workers in Informal sector	Informal workers in Formal sector	Total percent of informal workers in the economy
1999-2000	86.2%	5.86%	92.06%
2004-2005	86.3%	6.37%	92.67%
2009-2010	84.2%	8.09%	92.29%

Source: **Papola and Sahu (2012)**

The Labour Laws being framed in yester years, their potential to serve the Industrial society and its respective impact signifies the rationale behind the study of the Issues & Challenges of Labour Reforms in India.

RESEARCH DESIGN

The study on issues and challenges of labour reforms in India is a research paper with a Conceptual & Exploratory study by the help of **Secondary Data**. The conceptual study is completed through subjective study of **Labour Reforms in India**, **Scenario of Labour Laws**, **Labour welfare** and **Need for change in Labour laws in India**. This is an Indicative study which focuses on the demands from industry for liberalisation in the stringent regulatory framework, which combines the interest of the workers too. The scope of the study is to understand the need of the hour in Indian labour legislations. The data collection for this study was through secondary sources in the form of Books, Magazines, Internet & Journals. The primary data collection was out of scope and also the study is pertaining to overall scenario of Labour Reforms in India attracting general views which may turn up as **Limitation of the Study**.

OBJECTIVES OF THE STUDY

The Author has considered the following objectives for the study:

- To study the issues pertaining to welfare of labour and flexibility of the firms to grow in sync with market conditions for better industrial relations
- To study the need for reforming Labour laws in India by highlighting the need for flexibility in Indian labour laws

Literature Review:

India's labour laws are restrictive in nature and hurt investments in manufacturing sector. The Industrial Disputes Act 1947 has rigid provisions such as compulsory and prior government approval in the case of layoffs, retrenchment and closure of industrial establishments employing more than 100 workers. This clause applies even when there is a good reason to shut shop, or worker productivity is seriously low.

The Contract Labour Act 1970 states that if the job content or nature of work of employees needs to be changed, 21 days notice must be given. The changes also require the consent of the employees, and this can be tricky. While the right of workers to associate is important, the Trade Union Act 1926 provides for the creation of trade unions where even outsiders can be office bearers and restricts the Economic Growth.

Rigid Labour Laws discourages firms from trying to introduce new technology, requiring some workers to be retrenched. This compels FDI because of the fear that it would not be possible to dismiss unproductive workers or to downsize during a downturn. Hence getting FDI into export oriented labour intensive sectors in India has not been fully achieved. Employers have taken to hiring workers on contract outside the institutional and legislative state, resulting in informalisation of the Labour market which hampers the workers well being.

The basic idea behind flexible labour markets was 'market fundamentalism' put forward by Stiglitz (2002) as stated by **Sharma (2006)**:

> "…free market forces are efficient and Pareto optimal. The free play of market forces results in employment of resources at the market clearing prices; this leads to both efficiency (as almost all resources are employed) and equity (all are rewarded according to their marginal contribution). Regulation of the market by state leads to deviation from full employment of resources. Hence, attempts should be made to remove as many of these imperfections as possible so as to achieve full employment of resources and optimal social welfare. In the case of labour market, trade unions and protective labour legislations are said to be market distorting agents, which curtail the free operation of the market forces to ensure full employment of labour."

Sharma (2006) states that there is a 'strong' argument for labour market regulation to enhance investment and employment which would bring about equality in the labour market and provide for flexibility in free entry and exit. He says that because of excessive institutional interventions markets do not clear and make wages 'sticky' which affects the freedom of employers to adjust the quantities of resources leading to unemployment. Hence, in order to protect the existing employees, potential employees remain unemployed or enter the unorganized sector with no social security or political power.

According to **Sundar (2005)** employers view flexibility in the labour markets as essential because in this era of economic liberalization and growing competition between firms and countries, production should be organized to suit the changing market conditions. This would promote economic growth and also generate jobs. He mentions that the Second National Commission on Labour also advocates the need for flexibility in the labour markets saying that it would promote 'competitiveness' and 'efficiency' in the current wake of globalization and rapid technological progress.

Debroy (2001) says that the main accusation against the labour laws is that in the absence of flexible labour markets in the organized sector growth in output is not leading to a proportionate growth in employment hence the employers are going for more capital intensive production processes because of labour becoming a fixed input. Hence though the labour laws are meant to protect the jobs of the workers, the scope for creation of more job opportunities in future is being lost. Therefore India's comparative advantage of enormous labour abundance is not being adequately utilized because of the high wage lands created by the labour legislation in the organized sector.

Labour Reforms:

"Labour reforms in India, in the context of economic liberalization and globalization, are much desired, but also feared and misinterpreted. The issue has been a touchy one ever since the liberalization era began in the early 1990s. The Common Minimum Programme (CMP) of the United Progressive Alliance (UPA) promises to carry out much awaited labour reforms in the Indian economy. The CMP has clearly indicated the need to streamline labour laws and enact Employment Guarantee Act. However, implementing these reforms would require much imagination and political will. The previous government had also proposed certain labour reforms but could not carry them out.

A large section of scholars have opined that labour market regulations add to production costs, restrict flexibility and efficiency, stifle competition, hinder economic growth and impair urgently required market adjustments. An obvious inference from such a broad position is undesirability of any regulatory framework to govern employee-employer relations especially in labour surplus economies of the developing world so that the latter have a free hand in handling recruitment, compensation, separation and all other employment related issues without any consideration for labour standards prevalent across the developed countries. Further, labour standards are viewed as luxury which should come by only as a result of significant improvement in economies **(Bhattacharya, 2007).**

Need for Labour Reforms

The need to enact Labour Reforms is to compete with other countries arises because of the following reasons:

- Despite the advantage of cheap labour, the Indian textile industry's productivity is low compared to China and other major exporting countries because other exporting countries have set up giant manufacturing capacities which bring improved productivity while in India, exporter's farm out their manufacturing to smaller units which results in low productivity and quality.

- The ID Act states that if a company employs more than 100 workers, the company cannot close shop without the permission of the government. Further appointment of contract labour, which is crucial to the garment industry, is not permitted. An analysis of India's labour laws such as the ID Act has indicated that such legislation, enacted to protect workers interest, actually leaves them worse off. Over the years, the statutory protections of the ID Act neither protected employment in the organized sector, which employs more than 100 workers, nor did it adequately address their compensation issues in establishments that turn sick. This is evidenced in the cases of textile mills of Mumbai and Ahmedabad where workers have been denied their terminal benefits as the companies continue to languish as sick units.
- Significant skill shortage across the country has almost a crippling impact on Indian labour market. More than archaic labour laws, this factor makes the labour market quite unattractive especially for foreign direct investment. Even the large domestic players as well as entrepreneurs in micro-small and medium enterprises face the brunt of unavailability of skilled manpower. **(Planning Commission, 2001)**
- The reforms of the economy began years ago, but significant labour reforms have yet to be initiated. Policy-makers and lawmakers have to enunciate new policies that would allow India's human resources to play the leadership role in growing the economy. It is time for change. India needs an economic approach to labour laws because human effort is the principal determinant of economic well being.

Labour Laws in India: Glimpse

Labour Law is the "Body of Laws, Administrative Rulings, & Precedents" which address the Relationship between & among "Employers, Employees & Labour Organizations", often dealing with issues of Public Law. The terms Labour Laws & Employment Laws, are often interchanged in the usage. This has led to a big confusion as to their meanings. Labour Laws are different from Employment laws which deal only with employment contracts and issues regarding employment and workplace discrimination & other Private Law issues. The "Final Goal" of Labour Laws is to bring both "Employer & Employee" on the same Level, thereby mitigating the differences between the two ever-warring groups.

"Labour Laws" emerged when the Employers tried to Restrict the Powers of Worker's Organizations & keep Labour Costs Low. The Workers began Demanding better Conditions & the Right to organize so as, to improve their Standard of Living. Employer's costs increased due to workers demand. This led to a chaotic situation which required the Intervention of Government. In order to put an end, the "Government" enacted many Labour Laws in the Country. The History of Labour Legislation in India can be traced back to the History of British Colonialism. In the beginning it was difficult to get enough Regular Indian workers to run "British Establishments" & hence Laws for chartering workers became necessary. This was obviously Labour Legislation in order to protect the interests of British employers.

Important Acts of Indian Labour Law

- The Apprentices Act - 1961
- The Payment of Wages Act -1936
- The Workmen's' Compensation Act -1923

- The Factories Act -1948
- The Industrial Disputes Act - 1947
- The Employees PF Act - 1952
- The Employees State Insurance Act - 1948
- The Maternity Benefit Act - 1961
- The Payment of Bonus Act – 1965
- The Payment of Gratuity Act - 1972

Current Affairs in Labour Laws

Govt. contractual workers benefit of social security Contractual workers employed with some of the union ministers and departments are not extended benefits like Provident Fund, pension and other social security schemes, according to reply to an RTI query.

The employees working on contract or those hired via outsourcing from different agencies don't have any provisions of availing extra leave apart from the mandatory national holidays and weekly offs, the Ministry of Labour and Employment said in reply to an RTI petition (Labour Law Reporter. VOL. XXXVI, NOV 2014)

Labour Laws Turning Pro-corporate Unions:

Eleven Central trade unions, including the BJP-affiliated Bhartiya Mazdoor Sangh, held a national convention of workers protesting the "dilution of labour laws and tripartite committees in various sectors" by the NDA Govt.

The unions have called for a national protest day on Dec 5, 2014, and the state level protests on Oct 15, 2014, in Rajasthan, which was the first to propose amendments to labour laws including the Factories Act, the Industrial Dispute Act and the Contract Labour (Regulation and Abolition) Act (Labour Law Reporter. VOL. XXXVI, NOV 2014)

PM Narendra Modi unveils key Labour Reform to end 'Inspector Raj', says ease of Business must to make 'Make in India' Successful.

PM Narendra Modi during the launch of Pandit Deendayal Upadhayay Shramev Jayate Karyakram with a plan to revive the flagging economy organised by the Labour Ministry to create an environment conducive to Industrial Development while also ensuring transparency in the Labour sector. Labour Officials said that the initiatives which are a Unified Labour Portals or 'Shram Suvidha', a transparent and accountable Labour Inspection Scheme, and portability through Universal Account Number (UAN) for Employees will allow collation of accounts and viewing updated PF accounts. A unified Labour Identification Number (LIN) for simplifying business regulations and securing transparency and accountability in labour inspections by various agencies and bodies under the administrative control of Labour Ministry.

Mr. Modi talking about India's stringent labour laws, said, "Inspector Raj is a big problem, and I believe e-governance is effective and economical governance, and also important for transparency. Self attestation will be a reflection of how the citizens are trusted in their country"

He said, "Ease of business is important. It is essential for success of 'Make in India'. Labour issues need to be looked upon from the eyes of the 'Shramik' (workers). People can't see from the eyes of Industrialist. Skill development is a big opportunity for India. The world will require a huge skilled workforce by 2020, and India needs to works towards creating it" — **DNA**, 16 Oct, 2014

Labour Welfare:

Labour Welfare implies the setting up of minimum desirable standards and the provisions of facilities like **health, food, clothing, medical assistance, education, insurance, job security, recreation** amd so on. Such facilities enable the worker and his family tolead a **good work life, family life** and **social life**.

Labour welfare activity in India was largely influenced by humantarian priciples andlegislation. Durng early period of industrial development and effortstowards workers welfare wasmade largely by social workers, and other religious leaders, mostly on humanitarian grounds. Before the introduction of welfare and other legislation in India, the conditions of the labour were miserable. Exploitation of child labour, long hours of work, bad sanitation and absence of safety measures were regular features of factory life.

The earliest legislative approach could be traced back ton passing of the Apprentice Act, 1850. The next Act was te Fatal Accidents Act,1855 which aimed providing compensation to the families of the workers wholost their life as a result of actionable wrong. Next was Merchant Shipping Act, 1859, which regulated the employement of seamen and provided for their health, accomodation and necesseary articles of personal use.

But it was found that within the organised manufacturing sector there is a trend towards hiring through contractual arrangements and a rise in flexible arrangements of work, although there is an expansion in employement in tertiary sector but its increasingly the workmis in formalised, derpriving workers of rights such as employement security, work security and social security. It is seen that the relation between unemployement and labour protection laws are either by-passed or rendered nonaplicable.

In India, it has been observed that the working condition of Labour at work place is not satisfactory. Workers are always in frustration and motivation level of workers is not good. Motivation is positively correlated with concepts of level of aspiration, degree of comfort he gets at workplace. Thus the Management has to maintain such environment at workplace so that worker may perform his duties willingly.

Major Issues surrounding Labour Reforms in India Indian Labour laws need to be reformed, in order to rationalise them, eliminate in inconsistencies and make compliance less difficult and time consuming. Amendments of labour laws are a continuous process and amendments should be made in labour laws from time to time keeping in view, inter alia, the problems of the labourers. Following are some of the major areas in Indian Labour Laws where change is demanded:

1. Provision for Industrial Dispute Act (1947) the debatable areas in the IDA Act, mainly applicable to commercial and manufacturing operations, includes- chapter VB related to the special provision of layoff, retrenchment and closure in certain establishment. Primarily, the disputable aspect of section 11A of the IDA is that it permits the Labour Courts to modify a retrenchment order dealt to an employee, including the case in which a worker is retrenched on disciplinary grounds

2. Issues Concerning Contract Labour Act (1970) under the provisions of the CLA ((Regulation and Abolition) Act, a workman is deemed to be employed as a contract labour when he is hired in connection with the work of an establishment by or through a contractor for work which is specific and for specified duration thus contract labour differs from the method of wage payment of the establishment.

3. Issues concerning Special Economic Zones: Apart from the demand for changes in the existing Labour Laws, the increase in the number of Special Economic Zones (SEZs) and foreign companies in India has led to fresh stipulation for the relaxation of labour laws in SEZs areas. There is also a debate about having a new set of labour and employment laws for the SEZs. In tone with this demand, in 2001, the Federation of Indian Chambers of Commerce and industry submitted to the Ministry of Commerce and Industries, which briefly sets out some of the factors for the success of SEZs and advocates a flexible policy for the zones

RECOMMENDATIONS AND CONCLUSIONS

- Govt. can take actions on the task which points out the various problem areas in the labour legislation and are immediate reforms which are needed, which focuses on the three main Acts i.e. **Industrial Dispute Act (1947), Contract Labour (Regulation and Abolition) Act (1970)** and **the Trade Union Act (1926).** and their features and should suggests changes.
- The commission can raise the cut off limit for closure permission to establishments with 1000 and more workers in the IDA that was earlier indicated to them (Sundar, 2005).

In the context of above discussions, there are certain things needed to be looked upon:

- The first is that reforming the labour laws would practically make a difference to the growth of employment considering that labour.
- Secondly, whole debate on, whether rigidity of the labour laws is hindering growth of the manufacturing sector and hence violations of labour laws are taken into consideration. Again, even though steps involving greater flexibility in labour laws making it easier to implement greater flexibility in the labour market are taken leading to creation of greater employment opportunities, one need to know whether this would lead to long term generation of employment creation
- Thirdly, taking steps towards welfare of the employees whether they are getting proper benefits. Above all any step should take into account the interests of both the employers and the workers with greater emphasis on social protection of workers.

Labour market reform is an important yet politically sensitive issue in most countries. Flexibility and security for employers and employees boosts livelihoods and the rate of good quality formal sector jobs. However, there are several stakeholders – employees and trade unions – who have a vested interest in keeping the labour market inflexible. This paper has identified several potentially compatible reforms that could enable the political class to make a strong case for labour market reforms to all the stakeholders. Reforms are discussed in three areas of the labour Laws i.e., IDA, Contract Labour act (Recognition & Abolition) & Trade Union Act that helps on the front of social security and livelihoods, federal freedom to amend legislation. The labour market in terms of 'labour law reforms' has not brought any results almost 60 years of reform concentration in the formal sector has not brought many results. To conclude, the paper identifies that the demand for more reforms for flexible labour market is required, Indian labour Market lacks adequate factual support and information towards formal sector and lack of strict application. Therefore the Government need to concentrate on the laws which are required to be revised and improvised.

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