



NIRMALA COLLEGE FOR WOMEN (AUTONOMOUS)

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RED FIELDS, COIMBATORE-641 018

INTERNATIONAL CONFERENCE

ON

**“CHALLENGES AND OPPORTUNITIES FOR THE SUSTAINABLE GROWTH OF
BUSINESS IN INDIA”**

07.01.2020

ORGANISED BY

DEPARTMENT OF COMMERCE (AIDED)

Nirmala College for Women, situated in Red Fields, Coimbatore, is run by the congregation of the Franciscan Sisters of the Presentation of Mary. The college has its humble beginning as secondary grade college in the year 1948. The Founder Rt. Rev. Msgr. Oubagarasamy, D.D the Bishop of Coimbatore, with a missionary zeal and farsighted vision worked to contribute his mite to the tremendous task of developing women's education for the development of free India. The college has now emerged as one of the premier institutions of learning, propagating higher values of education and learning, with hopes and dreams to achieve her goal, "Knowledge purifies, Charity Enhances".

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In this regard, the department would like to thank the management, the Secretary and the Principal of Nirmala College for their invaluable guidance and incessant support rendered to us. We also thank all the research scholars who have contributed papers for this special edition.

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**INDIAN DIASPORA LABOR FORCE AND THEIR REMITTANCE-A STUDY ON GCC
MIGRANTS FROM INDIA**

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Research Scholars

Introduction:

India is the leading country of origin of international migrants in 2019 with a 17.5 million strong diaspora, according to new estimates released by the United Nations, which said the number of migrants globally reached an estimated 272 million.

In fast paced rapidly developing globalized world characterized by easy mobility of people across borders, resulted into immigration of Indian citizens across these territories especially Gulf region. India and the Gulf Cooperation Council (GCC) countries have age old strong ties in terms of cultural, social and economic development. These strong bonds paved way to many Indians migrating to these regions for earning their livelihood. These migrants have played a predominant role not only changing the face of Indian economy but well contributed in shaping the Gulf region by providing skilled, semi-skilled and unskilled workers to the various sectors of the economies. India is among the top economies that receives the largest remittances sent to any country by its overseas population. Remittances to India rapidly increased over the period of time, even in the times of global crisis, and continue to impact the quality of life of families that receive them. In one of the reports, quoted by UAE Exchange & major money exchange organization in gulf region, it indicates that nearly 50% of remittances are made to India from the gulf nations.

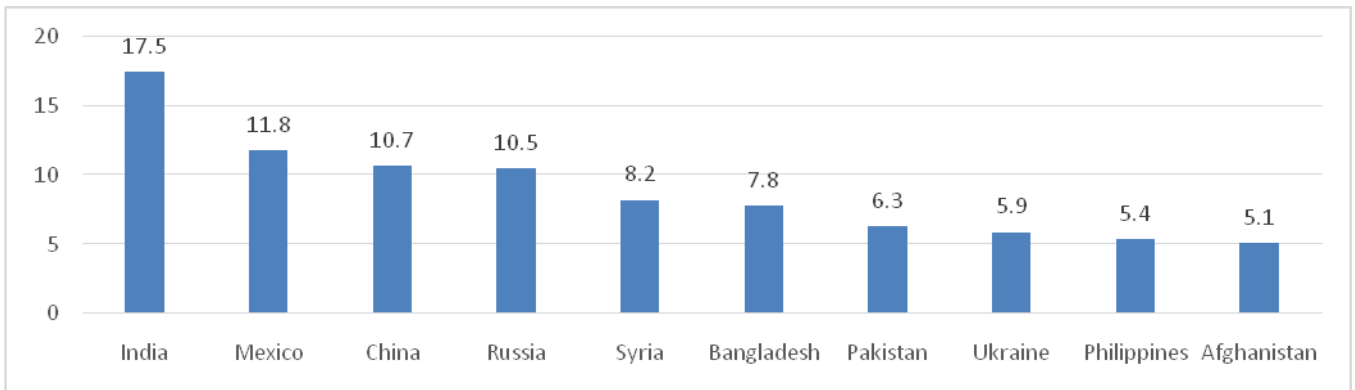
Objectives:

1. To know the overseas Indian population in top countries.
2. To study the Indian Population in GCC.
3. To know the inwards remittance made by migrants to India.



Figure-1

International Migrants In 2019 Top Ten Countries (Millions)



Source: economictimes.indiatimes.com

Interpretation:Figure-1 indicates India as the top country constituting to the largest amount of migrants amounting to 17.5 Million and the lowest country is Afghanistan with 5.1 Million migrants.

Table:1 - Overseas Indian population

Country	NRI
United States	41,21,944
Saudi Arabia	41,00,000
Nepal	40,00,000
United Arab Emirates	35,00,000
Malaysia	21,08,600
South Africa	15,60,000
United Kingdom	14,51,862
Canada	12,00,000
Myanmar	11,00,000
Oman	9,50,000
Mauritius	8,94,500
Sri Lanka	8,50,000
Kuwait	7,00,000
Singapore	6,50,000
Qatar	6,50,000

Source: www.nriol.com/indiandiaspora/statistics-indians-abroad.asp



Unemployment Rate in India

Unemployment rate in India is constantly increasing as shown in the table-2 below, indicating that the highest rate of unemployment was reported in October 2019 with 8.45 percent and the lowest rate was recorded in January 2019 at 6.65 percent.

The formula for unemployment rate is:

$$\text{Unemployment Rate} = \text{Number of Unemployed Persons} / \text{Labor Force}$$

*** The labor force is the total of unemployed and employed persons residing in the country. Unemployment rate is derived by dividing the number of individual unemployed by the labor force.

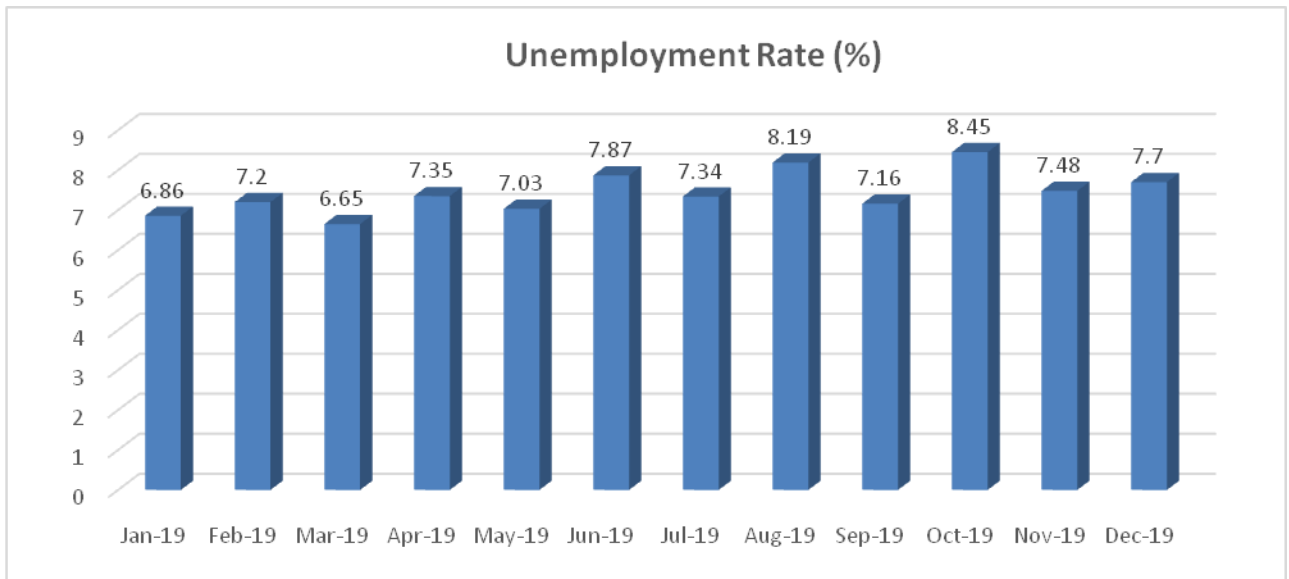
Table-2
Unemployment Rate (%)

Month	India	Urban	Rural
Dec-19	7.7	8.91	7.13
Nov-19	7.48	8.89	6.82
Oct-19	8.45	8.84	8.26
Sep-19	7.16	9.62	6
Aug-19	8.19	9.71	7.48
Jul-19	7.34	8.3	6.9
Jun-19	7.87	8.26	7.69
May-19	7.03	8.58	6.3
Apr-19	7.35	7.57	7.25
Mar-19	6.65	7.72	6.15
Feb-19	7.2	7.69	6.97
Jan-19	6.86	8.58	6.05

Source: <https://unemploymentinindia.cmie.com/> and [Centre for Monitoring Indian Economy](#)



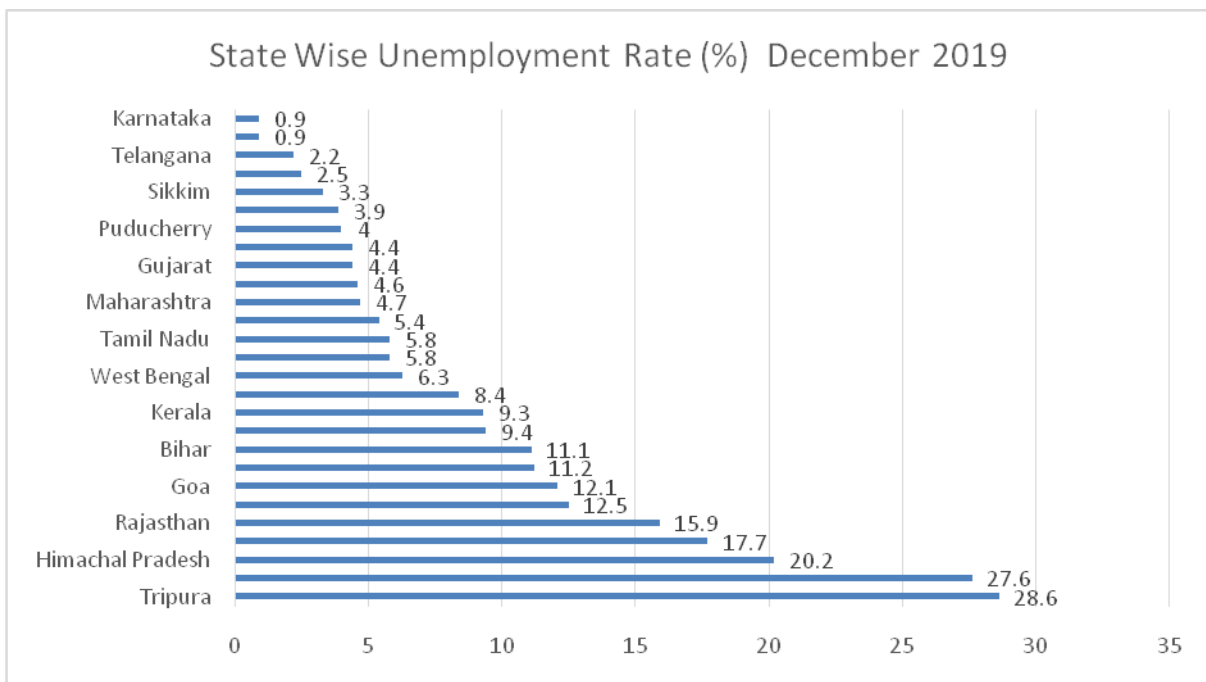
Figure-2



source: <https://unemploymentinindia.cmie.com/> and Centre for Monitoring Indian Economy

Interpretation: Figure-2 indicates the monthly unemployment rate for the year 2019. It indicates the average range of unemployment is between 7 to 8 % in the country.

Figure-3



Source: <https://unemploymentinindia.cmie.com/> and Centre for Monitoring Indian Economy



Interpretation: Figure 3 indicates the state wise unemployment rate in India. It indicates that Tripura constitute to the highest rate of unemployment to a percentage of 28.6 and Karnataka constitute to the lowest rate of Unemployment which stands at 0.9%.

Indian Diaspora to Gulf Arab Countries(GCC):

The Gulf Arab countries is considered as paradise for Indians, since the 1970s with a rapid increase in oil production, the GCC has been one of the top priority for especially from India. The major portion of Indian expatriates are engaged in blue-collar jobs as semi-skilled and unskilled laborers, while the rest are white-collar professionals such as engineers, doctors, and architects moved to these CCG regions to earn their livelihood.

Indian workers both blue-collar and white collar are making a remarkable contribution to both India and the GCC countries in terms of economic and social development. A 2012 report on India-GCC trade flows estimated that white collar workers constitute 35 percent of migrant population in GCC region. (Trade & Capital Flows). Migration to these regions has increased at fast pace during late 1970's and 1980's contributing to around 70 percent of workforce in the gulf region. Many skilled migrants have played a significant role in development of various industries in Gulf region.

It is observed that from the past 30 years, between 1990-2017, India has witnessed wave of emigration to GCC. Indians living in the middle eastern Arab state has increased in the past years thereby increasing the population of the GCC Countries in the year between 2015-2017, the Indian population in Qatar has multiplied three time raising it by 25.0%. The Indian population in Oman increased by 68.8% and in the United Arab Emirates it increased to 62.2%.

However, recent global economic slowdowns have reduced migrant from India into the region. It is because of falling crude oil prices and also resulting spending cuts on construction projects and the slowing economies.

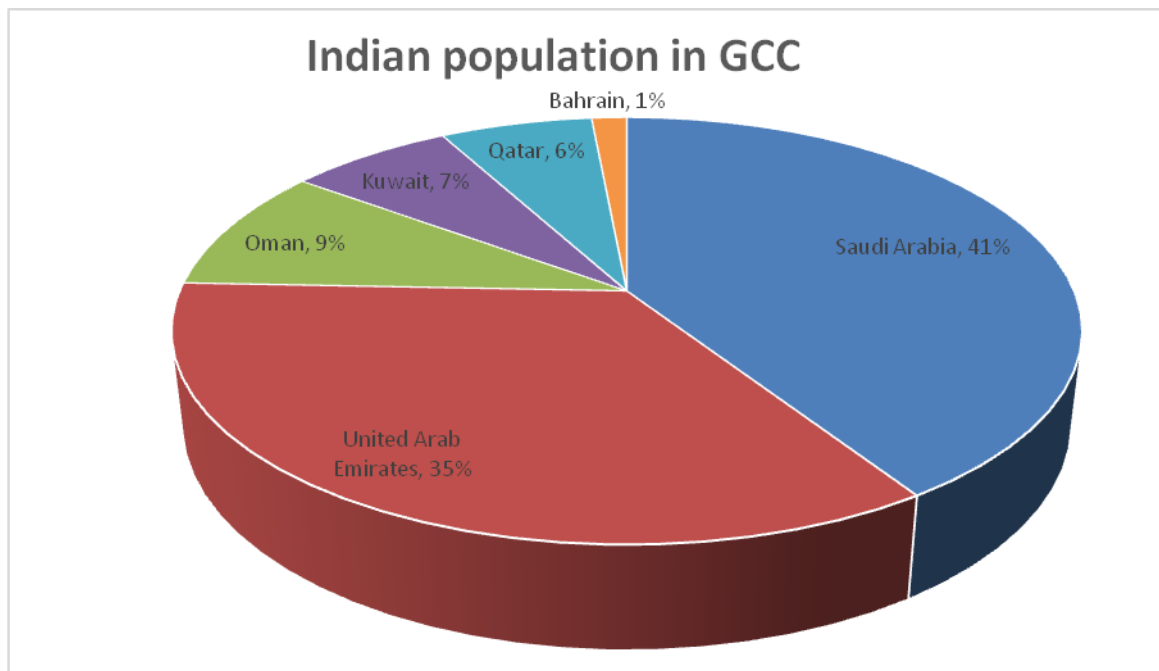


Table-3
Indian population in GCC

Country	Indian population	% of total population
Saudi Arabia	41,00,000	41%
United Arab Emirates	35,00,000	35%
Oman	9,50,000	9%
Kuwait	7,00,000	7%
Qatar	6,50,000	6%
Bahrain	1,50,000	1%
Total	1,00,50,000	100%

Source: www.nriol.com/indiandiaspora/statistics-indians-abroad.asp

Figure-



Interpretation: Figure-4 indicates the Indian Population in GCC. It indicates that the highest % of total population of Indian in GCC is in Saudi Arabia with a 41% and the lowest is in Bahrain amounting to 1%.



Remittances made by migrants to India.

India is one among the top countries receiving high remittances from the expat population residing in Gulf countries. Remittances from these oil extracting regions has increased gradually even during the period of global economic crisis.

In India meaning of remittance means the private transfers and personal inflows, without agreement. The following items are considered as remittances:

1. Transfer of fund by Indian expats to their families residing in India for maintaining the family.
2. Gold and silver brought by the expats through proper channel into the home country.
3. Non- residents' deposits and various investments, etc.

The migrant workers remitting money to India has always played a substantial role in helping their families to cross the poverty line. In the recent report published by the Department for International Development (DFID) highlights that the state of Kerala has been benefitted a large by bringing down unemployment and improving the financial conditions of family members back home.

The Southern states of India (Like Kerala and Tamil Nadu) have been customary sources of migrant workers to the Middle East. However, in recent years, many other states in India both north and south has been providing the migrants to GCC.

In a report produced by World bank sources indicates that an estimated USD 401 billion was sent by expats in form of remittances to the various developing nation, with India being the largest receiver at USD 69 billion in the year 2012. (Migration and Development Brief 20).

Table-4

Top countries receiving remittance from migrant in US \$ (Billion)

Country	2015	2017	2018
India	68.9	69	78.6
China	63.9	64	67.4
Philippine	29.8	33	
Mexico	26.2	31	35.7

Source: economictimes.indiatimes.com



Interpretation: Table-4 focusses on continuous and steady increase in level of remittance from migrants. It shows an increasing amount of 68.9 US\$ Billions in 2015 to 78.6 US\$ Billions.

This increase can be attributed in many factors like saving habits and nature of securing the future, expanding skills base required at various world destinations and vice-versa.

Table-5

State-wise Share in Inward Remittances (Percentage)

State	Share in Total Remittances
Kerala	19
Maharashtra	16.7
Karnataka	15
Tamil Nadu	8
Delhi	5.9
Andhra Pradesh	4
Uttar Pradesh	3.1
West Bengal	2.7
Gujarat	2.1
Punjab	1.7
Bihar	1.3
Rajasthan	1.2
Goa	0.8
Haryana	0.8
Madhya Pradesh	0.4
Orissa	0.4
Jharkhand	0.3
Uttarakhand	0.2
Puducherry	0.2
Chandigarh	0.2
Jammu and Kashmir	0.2
Assam	0.1
Himachal Pradesh	0.1
Chhattisgarh	0.1
*Others	15.5
Total	100

Source : Reserve Bank of India

Note: *"Others" also includes those remittances for which banks could not identify the specific destination and, therefore, covered such transactions under "Others".



Interpretation: Table 5 reveals that 58.7 per cent of total remittances was received by four states namely Kerala, Maharashtra, Karnataka and Tamil Nadu. The flows of remittances broadly mirror the State-wise composition of the stock of overseas migrants. The Southern States dominated with a combined share of 46 per cent in total remittances. The eastern states of India amounts to the lowest amount of remittance received in the country amounting to 0.3 %.

Conclusion: Outlining the extent of number of Indian expats working in gulf countries from the past few decades reveals the role of migrants towards the development of Indian economy as well as gulf countries. The major portion of expats working in these region are from southern states like Kerala, Tamilnadu, Karnataka, Maharashtra, Andhra Pradesh ,etc.(kohli,2014).

India has maintained its position as the world's top recipient of remittances, with its diaspora sending back \$78.6 billion in 2018. Considering that India's diaspora is the largest in the world, at 17.5 million (as of mid-2019), this ranking in terms of remittances is not surprising. India's remittances were 14% of the global remittance figure of \$689 billion. China was next in line, with remittances of \$67.41 billion. At present if Indian families are being able to experience a better life, medical care, purchase property, financial assistance and good educational facilities to our children, we can only look back with humility and gratitude to GCC nations that has provided us with such opportunities(Kuwait 2013).

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**AN ANALYTICAL STUDY OF THE CONTRIBUTION OF NON-OIL PRODUCTS
FOR THE ECONOMIC GROWTH OF SULTANATE OF OMAN**

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Research Scholars

ABSTRACT:

The economy of the Sultanate of Oman has been showing a continuous progress for the last 50 years. It has been noted that there was a rapid growth of economy due to shoot up of oil prices since 1999. As we know crude oil sales is the main sources of income for the economy and it constitute around 80% of the sultanate's income.

In recent years the economy of the Sultanate of Oman has been shrinking due to decline in the prices of the crude oil and several steps are taken by the Government to strengthen its economy. National Center for Statistics and information agency provided a data in which Sultanate's Gross Domestic Product (GDP) declines by -0.9 in the year 2017. Decrease in the Gross National Product is a result of heavy decline in the crude oil price in the national level as well as in the international market. Crude oil exporting countries like Saudi Arabia, Kuwait, Russia, Qatar, and Iran etc... do faced many economic challenges like slowing down many infrastructure projects, increasing unemployment opportunities and reduced public spending due to decline in the price of oil and has affected the economy severely different ways. Whenever the price increases in the international market, there will be increased spending by the government to improve economy, but when the prices are in the reverse gear mode, government cut down public spending and which has affected the whole economy. Sultanate of Oman should concentrate on adopting various alternative policies to downsize the depends on crude oil revenues. It should concentrate on non- crude oil projects because there is a positive growth of OMR3,627.7 million in 2018 against OMR3,176.4 in the previous year in the GDP of non-oil activities, which clearly shows an increase in the GDP of non-oil activities. It happened because the government concentrated on tourism, logistics and mining sectors rather than petroleum related activities. The government may focus on the non-petroleum activities to increase GDP so that it can diversity the sources of National Income.



Introduction

Oil is considered the main driver for the economic growth of Oman since its evolution. Oman's economy is known for being reliant on export of Oil & Gas as it contributes to 69 percent of its total export. This reliance on oil & gas is reflected in the shares of oil in total government income, total amount of exports, and gross domestic product (GDP). Recent adverse shocks to oils prices have left many oil-exporting economies that rely on oil as their major source of government revenue struggling. (Nusair, S.A.2016). Due to the high dependence of Oman economy on oil and the huge economic and social consequences of that, government initiated many plans to recover from the consequences by diversifying strategies. According to Oman's Ninth Five-Year Development Plan, it is identified that tourism, manufacturing and fisheries are the major sectors which are priority for diversification to improve the economic development of Oman. Over the years, Oman's export market is witnessing a substantial increase in non-oil exports contribution. One of the important pillars of OMAN VISION 2040 is Creating Wealth through Economic Diversification and Private Sector Partnership.

Objectives of the study

1. To analyse Oman's total export.
2. To analysis contribution of Oil export for the economic growth of Oman.
3. To identify and analysis the major Non-Oil Commodities Exports of Omani Origin.
4. To identify the major sectors of Non-Oil Exports of Omani Origin.

Oman's Export data:

Oman is the one among the largest export economies in the world and Oman is highly dependent on oil exports which amounts to 62 percent of total exports and liquefied natural gas which amounts to 8 percent of total exports. The other few Non-Oil exports include chemicals, plastics and rubber products. The below mentioned (*Table-1*) shows the total exports done by Oman in terms of Omani Rial.



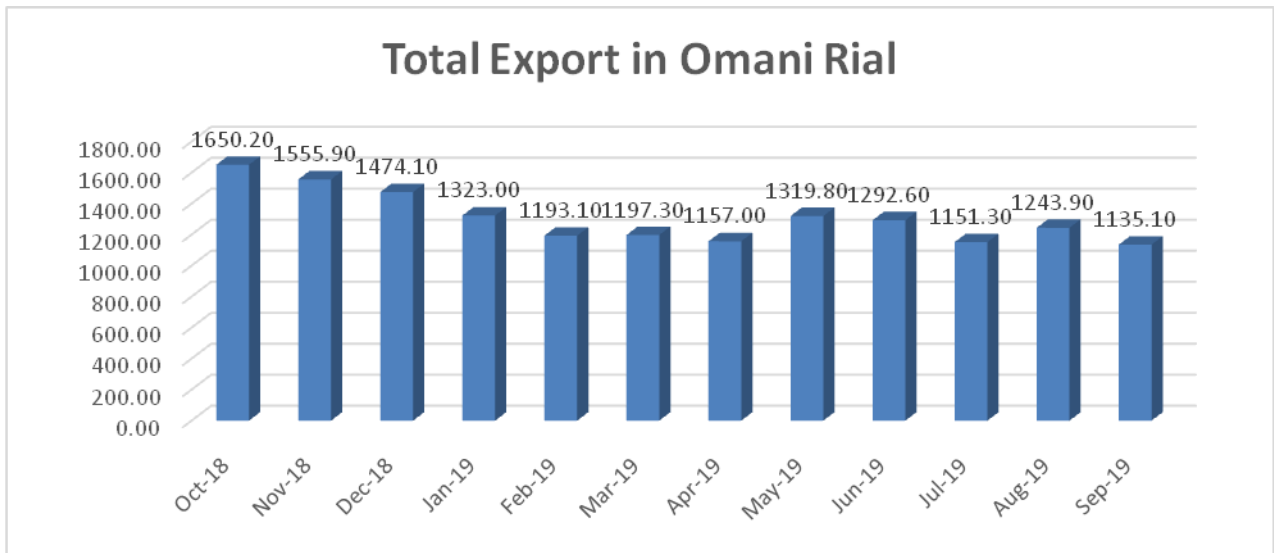
Table No. 1

Total Exports in Omani Rial

Period	Export
Oct-18	1650.20
Nov-18	1555.90
Dec-18	1474.10
Jan-19	1323.00
Feb-19	1193.10
Mar-19	1197.30
Apr-19	1157.00
May-19	1319.80
Jun-19	1292.60
Jul-19	1151.30
Aug-19	1243.90
Sep-19	1135.10

Source: Trading economics. Com

Figure No. 1



Source: Compiled from table No. 1

Interpretation:The above (figure-1) indicates that the total exports in Oman has decreased constantly from October-18 to April-19, it started to increase comparatively in the next 2 month (in May & June-19) and subsequently decreasing by September-19. The total Exports in



the chart above indicates that there is a decline of 1135.10 OMR Million in September-19 from 1243.90 OMR Million in August of 2019.

Oil Exports

Oman's oil and gas industry play an important role in the development of country's economy, In spite of the continuous initiatives to diversify the economy, The average Omani oil price jumped by 35.8 percent in 2018. Oil and gas constituted about 36 percent of nominal GDP, about 6 percentage points higher than the previous year, and accounted for 78.2 percent of government revenues.

The share in the exports of oil and its production showed a decrease in the last few because of more consumption of crude in domestic refineries to meet the growing consumption of petroleum products as well as for exporting refined products. However, the exports of crude oil showed more than 80 percent of crude oil production in 2018.

Table No. 2

OIL PRODUCTION AND EXPORT (*Millions of Barrels*)

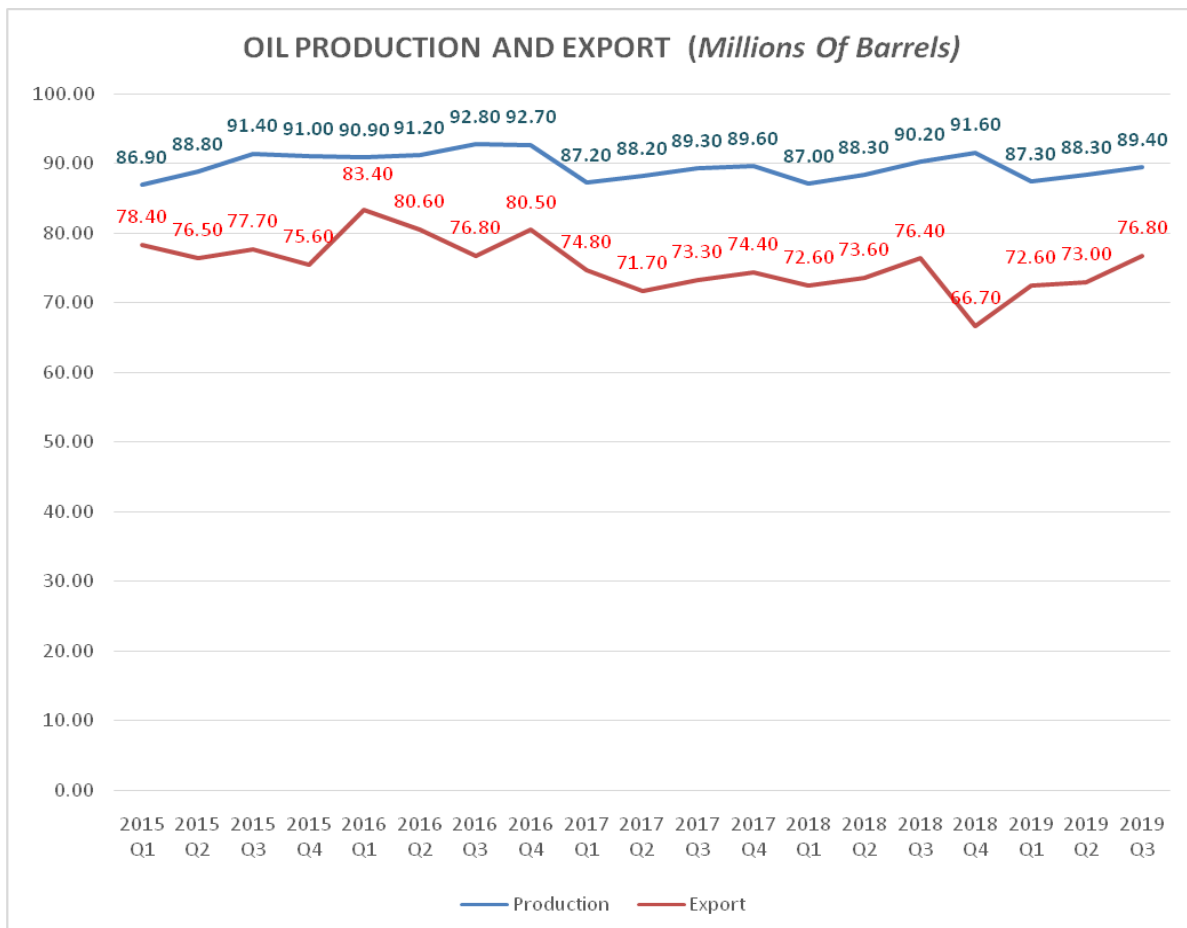
Period	Production	Export
2015 Q1	86.90	78.40
2015 Q2	88.80	76.50
2015 Q3	91.40	77.70
2015 Q4	91.00	75.60
2016 Q1	90.90	83.40
2016 Q2	91.20	80.60
2016 Q3	92.80	76.80
2016 Q4	92.70	80.50
2017 Q1	87.20	74.80
2017 Q2	88.20	71.70
2017 Q3	89.30	73.30
2017 Q4	89.60	74.40
2018 Q1	87.00	72.60
2018 Q2	88.30	73.60
2018 Q3	90.20	76.40
2018 Q4	91.60	66.70



2019 Q1	87.30	72.60
2019 Q2	88.30	73.00
2019 Q3	89.40	76.80

Source: Central Bank of Oman and National centre for statistics and information.

Figure No. 2



Source: Compiled from table No. 2

Interpretation: The above (figure- 2) indicates the quarterly production of Oil and its export in terms of millions of barrels. The table prominently indicates that despite the increase in production of oil in 2018 Q4(91.60), there was the lowest export of Oil (66.70) in the same year and quarter.



Table No.3

NON-OIL COMMODITIES EXPORTS OF OMANI ORIGIN(Quarterly)
(OMR in Million)

Commodity	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2
Live Animals and Animal products	35.6	28.1	50.3	50.3	61.8	49.4	49.2	65	51.9	43.9
Vegetable products	18.3	15.4	10.6	18.9	17.6	11.4	11.4	25.5	20.5	14.2
Animal and Vegetable fats and Oil	20.1	18.4	16.4	19.3	21.8	13.5	13.5	15.8	19.5	13.8
Prepared food stuff, beverages, tobacco and related products	28.7	36.1	37.1	35.3	34.8	31.9	31.9	41.7	49.5	30.4
Minerals products	160.9	319.5	160.7	218.7	149.8	133.6	133.9	197	82.7	86.7
products of Chemical and allied Industries	218.9	163.1	228	197.5	224.1	165.9	165.9	276.1	305.3	193.1
Plastic and rubber and articles thereof	46.3	45.2	57.8	55.6	65	44.7	44.7	62.7	59.6	50.8
Textiles and articles thereof	1.4	1.3	1.9	1.9	1.7	3.1	3.1	1.6	1.2	1.4
Base metals and articles thereof	162.2	151.8	158.8	151.3	214.8	283.4	283.4	264.6	240.5	209.1
Others	59.5	52.8	56.3	66.4	73.7	91.8	91.8	203.8	166.2	134.6

Source: Central Bank of Oman

Interpretation : Table-3 indicates the Non-Oil Commodities export from the year 2017 to Quarter -2 of 2019. The table indicates that there is a significant increase in the year 2018 in many non-oil commodities exported. When compared to quarter 2 of 2018 and 2019 many commodities export showed a decline in the export. The mineral products showed a decline from 133.6 to 86.7 in the year 2018 and 2019 respectively. Similarly the Textile and article there of commodities also showed a decrease in export from 3.1 to 1.4 in the year 2018 and 2019.



Table No. 4

NON-OIL COMMODITIES EXPORTS OF OMANI ORIGIN

(OMR in Million)

Commodity	2014	2015	2016	2017	2018	% Change 2017/18
Live Animals and Animal products	210	211.5	187.6	164.2	225.4	37.27
Vegetable products	59.2	58.5	61.4	63.2	68.3	8.07
Animal and Vegetable fats and Oil	81.2	82.2	78.1	74.1	68.5	-7.56
Prepared food stuff, beverages, tobacco and related products	115	120.1	103.2	137.2	141	2.77
Minerals products	1,256.40	572.8	482.3	859.6	662.5	-22.93
products of Chemical and allied Industries	945.9	700.2	577.4	807.5	858.6	6.33
Plastic and rubber and articles thereof	356.3	277.7	141.3	204.9	255	24.45
Textiles and articles thereof	9.9	8.1	7.3	6.5	7.8	20.00
Base metals and articles thereof	765.8	650.5	508.2	624.2	999.5	60.12
Others	325.8	322.3	251.9	234.5	440.4	87.80
Total	4125.5	3003.9	2398.7	3175.9	3727	17.35

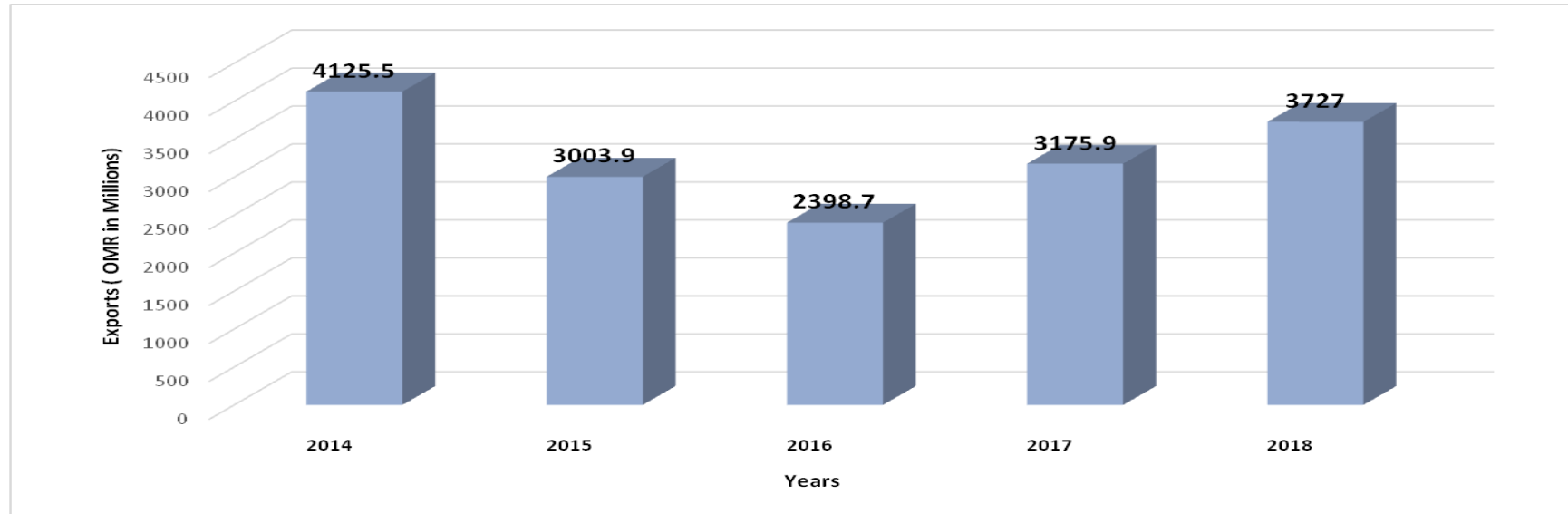
Source: Directorate General of Customs and National Center for Statistics & Information and Annual report from Central Bank of Oman



Figure No. 3

TOTAL NON-OIL COMMODITIES EXPORTS OF OMANI ORIGIN

(OMR in Million)



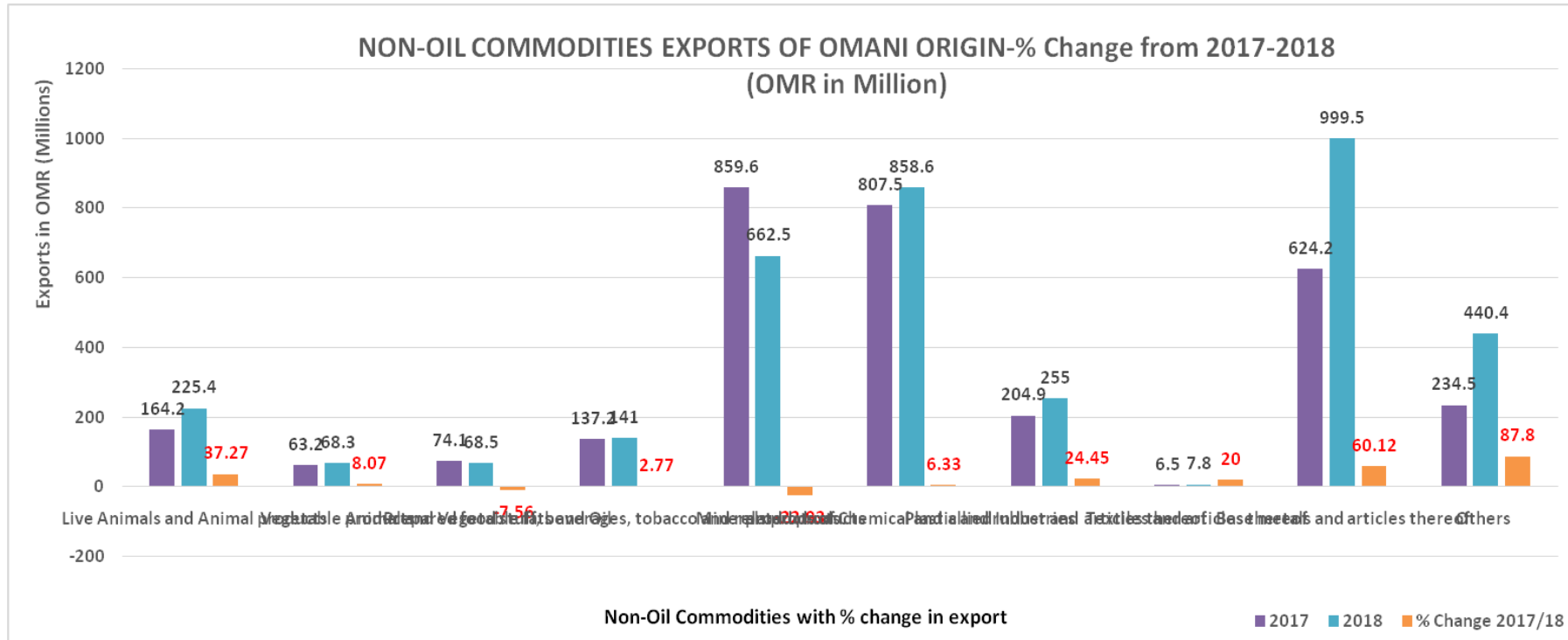
Source: Compiled from Table No. 4

Interpretation: The above figure-3 indicates the total Non-Oil Commodities exports of Oman origin in terms of OMR in millions. It indicates that the year 2016 witnessed the lowest amount of exports in terms of Non-Oil Commodities in the 5 years of data indicated in the figure. The year 2017 and 2018 shows gradual increase from the year 2016.



Figure No. 4

TOTAL NON-OIL COMMODITIES EXPORTS OF OMANI ORIGIN-% Change in export for 2017-2018.
(OMR in Million)



Interpretation: The (figure-4) indicates the % change in the export of Non -Oil Commodities in the year 2017-2018. The chart indicates that there is a negative % change in the export of Mineral Products and Animal and vegetable fats and oil export from 2017-2018. Which shows that the export in these commodities decreased from 2017-2018. Animal and Vegetable fats and oil % decrease is 7.56 and mineral products witnessed a decreases in % change by 22.93% from 2017-2018.



Table No. 5

DESTINATION OF NON-OIL EXPORTS OF OMANI ORIGIN (OMR in Million)

Country	2015		2016		2017		2018	
	<i>Non-Oil Exports</i>	<i>% Share</i>	<i>Non-Oil Exports</i>	<i>% Share</i>	<i>Non-Oil Exports</i>	<i>% Share</i>	<i>Non-Oil Exports</i>	<i>% Share</i>
UAE	626.2	20.8	604.6	25.2	711.1	22.4	687.4	18.4
India	274.1	9.1	251.7	10.5	310.7	9.8	381.2	10.2
China	215.6	7.2	197.5	8.2	244	7.7	269.3	7.2
Saudi Arabia	375	12.5	253.5	10.6	487.2	15.3	611.7	16.4
S.Korea	41	1.4	42.7	1.8	44.1	1.4	61.7	1.7
Qatar	94.4	3.1	80.8	3.4	210.3	6.6	348.8	9.4
U.S.A	180	6	105.1	4.4	101.6	3.2	219.1	5.9
Iraq	47.9	1.6	34.5	1.4	32.1	1	34.2	0.9
Pakistan	75.4	2.5	40.2	1.7	41.6	1.3	36.5	1
Indonesia	31.8	1.1	15	0.6	61.9	1.9	49.4	1.3
Netherlands	51.9	1.7	18.8	0.8	25.8	0.8	77.3	2.1
Somalia	51.6	1.7	38.7	1.6	60.2	1.9	42.9	1.2
Malaysia	98.5	3.3	46.9	2	76.6	2.4	76.5	2.1
Kuwait	62.1	2.1	62.7	2.6	118.1	3.7	115.8	3.1
Taiwan	43.3	1.4	31.5	1.3	45.5	1.4	30.1	0.8
Others	735.1	24.5	574.5	24	605.6	19.1	684.8	18.4
Total	3003.9	100	2398.7	100.1	3176.4	99.9	3726.7	100.1

Source: Annual report from Central Bank of Oman



Recommendations

- Apart from increasing the Non-Oil Oman Origin products exports, Oman should concentrate on improving the other sectors like Tourism, Logistics and real estate which can help in mitigating the problem.
- Oman should Identify the other sectors that will contribute to the economic development and growth of Sultanate of Oman.
- As per the OMAN VISION 2040 it should focus on Creating Wealth through Economic Diversification and Private Sector Partnership.

Conclusions:

Diversification is much required because of unexpected decline in oil prices to alleviate earnings and to improve the revenue of the country, diversification can be done by promoting various non-oil sectors and with the development of industrial sector. According to a report by World Bank (2010) titled “Oman Energy Sector Review,” which states that the major challenge faced by Oman in the next 20-25 years will be due to difficulty to extract Crude Oil, present oil production rates as well as exhaustive usage of oil fields, which will lead to decrease in oil resources production. Hence the country needs to identify the new sectors for diversification. Based on the above report and the study which shows the recent trends in non-oil Exports, historical data analysis, major contributing partners, and the reasons behind the surge in non-oil Exports it is apparent that the economic development of Oman is in diversifying its sources of income through creating and generating new sectors of Non-Oil productions and their exports to mitigate the problem on dependency on Oil production and its generation of revenue to increase the GDP of the Country.

The government should take such more initiatives by diversifying its economy to non-petroleum activities to contribute to increase in its GDP rate and sustainable national development. Sultanate can focus more on attracting foreign investment in the country by paving way to industrial development. One of best alternative to diversify the economy from oil concentrated sector to non-oil sector by marketing tourism sector.

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A STUDY ON THE GROWTH AND PERFORMANCE OF FACTORING SERVICES
[WITH SPECIAL REFERENCE TO “SBI GLOBAL FACTORS LIMITED”]

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Abstract

The Indian factoring services is going through a phase of transformation. Factoring services plays a vital role in financial sector. Medium scale business has many receivables and invoices that are not recovered on time leads to blockage and funds in working capital. A factoring company buys all issued invoices and pays 95% of their value immediately. The lender takes over the responsibility for getting payment for invoices. It is an innovative funding alternative to the small and medium businessmen. The SBI and Canara Bank have setup their pioneering factoring subsidiaries. SBI factors and commercial services limited and can bank factors limited in point of view of the problems in delays in the collection of dues and working capital inadequacies that blocked medium and small scale manufacturers. Hence this motivated to conduct this study on one of the toppest bank that provides factoring service “SBI global factors limited”. Hence the present study entitled to endeavour the growth and performance of “SBI global factors limited” to find out the performance of the factoring company.

Keywords: *Factoring Services, Performance and growth, SBI global Factors.*

INTRODUCTION

Factoring is a financial transaction and a type of debtor finance in which a business sells its account receivables to an outside agency at a discount such an agency is called factor. Factoring is commonly referred to as accounts receivable factoring, invoice factoring and sometimes accounts receivable financing. The commercial finance association is the lending trade association of the asset-based lending and factoring industries. A factor is responsible for maintaining the sales ledger of the client. The factor finances the client by purchasing all the accounts receivables. This enables the client to focus on core areas of business instead of putting energies in the collection of money. The rate of factoring commission, factor reserve, the rate of interest, all of them are negotiable.



STATEMENT OF THE PROBLEM

The Indian factoring services is going through a phase of transformation. Factoring services plays a vital role in financial sector. Medium scale business has many receivables and invoices that are not recovered on time leads to blockage and funds in working capital. A factoring company buys all issued invoices and pays 95% of their value immediately. The lender takes over the responsibility for getting payment for invoices. It is an innovative funding alternative to the small and medium businessmen.

The SBI and Canara Bank have setup their pioneering factoring subsidiaries. SBI factors and commercial services limited and can bank factors limited in point of view of the problems in delays in the collection of dues and working capital inadequacies that blocked medium and small scale manufacturers. Hence this motivated to conduct this study on one of the toppest bank that provides factoring service “SBI global factors limited”. Hence the present study entitled to endeavour the growth and performance of “SBI global factors limited” to find out the performance of the factoring company.

OBJECTIVES OF THE COMPANY

- To examine the performance analysis of factoring services in SBI and to undertake a comparative analysis of SBI with respect to growth and profitability position.

RESEARCH METHODOLOGY

Research methodology is away to systematically solve the research problem. In research, the various steps generally adopted by studying for the research problem along with logical reasons behind them.

This study is based on SBI global factors limited. This factor was selected because of its growth and services compared to other factors.

The study is an empirical work based on the secondary data collected from various sources for the fulfilment of analysis and interpretation. The data relating to schemes undertaken has been collected from the respective sites of factoring services. The websites used for the study are www.moneycontrol.com. The significant tools and techniques used for the present study are as follows:



PROFITABILITY RATIOS

Efficiency of the business is measured by profitability. Profitability ratio measures the profit earning capacity of the business concern. Profitability analysis consists of:

- * Factoring income to total asset
- * Return on asset
- * Operating profit ratio
- * Net profit ratio
- * Return on equity
- * Factoring income to total income
- * Other income to total income
- * Total expenses to total income

PERFORMANCE RATIOS – DEBT

The debt ratio is defined as the ratio of total debt to total assets, expressed as a decimal or percentage. In other words the company has more liabilities than assets. A high ratio also indicates that a company may be putting itself in the risk.

- *Debtors to working capital
- *Debtors to current assets
- *Debtors to total assets

PERFORMANCE RATIO – ASSETS

Efficiency ratio that measures a company's ability to generate sales from its assets by comparing net sales with average total assets.

- *Current assets to sales
- *Total assets turnover ratio total assets
- *Sales to working capital
- *Fixed assets turnover to sales
- *Current assets to total assets

CORRELATION

Correlation is usually defined as a measure of the linear relationship between two quantitative variables example: height and weight. An example of positive correlation may be that the more you exercises, the more calories you will burn



COMPOUND ANNUAL GROWTH RATE (CAGR)

The compound annual growth rate is a mathematical formula that provides “smoothed” rate of return. It is really a pro forma number that tells you what an investment yields on an annually compounded basis – indicating to investors what they really have at the end of the investment period.

LIMITATION OF THE STUDY

The study is an analytical study and purely depending on secondary data. Many officials have shown reluctant in providing financial data due to the fact that the competition is very high in this field. This study firms have not provided data relating to their clients and their addresses. In spite of repeated visits, only a few clients could be met. The clients refused to provide any data relating to factoring. Hence the opinion of the clients could not be collected and analysed.

OVERVIEW OF THE COMPANY

SBI global factors limited provides investment management services. The company offers letter of credit, domestic, export, dealer and vendor factoring services. SBI global factors limited serves customers in India.

SBI global factors limited, a subsidiary of SBI, is a non-banking financial company regulated by RBI. SBI global factors limited provide domestic and export factoring service under one roof. It is headquartered in Mumbai with 9 branches across India. SBI global factors limited aims to be India's premium factoring company.

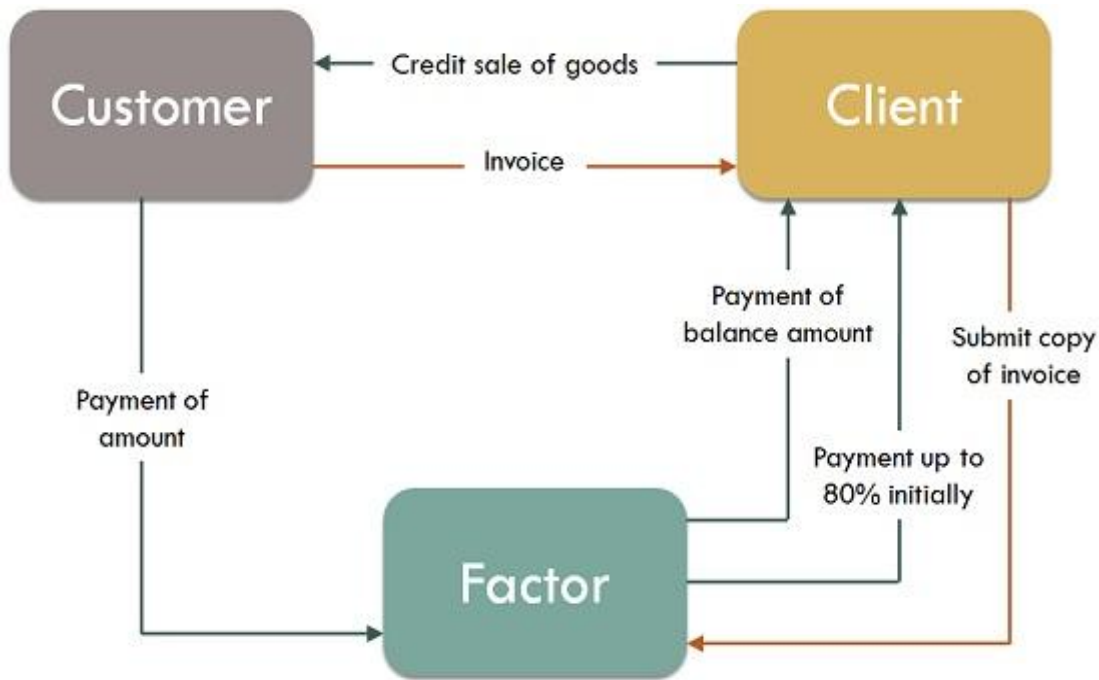
SBIGFL has been created out of merger of two leading Factoring Companies viz. SBI Factors & Commercial Services Pvt. Ltd & Global Trade Finance Ltd. in the year 2010. Post merger, Company was renamed as 'SBI Global Factors Ltd.' with effect from 18th March 2010. SBI global factors limited is a public incorporated on 13 March 2001. It is classified as non-government and is registered at registrar of companies, Mumbai. Its authorized share capital is Rs 3000000000 and its paid up capital is Rs 1598853630. It is involved in other financial intermediaries.

SBI global factors limited's annual general meeting was last held on 18 September 2018 and as per records from ministry of corporate affairs (MCA), its balance sheet was last filed on 31st March 2018. Directors of SBI global factors limited are Bharatirao



,rameshkshirsagarbansidhar , vijaykumargupta , aravindkumarnarasimhamarur,
vinaysudhakarraohedao , narayanan raja.

PROCEDURE



1. B
orrow

ing company or the client sells the book debts to the lending institution (factor).

2. Factor acquires the receivables and extend money against the receivables, after deducting and retaining the following sum, i.e. an adequate margin, factor's commission and interest on advance

3.Collection from the customer is forwarded by the client to the factor and in this way, the advance is settled.

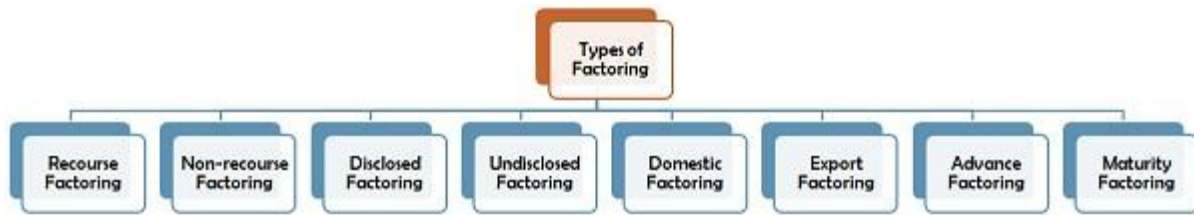
4.Other services are also provided by the factor which includes:

- Finance
- Collection of debts
- Maintenance of debts
- Protection of Credit Risk
- Maintenance of debtors ledger
- Debtors follow-up
- Advisory services

The factor gets control over the client's debtors, to whom the goods are sold on credit or credit is extended and also monitors the client's sales ledger.



TYPES OF FACTORING



- **Recourse and Non-recourse Factoring:** In this type of arrangement, the financial institution, can resort to the firm, when the debts are not recoverable. So, the credit risk associated with the trade debts are not assumed by the factor.

On the other hand, in non-recourse factoring, the factor cannot recourse to the firm, in case the debt turn out to be irrecoverable.

- **Disclosed and Undisclosed Factoring:** The factoring in which the factor's name is indicated in the invoice by the supplier of the goods or services asking the purchaser to pay the factor, is called disclosed factoring.

Conversely, the form of factoring in which the name of the factor is not mentioned in the invoice issued by the manufacturer. In such a case, the factor maintains sales ledger of the client and the debt is realized in the name of the firm. However, the control is in the hands of the factor.

- **Domestic and Export Factoring:** When the three parties to factoring, i.e. customer, client, and factor, reside in the same country, then this is called as domestic factoring.

Export factoring, or otherwise known as cross-border factoring is one in which there are four parties involved, i.e. exporter (client), the importer (customer), export factor and import factor. This is also termed as the two-factor system.

- **Advance and Maturity Factoring:** In advance factoring, the factor gives an advance to the client, against the uncollected receivables.

In maturity factoring, the factoring agency does not provide any advance to the firm. Instead, the bank collects the sum from the customer and pays to the firm, either on the date on which the amount is collected from the customers or on a guaranteed payment date.



FINDINGS AND SUGGESTIONS AND CONCLUSIONS

FINDINGS

The analyzed and interpreted data's has been summarized here with brief findings from the interpreted data. The findings were given according to the analysis parts.

PERFORMANCE RATIOS- ASSETS

- The major percentage of the current assets to sales which was highest by SBI Global factors Ltd of India (i.e.,0.13 times) in the year 2014 and the lowest of (0.08 times) in the year 2018. The average of the current assets to sales is (0.10) .
- The major percentage of the total assets turn over which was highest by SBI Global factors Ltd of India is (0.11 times) in the year 2014 and the lowest of (0.07 times) in the year 2018. The average of Total asset turn over is (0.09).
- The major percentage of the working capital to sales which was highest by SBI Global factors Ltd of India is (633.26 times) in the year 2015 and the lowest of (492.53 times) in the year 2014. The average of the working capital to sales is (588.9).
- The major percentage of the fixed asset turn over which was highest by SBI Global factors Ltd of India is (1.03 times) in the year 2014 and the lowest of (0.73 times) in the year 2016. The average of fixed asset turn over is (0.89 times).
- The major percentage of the current asset to total asset which was highest by SBI Global factors Ltd of India is (92.59) in the year 2018 and the lowest of (87.55) in the year 2015. The average of the current asset to total asset is (89.63 times)

PERFORMANCE RATIO-DEBT

- The major percentage of the debtors to working capital which was highest by SBI Global factors Ltd of India is (203.91) in the year 2018 and the lowest of (147.55) in the year 2015. The average of the debtors to working capital is (168.35 times).
- The major percentage of the debtors to current asset which was highest by SBI Global factors Ltd of India is (99.40) in the year 2015 and the lowest of (97.99) in the year 2018. The average of the debtors to current asset is (98.81 times).
- The major percentage of the debtors to total asset which was highest by SBI Global factors Ltd of India is (90.73) in the year 2018 and the lowest of (87.02) in the year 2015. The average of the debtors to total asset is (88.55 times).



PROFITABILITY RATIOS

- The major percentage of the sales to net profit which was highest by SBI Global factors Ltd of India is (0.92) in the year 2017 and the lowest of (-46.91) in the year 2015. The average of the sales to net profit is (-18.76 times).
- The major percentage of the factoring income to total income which was highest by SBI Global factors Ltd of India is (98.52) in the year 2014 and the lowest of (83.44) in the year 2017. The average of the factoring income to the total income is (93.06 times).
- The major percentage of other income to total income which was highest by SBI Global factors Ltd of India is (16.56) in the year 2017 and the lowest of (1.48) in the year 2014. The average of the other income to total income is (6.94 times).
- The major percentage of total expenses to total income which was highest by SBI Global factors Ltd of India is (160.8) in the year 2015 and the lowest of (97.04) in the year 2017. The average of total expenses to total income is (93.06 times).
- The major percentage of operating profit ratio which was highest by SBI Global factors Ltd of India is (90.30) in the year 2014 and the lowest of (72.81) in the year 2017. The average of the operating profit ratio is (82.15 times).
- The major percentage of return on equity which was highest by SBI Global factors Ltd of India is (34.64) in the year 2015 and the lowest of (29.51) in the year 2014. The average of the return on equity is (31.34 times).
- The major percentage of return on assets which was highest by SBI Global factors Ltd of India is (10.54) in the year 2015 and the lowest of (6.79) in the year 2018. The average of return of assets is (8.93 times).

COMPOUND ANNUAL GROWTH RATE

- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -2.98% in the year 2014-15 and it has been increased to 19.35% in the year 2017-18 showing a good growth of Assets in the company. The Average Annual growth rate is 6.91% and CAGR is 5.23%.
- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -22.19% in the year 2014-15 and it has been increased to 0.61% in the year 2016-17 showing a good



growth of Assets in the company. The Average Annual growth rate is -5.76% and CAGR is -5.06%.

- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -21.35% in the year 2014-15 and it has been decreased from -1.46 % in the year 2015-16 showing a decrease of Assets in the company. The Average Annual growth rate is -4.47% and CAGR is -4.25%.
- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -21.35% in the year 2014-15 and it has been decreased from -1.46 % in the year 2015-16 showing a decrease of Assets in the company. The Average Annual growth rate is -4.47% and CAGR is -4.25%.
- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -56.77% in the year 2016-17 and it has been decreased from 8.14 % in the year 2015-16 showing a decrease of Assets in the company. The Average Annual growth rate is -14.89% and CAGR is -16.03%.
- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -40.04% in the year 2015-16 and it has been increased to 12.58% in the year 2016-17 showing a good growth of Assets in the company. The Average Annual growth rate is -9.86% and CAGR is -9.82%.
- With regard to the Average growth rate and compound annual growth rate of total assets from the year 2013-14 to 2017-18. The annual growth rate was -2.31% in the year 2015-16 and it has been decreased from 1.12 % in the year 2014-15 showing a decrease of Assets in the company. The Average Annual growth rate is 0.39% and CAGR is 0.30%.

SUGGESTIONS

Government should do various efforts and take various steps to promote the mutual funds in India. In nutshell there is a need to create the awareness among the people regarding the importance of factoring services.



Companies can use factoring financing to improve their cash flow and to provide remedy to the company's cash flow problem.

Starts – ups and emerging business need working capital to survive. Many business need working capital to survive. Many business starts with little- to no cash to fall back on. So they can use accounts receivable factoring to provide start – ups with the capital they need to not only run day – to – day but the ability to grow as the company grows.

CONCLUSION

It is found that change in factoring income does not significantly differ in SBI factors. The growth of factoring organisation in terms of financial parameters was observed satisfactory in SBI factoring organisation. The growth of loan fund showed reasonably registered a good indicating low fund raised through loan which reduced liability. The SBI factor was observed to have registered a satisfactory compound growth rate in factored debts. The overall influence of a rupee increase in variable viz. income, expenses, and factored debts variable on the profitability, the SBI factor observed to have higher profit. It was observed that increase in expenses also increases profit in both factoring organisation which is against the business principals.

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MSME IN INDIA – OPPORTUNITIES AND CHALLENGES

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ABSTRACT

Micro entrepreneurship is now a day a major opportunity for the people to earn income. On the contrary it is also a fact that the majority of entrepreneurs are facing many problems due to not availability of primary amenities in areas of developing country like India. Unavailability of resources, lack of management, financial problems, and insufficient technical and conceptual ability it is too difficult for the rural entrepreneurs to establish industries in the rural areas. This article highlights problems and challenges faced by the entrepreneurs' towards micro enterprises and also prospects of MSME.

INTRODUCTION

The Indian MSME are recognized as a major contributor in the economic growth. It is said to be the backbone of the Indian economy. It has provided resilience to ward off global economic shocks and adversities. Nearly, 20% of the Indian MSME are based out in the rural



areas of India and continues to provide employment opportunities to nearly 40% of the India's labor force. According to Reserve Bank of India in the year 2015–16, the MSME sector comprised of more than 51 million enterprises employing more than 117 million persons. The MSMEs manufacture more than 8000 products. This encompasses a wide range from the traditional products to sophisticated products (in terms of high-tech items). Within the MSME sector, the Coir Industry in India is the largest coir producer in the world. It accounts for more than 80% of the total world production of Coir Fibre. It encompasses a diverse range of people involving households, cooperatives, manufacturers and exporters.



OBJECTIVES:

The main objective of the paper is to evaluate the overall growth and developments in the MSMEs sectors in India and to find key challenges faced by the MSMEs sector as well as also to study future prospects of MSMEs and also to examine government initiative to regenerate the MSMEs sector.

HOW DO YOU QUALIFY AS AN MSME IN INDIA?

The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, governs the coverage and investment ceiling of MSMEs in India.

According to the Act, there are two categories of MSMEs in the country – manufacturing and services.

For the manufacturing sector, the definition of an MSME is based on a company's capital investment in plant and machinery. The threshold limits are:

- **Micro:** when investment does not exceed Rs 2.5 million (US\$34,040);
- **Small:** when investment is more than Rs 2.5 million (US\$34,040) but does not exceed Rs 50 million (US\$680,875); and
- **Medium:** when investment is more than Rs 50 million (US\$680,875) but does not exceed Rs 100 million (US\$1.3 million).

For the services sector, the definition of an MSME is based on a company's investments in equipment. The threshold limits are:

- **Micro:** When investment does not exceed Rs 1 million (US\$13,617);
- **Small:** When investment is more than Rs 1 million (US\$13,617) but limited to Rs 20 million (US\$272,350); and
- **Medium:** When investment is more than Rs 20 million (US\$272,350) but less than Rs 50 million (US\$680,875).

Earlier this year, the union cabinet of India approved the changes in the classification of MSMEs. According to the revisions, both the manufacturing and services sectors will be classified based on the amount of annual turnover instead of the investment limits, as given below.

The new classification of MSMEs, however, is yet to be enforced by amendment.

- **Micro:** a unit where the annual turnover does not exceed Rs 50 million (US\$680,875);
- **Small:** a unit where the annual turnover is more than Rs 50 million (US\$680,875) but does not exceed Rs 750 million (US\$10.1 million); and



- Medium: a unit where the annual turnover is more than Rs 750 million (US\$10.1 million); rupees but does not exceed Rs 2.5 billion (US\$33.8 million).

HOW TO REGISTER AS AN MSME IN INDIA

To encourage MSME registration in India, the ministry of MSME has notified a simple one-page registration form called 'Udyog Aadhaar Memorandum'.

The entrepreneurs in the MSME sector can file the form online, and instantly get a unique Udyog Aadhaar Number (UAN). The information sought includes personal Aadhar number, industry name, address of the business, bank account details, and other general information. Applicants can provide this information on a self-certification basis and do not need any supporting documents.

Businesses must note that they must deregister their MSME if:

- The investment limit increases more than the limit prescribed under the Act; or
- If the registered enterprise starts manufacturing any new item or items that require an industrial license or another kind of statutory license.

OPPORTUNITY AREAS FOR MSMES IN INDIA

Telecommunications

- Domestic manufacturing of low-cost mobile phones, handsets, and devices;
- Manufacturing of telecom networking equipment, including routers and switches;
- Manufacture of base transceiver station equipment;
- Mobile customer data analytics – services oriented toward analytical solutions; and
- Development of value-added services

Healthcare

- Manufacturing of low-cost medical devices, and medical accessories such as surgical gloves, scrubs, and syringes;
- Low-cost surgical procedures to reduce the cost of healthcare;
- Medical tourism; and
- Diagnostic labs.

Electronics

- Domestic manufacturing of low-cost consumer electronics, consumer durables;
- Nano-electronics and microelectronics;



- Electronic Systems Design and Manufacturing including semiconductor design, electronic components design and hi-tech manufacturing under India's 'National Electronics Mission; and
- Strategic electronics, as the government is keen on encouraging the domestic manufacturing of products needed by the security forces.

Other areas that offer opportunities for MSMEs include information technology, pharmaceutical, chemical, automotive, gems and jewelry, textile, and food and agriculture.

BENEFITS

The federal government of India has initiated various schemes and measures to allow MSMEs easier access to funds, to modernize the sector, and make it more competitive in the global market.

These include schemes ensuring the quality of products, especially those meant for exports, technology up-gradation, incubation, credit-linked capital subsidy, and UID linked schemes which facilitate ease of receiving a subsidy.

Some of the other concessions available to the MSMEs are listed below:

- Collateral free loans from banks;
- 50 percent subsidy on patent registration;
- 1 percent exemption on the interest rate on overdraft;
- Concession on power utility bills;
- Eligible for industrial promotion subsidy;
- Protection against delayed payments; and
- Reimbursement of ISO certification charges.

CHALLENGES OF MSMES:

(Annual Report, Micro, Small and Medium Enterprises, (2017–18), Government of India)

The Report of the Working Group on Micro, Small and Medium Enterprises (MSMEs) growth for 12th 5 year Plan (2012–17), unveils that the sector accounts for 45% of the manufacturing output and 40% of the total exports of the country. Further the Ministry of MSME's (2017), highlights that the MSMEs accounted for 30.74% of GDP in the year 2014–15. Current economic forecast or survey interprets that with the Indian Economy growing at an average of 7% per annum, it is likely to become a \$5 trillion economy by the year 2025. Hence, the development of the MSME sector is becomes essential as it is considered to be the backbone of India.



However, in spite high growth rate and good prospects, the Indian MSMEs have been subject



to certain constraints.

The notable barriers are, Procurement of raw materials at competitive cost, inadequate infrastructure facilities including power, water, & road, and lack of skilled manpower for manufacturing, services, marketing, etc. The most important constraints faced till date are technological backwardness. Sometimes they lack managerial skills, entrepreneurial knowledge and technology-intensive education to run a competent MSME, lack of Limited capital and knowledge, Non-availability of suitable technology, Low production capacity, Ineffective marketing strategy, Constraints on modernisation & expansions, Non availability of skilled labour at affordable cost, etc..

PROBLEMS FACED BY MSMES

1. Absence of adequate credit from banks- The MSMEs are faced more problem of credit from the banks. The loan process of the banks is very lengthy, so much documentation required with high cost processing fee. The banks are not providing adequate amount of loan to the MSME's.
 2. Competition from MNC's- The MSME's is facing the huge competition from the multinational companies. Because of multinational companies are providing quality goods at low price.
 3. Poor infrastructure- MSME's are developing so rapidly but there is lack of infrastructure facilities.
- 3 Planning Commission Report (2012) – Creating a Vibrant Entrepreneurial Ecosystem in India –Sunil Mitra

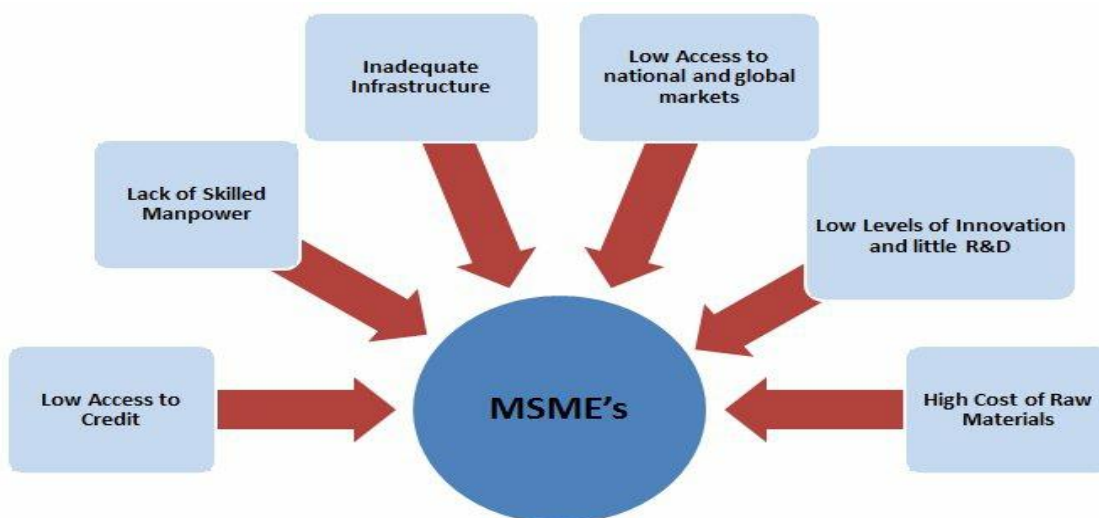


4 Business Standard, Budget 2018- CRISIL SME TRACKER: Budget 2018's focus on MSMEs to spur job creation Because of poor infrastructure, their production capacity is very low with production cost is very high.

4. Unavailability Resources- Due to non availability of raw materials, work force and other inputs in the market. Therefore it is very difficult to produce the products at affordable prices.

5. Lack of advanced technology- In the MSME's sector, there is a lack of awareness of advanced technologies of production. They are using traditional methods for producing goods. The Indian MSMEs lack up-to date information and are often unaware about the latest technologies present in the global market.

6. Lack of distribution of marketing channels- MSME's not adopting innovative ideas for promotion of the products distribution and advertisements. Because of ineffective advertisement and poor marketing channels leads to a very poor selling.



OTHER PROBLEMS:

In addition to the problems enumerated above, the micro and small enterprises have been constrained by a number of other problems also. According to the Seventh Five Year Plan (GOI 1985: 98), these include technological obsolescence, inadequate and irregular supply of raw materials, lack of organized market channels, imperfect knowledge of market conditions, unorganized nature of operations, inadequate availability of credit facility, constraint of infrastructure facilities including power, and deficient managerial and technical skills. There has been lack of effective co-ordination among the various support organizations set up over the period for the promotion and development of these industries. Quality consciousness has



not been generated to the desired level despite various measures taken in this regard. Some of the fiscal policies pursued have resulted in unintended splitting up of these capacities into uneconomic operations and have inhibited their smooth transfer to the medium sector. All these constraints have resulted in a skewed cost structure placing this sector at disadvantage vis-a-vis the large industries, both in the domestic and export markets.

SOLUTION:

To obviate these problems, the Ministry of Micro, Small and Medium Enterprises (MSME) is implementing a number of Schemes & Programmes like Credit Guarantee Scheme, Credit Linked Capital Subsidy Scheme, Cluster Development Programme and National Manufacturing Competitiveness Programme etc. Furthermore, the Ministry has been interacting with various concerned Ministries/Departments/State Governments/Banks and other stake-holders to streamline the mechanism for grant of loans, simplify labour laws and other procedures to facilitate the growth of MSME units.

MSME schemes 2019 provided by the Government of India

Some of the MSME schemes approved by the Government of India that we shall look upon are listed below.

- *Udyog Aadhaar Memorandum scheme*
- *Incubation*
- *Women Entrepreneurship*
- *Grievance Monitoring System*
- *Zero Defect Zero Effect scheme*
- *Credit Linked Capital Subsidy scheme*
- *Quality Management Standards and Quality technology tools*

FUTURE PROSPECTS OF MSMES

1. Employment generation: There are large opportunities in the field of manufacturing and service rendering of MSME's. In the field of retail and manufacturing sector, MSMEs are generating different and ample amount of employment.

2. Focus on customer satisfaction: Primarily, MSMEs manufacturing goods focus on test and preferences, liking and disliking of the consumer. But now a day they produce goods



according to the needs or expectations of the customers. So the MSMEs can be more customer satisfaction oriented.

3. Minimization of regional imbalance: The MSMEs will utilize the manpower of rural areas so such areas of the nation can equally developed through the running of MSME units in rural areas. So this is helpful to minimize or remove the regional imbalance.

4. Development of Export: In the international market, there will be a large demand of Indian product like wooden items, other handmade articles etc. So MSMEs have the potential to improve the export of India.

5. Attraction of Foreign Investment: The Indian MSMEs are the growing sectors and their growth rate and return on investment is satisfactory. This sector can attract foreign investment in India , so their growth rate increasing drastically.

CONCLUSION

The Micro, Small and Medium Enterprise (MSMEs are an important sector and plays a critical role in the Indian economy. MSMEs will continue to play a very important and vital role in our economy where the twin problems of unemployment and poverty constitute a major development challenge. There are several challenges in the sector of MSMEs. If the Government, Bank and Financial Institutions will take proper initiatives in the sector of MSME and they will take pride while servicing the MSMEs Government of India has taken various initiatives to make this sector more vibrant and significant player in development of the Indian economy. Thus Micro, Small and Medium Enterprises contributes to economic development of India in various ways such as employment generation in rural and urban areas, providing goods and services at affordable costs.

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**A STUDY ON CONSUMER AWARENESS AND PROBLEMS WHILE USING
MOBILE BANKING
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ABSTRACT

Mobile banking is one of the areas mobile commerce that has extensive communications with other areas of mobile commerce. The one hand, mobile banking is associated with customers and on the other hand, is capable of other firms that are active in the field of electronic commerce, provide effective financial services. In this paper we describe the definition of mobile banking, Evolution and finally to describe number of benefits for users of these services.

Keywords: Mobile banking, customer, mobile technology, e-banking

INTRODUCTION

Mobile technologies and services are envisioned as the possible driving force that will create a variety of business opportunities. Mobile technologies features have enabled mobile phone users to enjoy applications that had hitherto been a preserve of only those who owned personal computers. The internet is now available to mobile users, with all its versatile user application interfaces. Consequently, researchers have reinvented the concept of e-commerce to include the capacity of mobile phones which is almost at the same level of personal computers

The marvelous kinds of innovation in technology and hard line blend of it with information technology made a paradigm shift in the banking industry. Technology itself created its world in the globe of human beings. The Government of India enacted the IT Act, 2000 (Information Technology Act). This act came into effect from the 17th of October 2000. The purpose of this act, in context of banking, was to provide legal recognition to electronic transactions and other means of Electronic Commerce.

REVIEW OF LITERATURE

Rahmath Safeena et al., (2012)¹in their study stated that information technology is considered as the key driver for the changes taking place around the world. Mobile banking



is the latest and most innovative service offered by the banks. The transformation from the traditional banking to e-banking has been a 'leap' change. The evolution of e-banking started from the use of Automatic Teller Machines (ATMs) and telephone banking (tele-banking), direct bill payment, electronic fund transfer and the revolutionary online banking. This study determines the consumer's perspective on mobile banking adoption.

Zahra Rahmani et al., (2012)² investigated that the mobile banking is one of the areas mobile commerce that has extensive communications with other areas of mobile commerce. The one hand, mobile banking is associated with customers and on the other hand, is capable of other firms that are active in the field of electronic commerce, provide effective financial services. In this paper we describe the definition of mobile banking, Evolution and finally to describe number of benefits for users of these services.

STATEMENT OF THE PROBLEM

Mobile Banking is one of the modern and advanced means of providing electronic banking services in addition to the technological means and methods commonly used at the present time. However, this type (mobile banking services) still suffers from several problems regarding the customer's usage due to multiple factors including factors impeding the customer's usage of this type, although there are other factors motivating toward the adoption of this type of providing banking services. This has led this study to seek to determine the nature of the factors that motivate toward the usage of this type of service in order to strengthen them and focus on them in promoting these services, as well as to seek to minimize the impact of the impeding factors in the mindset of the customer through encouragement to alleviate his / her fears in that regard. At this juncture, the following questions were probed by the researcher.

- What extent the respondents have aware about the mobile banking services?
- What extent they are satisfied on utilizing the e-banking services through mobile?
- What are the problems faced by the respondents while using e-banking services through mobile in the study area?

OBJECTIVES OF THE STUDY

1. To study the level of awareness to customers about the e-banking through mobile phones.



2. To find out the opinion of the respondents regarding the various problems of mobile banking.

RESEARCH METHODOLOGY

Research methodology is a way to systematically solve the research problem. It is the science of studying how a research is done. The researcher has explained the methods and steps adopted for achieving the purpose of the study and to arrive at a meaningful conclusion.

DATA ANALYSIS

AWARENESS ABOUT E-BANKING SERVICES THROUGH MOBILE OF THE RESPONDENTS

An attempt has been made to know the awareness about e-banking services through mobile of the respondents. For the purpose of this study, it has been classified into four categories viz., bank leaflets/ advertisement, television/ radio, newspaper/ magazines and word-of-mouth. The details are furnished in the following table.

TABLE NO. 1

AWARENESS ABOUT E-BANKING SERVICES THROUGH MOBILE OF THE RESPONDENTS

S. No.	E-Banking Services	No. of Respondents	Percentage
1.	Bank leaflets/ advertisement	61	40.7
2.	Television/ Radio	17	11.3
3.	News paper/ Magazines	52	34.7
4.	Word-of-mouth	20	13.3
	Total	150	100.0

Source: Primary Data

Interpretation:

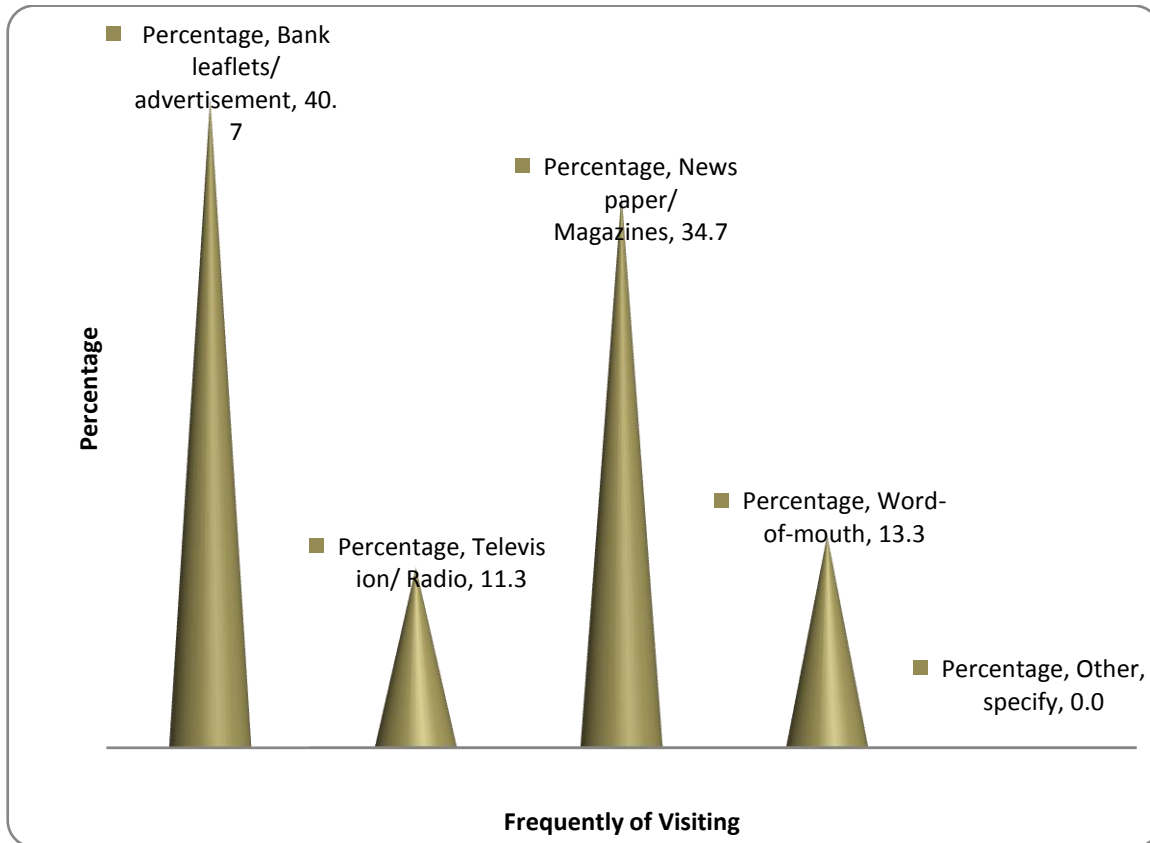
It is analyzed from the above table that 40.7 percent of the respondents aware about e-Banking services through bank leaflets / advertisement, 11.3 percent of the respondents aware through television / radio, 34.7 percent of the respondents aware through news paper /



magazines and 13.3 percent of the respondents aware through word-of-mouth. It is found from the analysis that the majority (40.7%) of the respondents aware about e-Banking services through bank leaflets / advertisement.

EXHIBIT NO. 1

AWARENESS ABOUT E-BANKING SERVICE THROUGH MOBILE OF THE RESPONDENTS



PROBLEMS WHILE UTILIZING E-BANKING SERVICES

An attempt has been made to know the problems while utilizing e-Banking services of the respondents. For the purpose of this study, it has been classified into seven categories viz.,lack of trust, security and privacy risks, lack of internet confidence, inadequate knowledge and support, internet connectivity issue, password forgotten, lack of user friendly banker website and lack of awareness of e-banking and its benefits. To identify the most important problem, Henry Garrett Ranking Technique was employed and the details of the ranking the problems while utilizing e-Banking services are shown in the following table.



TABLE NO. 2

PROBLEMS WHILE UTILIZING E-BANKING SERVICES

No.	Problems	Total Score	Mean Score	Rank
1	Lack of trust, Security and privacy risks	9516	63.4	I
2	Lack of internet confidence	6910	46.1	V
3	Inadequate knowledge and support	7820	52.1	III
4	Internet Connectivity Issue	7362	49.1	IV
5	Password forgotten	6196	41.3	VII
6	Lack of user friendly banker website	7902	52.7	II
7	Lack of awareness of E-banking and its benefits	6644	44.3	VI

It is noted from the above table that the respondents faced main problem while utilizing e-Banking services as ‘lack of trust, security and privacy risks’ which ranked first with the Garrett score of 9516 points. It followed by the second and third ranks assigned to ‘lack of user friendly banker website and inadequate knowledge and support’ with the Garrett scores of 7902 and 7820 points respectively. The fourth and fifth ranks assigned to ‘internet connectivity issue and lack of internet confidence’ with the Garrett scores of 7362 and 6910 points respectively. The sixth and seventh ranks assigned to ‘lack of awareness of e-Banking and its benefits and password forgotten’ with the Garrett scores of 6644 and 6196 points respectively. It is found from the analysis that majority of the respondents are faced main problems as ‘lack of trust, security and privacy risks and lack of user friendly banker website’ while using E-banking services through mobile phone.

FINDINGS AND SUGGESTIONS

- ❖ 40.7% of the respondents aware about e-Banking services through bank leaflets / advertisement.
- ❖ It is stated from the analysis that majority of the respondents are faced main problems as ‘lack of trust, security and privacy risks and lack of user friendly banker website’ while using E-banking services through mobile phone.



- ❖ Awareness level about e-Banking through the mobile phone is very less among customers. So, banks have to conduct customer meet regularly to educate the customers on e-Banking. The banks can also distribute booklets containing information about the new schemes directly to the customers

CONCLUSION

The success of e-banking through the mobile phone not only depends on the technology but also on, to the large extent the attitude, commitment and involvement of the operating at all levels. If they had some problems, they were not big problems and could be solved later. But if they ever encounter any big problems, they would stop using e-Banking transactions through mobile phone immediately. Finally it was concluded that customers are very much aware about the e-banking transactions through the mobile phone provided by the banks in Coimbatore city.

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A STUDY ON CONSUMER BEHAVIOUR TOWARDS SMARTPHONES

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ABSTRACT

Smart phone means the phone perform many functions like a computer with internet access and have a unique operating system. The basic objective of this paper is to identify the consumer buying behaviour of smart phones. Statistical tools & techniques were used to find the factors in excel spread sheet. This study analyses the factors influencing the consumer buying behaviour and price consciousness of consumers towards smart phones. This paper found past experience is the most influencing factor of consumer purchase towards smart phones.

Key words: smart phone & consumers.

INTRODUCTION

Smart phone means the mobile phone having features apart from communication. As of today, number of brands launching smart phones with new features and updates. Today, youngsters changed their mobile phones frequently according to the new models. Recently, purchasing smart phones of famous brands become fashion. Not only, youngsters all age group of people like to purchase and use smart phones. Smart phones became an essential thing of many people. People consider many factors before them purchasing a smart phone. Consumers are very knowledgeable and they check the price, features, and updates through internet. They also compare the various brands of mobile phones prices in the websites regarding price comparison. So, consumers are very aware of their product and it is important to study the changing consumer buying behaviour of smart phones.

LITERATURE REVIEW

DEEPIKA (2016) researched on a study of consumer buying behaviour on mobile phones. This paper analyzed the internal and external factors influencing the consumer behaviour. It also focused on customer attitude and aspirations. This paper found out the



factors such as perception, motivation and life style influencing the consumer buying behaviour

JOSHI SUJATA (2016) discussed about the Factors affecting Smartphone Purchase among Indian Youth. This paper explained the technology and hardware factors affecting the purchase of smartphones among Indian Youth. This study found that the five factors affecting the Indian youth buying behaviour towards smartphones. The factors such as technology, hardware, basic, brand and financial factors. Technology is the most important influence. This paper is helpful to smartphone manufacturers and cellular service providers.

MESAY SATA(2013) discussed about the factors affecting consumer buying behavior of mobile devices in Hawassa town. This paper consists of six important factors such as price, social group, product features, brand name, durability, and after sales services.

OBJECTIVES OF THE STUDY

- To identify the socio-economic status of the selected respondents.

RESULTS AND DISCUSSION

The socio-economic factors of the selected respondents are given below table.

Table 1 : Socio-Economic factor of the selected respondents

No.	Factors	Number of Respondents	%
1	Age		
	a) Upto 20 Yrs.	49	39.2
	b) 21 – 23 Yrs.	51	40.8
	c) Above 23 Yrs.	25	20.0
	Total	125	100.0
2	Gender		
	a) Male	21	16.8
	b) Female	104	83.2
	Total	125	100.0
3	Educational Status		
	a) UG Degree	67	53.6
	b) PG Degree	42	33.6
	c) Research Degree	16	12.8
	Total	125	100.0
4	Monthly Family Income level		
	a) Below Rs.15000	19	15.2



No.	Factors	Number of Respondents	%
	b) Rs.15000 – Rs.25000	39	31.2
	c) Above Rs.25000	67	53.6
	Total	125	100.0
5	Period of using Smartphone		
	a) Below 1 Year	27	21.6
	b) 1-2 Years	41	32.8
	c) Above 2 Years	57	45.6
	Total	125	100
6	Time spent in using Smartphone in a day		
	a) Below 2 hours	42	33.6
	b) 2-4 hours	59	47.2
	c) Above 4 hours	24	19.2
	Total	125	100.0
7	Brand of Smartphone using now		
	a) Sony	11	8.8
	b) Samsung	25	20.0
	c) LG	23	18.4
	d) Xiomi Redmi	19	15.2
	e) Apple	10	8.0
	f) Micromax	7	5.6
	g) Karbonn	9	7.2
	h) Lenova	16	12.8
	i) Others	5	4.0
	Total	125	100.0
8	Buying Location of the Smartphone		
	a) Retailer	37	29.6
	b) Exclusive showroom	52	41.6
	c) Online	29	23.2
	d) Others	7	5.6
	Total	125	100.0

It could be found from the above analysis as follows:

- Around 39.2 percent of the respondents belong to upto 20 years age category, 40.8 percent of the respondents belong to 21-23 years age category and remaining 20.0 percent of the respondents belong to above 23 years.
- Approximately 16.8 percent are male and 83.2 percent are female.
- The respondents have been studying UG degree level as 53.6 percent, PG degree level



as 33.6 percent, and above PG degree level as 12.8 percent.

- Among the 100 percent, 15.2 percent respondents' family earns below Rs.15000, 31.2 percent earns Rs.15000 to 25000 and remaining 53.6 percent earns above Rs.25000.
- 21.6 percent of the college students have using smartphone below 1 year, 32.8 percent are using 1-2 years and 45.6 percent are using above 2 years.
- Around 33.6 percent of the college students spent below 2 hours for using smartphone, 47.2 percent spent 2-4 hours and 19.2 percent spent above 4 hours.
- Majority (20.0%) of the respondents are using Samsung smartphone followed by LG as 18.4 percent, Xiomi Redmi for 15.2 percent, Lenovo for 12.8 percent, Sony for 8.8 percent and Apple for 8.0 percent.
- Approximately 29.6 percent of the respondents purchased their smartphone from retailers, 41.6 percent purchased exclusive showroom, 23.2 percent purchased through online and 5.6 percent through some other sources.

FINDINGS

- It is found from the analysis that majority of the respondents belong to 21-30 years, female, UG degree level education, above Rs.25000 income earned family, above 2 years using smartphone, 2-4 hours daily using smartphone, Samsung smartphone users and purchase through exclusive showroom.
- It could be noticed from the analysis that majority of college students, who belongs to 21-23 years aged, perceived their perception at the maximum level, PG degree level educated, Rs.15000 to 25000 earned as monthly family income, 1 to 2 years of using and 2 to 4 hours spent in using smartphone daily.

SUGGESTIONS AND CONCLUSION

From the research, 21-23 years aged college students have perceived their utilization of smartphone at the high level when compared to other respondents. This is proved approximately majority of the PG degree college students' perception level is higher than other students. So, the age category college students should carefully use their smartphone with effectively. Also, around 1-2 years usage level of the respondents have perceived the maximum levels than other respondents. Hence, it is suggested to the other category of the respondents that they have to use the smartphone in an efficient way.



Accordingly, future studies need to use more diverse samples from all segments of the population to explore similarities and differences between groups, thereby increasing the external validity of the study. It is suggested to the college students that the key attributes of Smartphone technology that enhance users' perception towards smartphone applications, as well as their intention of initial adoption.

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**A STUDY ON WORKING WOMEN'S ATTITUDE TOWARDS FOOD BUYING
BEHAVIOR IN COIMBATORE CITY**

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ABSTRACT

The word "food" refers to the chemical substances taken into the body in order to keep the body in a healthy and active condition. The body requires food for growth, repairs and replacement of its wornout tissues. Hence, food has to provide the required raw material, energy and other regulating substances like vitamins and proteins for the smooth functioning of the body, besides meeting the calorific requirements like carbohydrates, proteins, fats, etc... India is the world's second largest producer of food next to China and has the potential of being biggest industry with food and agricultural sector contributing 26 percent to Indian GDP. It has the capacity of producing over 600 million tons of food products every year it is likely to be doubled in next 10 years. The study aims at finding out the impact of market segmentation on purchase behavior of women consumers buying behavior in Coimbatore. The study is based on demographic factors such as age, marital status, education qualification, occupation and income.

Keywords: Buying behavior, working women, attitude, health awareness etc.,

Introduction:

Buying behavior is the study of individuals, groups or organizations and all the activities with the purchase use and disposal of goods and services, including the consumer's emotional, mental and behavioral responses that precede or follow these activities. It examines how emotions, attitudes and preference affect buying behavior. It also investigates the influences on the consumers from groups such as family, friends, sports reference groups and society in general.

Food buying behavior refers to the buying behavior of the ultimate consumer. Many factors specificities and characteristics influence the individual in what he is and the consumer in his decision making process, shopping habits, purchasing behavior, the brands he buys or the relatives he goes. A purchase decision is the results of each and every one of these factors. An individual and a consumer is led by his culture, subculture, social class,



membership groups, family, personality and psychological factors, etc... and its influenced by cultural trends as well as his social environment.

STATEMENT OF THE PROBLEM

“Professionalism” among women all over the world is still young. Societal expectations and their entrusted roles for women made them far behind in taking to profession. As a result, women’s opportunities in various professions remained limited. The rapid industrialization and scientific-Technological era have brought complexity in all spheres of life. This complexity created new situations and new ways of thinking in which women’s roles and their personality are changing very rapidly due to various environmental effects. Therefore it is pertinent that women must be equipped to cope with the new demands and increase their awareness, resources and opportunities for effective participations and decision making.

There is no profession that remains a bastion of men. Women are now set to outshine men in their occupational achievements. Indian women are now employed in diverse types of jobs, be Doctor, Teacher, Lawyer, Engineer etc. Despite remarkable achievements of Indian women, traditional values seem to exert a great restricting influence on female employment. Indian society considers women as the central element of the family structure. That is why women’s entry into any profession has a direct bearing on the very foundations of traditional relations.

Working women are in no way relieved from their household chores. “In accordance with established customs it is only the women who must prepare food, an exceptionally laborious process in Indian conditions hence it is vital to study the factors influencing women especially working women regarding their food buying behavior and to what extend they are caring about their health quotient.

OBJECTIVES OF THE STUDY

- To analyses the working women’s buying behavior of food products.
- To find the factors influencing to purchase food products working women.

REVIEW OF LITERATURE

According to **A.C. Nielsen data (2007)** the healthy foods in Europe have a turnover of \$ 5.7 billion. This trend is fully confirmed when referred to the Italian market, where



demand for health products has, over the five-year 2002/06, the highest growth rate in terms of purchase volumes.

Cramer (1980) defines, “that cross-sectionally studies that the focus on education, other family income, and the presence and age of the children as primary determinants of women’s labor force participation.”

DiPrete and Forristal (1994) defines that, “Multilevel analysis is increasingly common in sociology, at least in part because it allows researchers to examine the way in which the properties of larger collectives affect individuals.”

Friedrich Engels ((1884) 1942, 148) defines us that, “The emancipation of woman will only be possible when women can take part in production on a large, social scale and domestic work no longer claims anything but an insignificant amount of her time. Only now has that become possible through modern large-scale industry, which does not merely permit the employment of female labor over a wide range but positively demands it.”

According to **Gornick, Meyers, & Ross (1998); Valian (1999)**), “Economic demand theories are not only situationally focused explanations of women’s labor force participation. Politics and culture have changed to during the last century, and both types of changes have probably facilitated women’s entry collectives into the labor force.”

RESEARCH METHODOLOGY

Descriptive research design includes survey and fact findings enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present. In social and business research, we quiet often use the term ex post facto research has no control over variable.

The research uses both primary and secondary data and the primary data was collected through questionnaire from the respondents in Coimbatore city. The Customers are met residing in various areas of Coimbatore city. Their responses and feedback is noted down in questionnaire. The secondary data were collected from magazines, articles, internet, etc. A sample of 100 respondents has been selected for the study purpose.

LIMITATIONS OF THE STUDY

- This study was conducted only in Coimbatore city which may not give a general conclusion.



- The sample size is limited to 100 due to time constrains.
- Only the consumers View point has been analyzed.
- The entire study is dependent on the response given by sample respondents, so the attitude and the mental status of the respondent will be reflected in the research findings.
- Since the time was limited, convenient, sampling method is used.

RESULTS AND DISCUSSIONS

Marital status of the respondents

S.NO	MARITAL STATUS	NO OF RESPONDENTS	PERCENTAGE
1.	Married	20	20
2.	Unmarried	44	44
3.	Married with kids	36	36
4.	Married without kids	0	0
	Total	100	100

Source : Primary data

INTREPRETATION

From the above table it is inferred that 20 percentage respondents are married, 44 percentage respondents are unmarried and 36 percentage respondents are married with kids.

Educational qualification of the respondents

S.NO	EDUCATIONAL QUALIFICATION	NO OF RESPONDENTS	PERCENTAGE
1.	School level	4	4
2.	UG	36	30
3.	PG	20	26
4.	Professional	36	36
5.	Others	4	4
	Total	100	100

Source : Primary data



INTERPRETATION

From the above table it is inferred that 4 percentage respondents are educated up to school level, 36 percentage respondents have UG level education, 20 percentage respondents have PG degree, 36 percentage respondents are professionals and 4 percentage of respondents belongs to other category.

Monthly income of the respondents

S.NO	MONTHLY INCOME	NO OF RESPONDENT	PERCENTAGE
1.	Up to Rs.10000	16	16
2.	Rs.10001 to Rs.20000	12	12
3.	Rs.20001 to Rs.30000	28	28
4.	Above Rs.40000	44	44
	Total	100	100

Source : Primary data

INTERPRETATION

From the above table it is inferred that 16 percentage respondents get their monthly income up to Rs.10000, 12 percentage respondents get their monthly income of Rs.10001 to Rs.20000, 28 percentage respondents get their monthly income of Rs.20001 to Rs.30000 and 44 percentage respondents get their monthly income above Rs.40000.

Frequency of hotel visit

S.NO	FOOD IN HOTEL	NO OF RESPONDENTS	PERCENTAGE
1.	Once in a week	8	8
2.	Twice in a week	20	22
3.	Once in 2 weeks	20	18
4.	Once in a month	36	36
5.	Rarely	16	16
	Total	100	100

Source : Primary data

INTERPRETATION

From the above table it is inferred that 8 percentage respondents takes food in hotel once in a week, 22 percentage respondents takes food in hotel twice in a week, 18 percentage



respondents takes food in hotel once in 2 weeks, 36 percentage respondents takes food in hotel once in a month, 16 percentage respondents takes food in hotel are rarely.

Timing of visit to hotel

S.NO	VISIT TO HOTEL	NO OF RESPONDENTS	PERCENTAGE
1.	Morning	4	4
2.	Afternoon	24	24
3.	Evening	16	16
4.	Night	56	56
	Total	100	100

Source : Primary data

INTERPRETATION

From the above table it is inferred that 4 percentage respondents visit hotel in morning, 24 percentage respondents visit hotel in afternoon, 16 percentage respondents visit hotel in evening and 56 percentage respondents visit hotel in night.

WEIGHTED AVERAGE ANALYSIS

Purchasing pattern of food items in store

S.NO	PRODUCTS	TOTAL SCORE	RANK
1.	Organic foods	278	3
2.	Biscuits	468	1
3.	Noodles	416	2
4.	Ready mix	236	5
5.	Instant food products	248	4

Source : Primary data

INTERPRETATION

From the above table it is inferred that Biscuits ranks first with the score of 468, Noodles and Organic foods places the 2nd and 3rd rank with the total score of 416 and 278 respectively, Instant food products and Ready mix places the 4th and 5th ranks with the score of 248 and 236.

Perception of healthy food habits

S.NO	PERCEPTION	TOTAL SCORE	RANK
1.	Taste less	392	1
2.	More expensive	336	5



3.	Not easy to find these products	348	4
4.	Range on the market is limited	363	3
5.	Difficulty to find healthy foods	364	2

INTERPERTATION

From the above table it is inferred that among various perception of healthy food habit, “Taste less” rank the first with the score of 392, “Difficulty to find healthy foods” and “Range on the market” is got the places of 2nd and 3rd rank with the score of 364 and 363 respectively, “Not easy to find these products” and “More expensive” places the 4th and 5th ranks with the score of 348 and 336 respectively.

Thus it concludes that “Taste less” rank the first with the score of 392.

RANK ANALYSIS

Purchase of Instant food products

S.NO	FACTORS	MEAN SCORE	RANK
1.	Taste liked by family	412	2
2.	Readily available	364	4
3.	Save time of preparation	436	1
4.	Influencing of friend and family	300	6
5.	Reasonable price	404	3
6.	Habitual	320	5

Source : Primary data

INTERPERTATION

From the above table it is inferred that Save time of preparation ranks first with the score of 436, “Taste liked by family” and “Reasonable price” places the 2nd and 3rd rank with the score of 412 and 404 respectively, “Readily available” and “Reasonable price” places the 4th and 5th rank with the score of 364 and 320 respectively and “Influencing of friend and family” places the 6th rank with the score of 300 respectively.

Thus it concludes that “Save time of preparation” ranks first with the score of 436.



DISCUSSIONS

Women customer buying behavior is very much influenced by their working situation, due to the pattern of heavy work they are attracted very much towards the Instant food items, their scenario can be changed by increasing the organic foods and healthy foods availability in the market.

With the free access and availability of healthy food lifestyle the buying behavior of the working women can be redirected towards a positive path. One of the major findings indication that, the preference of organic food is lower because of the factor, it “Taste less” so more innovative cooking instructions can be given at the package of the products, so that the customers will more likely to purchase and use the organic products.

CONCLUSION

The role of women in the society and their effect has changed. Most of the marketers know that ‘women are different’, but we actually need a deep rooted understanding of how and why they are different.

Women are great influencers when it comes to buying decisions of the family. No doubt that when it comes to individual buying, women are the sole decision makers in the decisions. Women are the most powerful consumers in the world as they control major percent of the household spending, and no longer can the women’s spending powers and influence be neglected.

Buying behavior of the women customers is greatly influenced by the factors like Brand image, Buying motives, Promotional Factors, Quality and Expiry date. In spite of the most willful decision making by the women, due to the working situation sometimes they are pushed towards instant food products for the ease of usage and taste preference. Thus the study can be concluded that, by providing healthy and organic food products in easy preparation format, more working women will be definitely willing to change their food buying pattern.

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BRAND PREFERENCE TOWARDS MOBILE PHONES
(WITH SPECIAL REFERENCE TO COIMBATORE CITY)

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ABSTRACT

The modern markets and research markets attempt to understand consumer's needs and allocate organisational resources appropriately to meet these needs. Modern marketers particularly interested in brands. Brand preference reflects a desire to use a particular company's products or services even when there are equally-priced and equally-available alternatives. Consumer attitude is a composite of a consumer's beliefs, feelings, and behavioral intentions toward some object within the context of marketing. A consumer can hold negative or positive beliefs or feelings toward a product or service. A Mobile phone is a portable telephone that can make and receive calls over a radio frequency carrier while the user is moving within a telephone service area. Most modern mobile telephone services use cellular network architecture, and therefore mobile telephones are often also called cellular telephones or cell phones. In addition to telephony, 2000s-era mobile phones support a variety of other services, such as text messaging, MMS, email, Internet access, short-range wireless communications like infrared, Bluetooth, business applications, gaming, and digital photography. Mobile phones which offer these and more general computing capabilities are referred to as smart phones.

Key Words: Marketing, Brand Preference, Consumer Attitude, *Branded Mobile Phones*.

INTRODUCTION

Marketing

Markets refer to the group of customers or organizations who has interest in the product, has the resources to purchase the product and is permitted by law and other regulations to acquire the product. The process of exchange of goods and services engaged in market is known as 'Marketing'.



Brand Preference

Brand preference is important to companies because it provides an indicator of their customers' loyalty, the success of their marketing tactics, and the strength of their respective brands.

Consumer Attitudes

It is a composite of three elements: cognitive information, affective information, and information concerning a consumer's past behavior and future intentions. In other words, attitude consists of thoughts or beliefs, feelings, and behaviors or intentions towards a particular thing, which in this case is usually a good or service.

REVIEW OF LITRETURE

Julia Friman has submitted a project report on “Consumer Attitudes towards Mobile Advertising” The results of the study highlight the importance of utilizing customer data in the design of mobile advertising campaigns. When the mobile advertiser has the possibility to target actual needs of customers based on existing customer data, attitudes toward mobile advertisements are likely to be positive. This implies that mobile advertising should be based on service rather than selling.

Dr. Anil Kothar in his study on “A Study of Consumer Attitude towards Advertising through Mobile Phones” Presence of numerous media vehicles in the advertising world has created an advertising clutter, reducing the effectiveness of advertising. That is why marketers are looking for innovative media for advertising, which has yet not been saturated and mobile advertising is one of them. Mobile advertisements allow the marketers to approach the customers in distinctive way. The present study attempts to examine the same as to what is consumer attitude towards mobile advertising and the various factors that influence their attitude.

Mesay sasta “Factors affecting consumers buying behavior of mobile phones” From the analysis, it was clear that consumer’s value price followed by mobile phone features as the most important variable amongst all and it also acted as a motivational force that influences them to go for a mobile phone purchase decision. The study suggested that the mobile phone sellers should consider the above mentioned factors to equate the opportunity.



Ramesh Rijal in his study “Brand preference on Mobile Purchase among the Students” The study investigates the brand preference on mobile purchase among the students. On this basis, this report deals with various choice criteria’s economic, social, personal and technical that students can use for decision making on purchasing of branded mobile phone.

OBJECTIVES OF THE STUDY

- To know about the consumer awareness and attitude towards branded mobile phones.
- To find out the satisfactory level towards branded mobile phones.
- To find out the problems faced by the consumer while using branded mobile phones.

RESEARCH METHODOLOGY

The research methodology is a way of systematically solving the research problem. It deals with the research design used for the present study. A pilot study was done to evaluate the consumer awareness and attitude branded mobile phones. On the positive note from the respondents the questionnaire was drafted and finalized.

Sampling

Sampling is a smaller representation of the larger world .It is the researcher has used techniques, as they have to cover a population spread in a wider geographical area.

Sampling Design

A sample design is the theoretical basis and the practical means by which we infix the characteristics of some population by generalizing from the characteristic few of the units comprising the population.

Sample Size

The number of items to be selected from the universe constitutes a sample. The size of the sample should neither be excessively large not too small, it should be optimum.



Source of data

The data are primary in nature for which a systematic questionnaire was prepared and supplied to all the respondents, there after required data have been collected for the analysis.

Primary Data

Primary data is main source of collection of information. Primary data for the study has been collected through structured questionnaire.

Secondary Data

Secondary data are those data that have been already collected by someone else and which have been approved. Secondary data has been collected from books, journals and internet.

Area of the Study

The study was confined to Coimbatore city only.

Statistical Tools Used For the Study

- Simple percentage analysis
- Chi-square analysis
- ANOVA
- Correlation

FINDINGS

FINDINGS RELATED TO PERCENTAGE ANALYSIS

- ▶ Majority (54%) of the respondents are male.
- ▶ 41% of respondents are belongs to the age group of 20-40 years.
- ▶ Majority (58%) of the respondents are married.
- ▶ Majority (70%) of the respondents are salaried employees.
- ▶ 34% of the respondents have their family income between Rs.20,000-Rs.40,000.
- ▶ Majority (52%) of the respondents are got awareness through advertisements.
- ▶ Majority (83%) of the respondents says that the mobile phone company provides adequate models.



- ▶ 41% of the respondents say that the effectiveness of their mobile phones are very good.
- ▶ 46% of the respondents change their mobile phones in the time period of 5-10 years.
- ▶ Majority (84%) of the respondents considered quality is most important in purchasing the mobile phone.
- ▶ 47% of the respondents considered battery life is most important in purchasing the mobile phone.
- ▶ 43% of the respondents considered models as most important in the purchasing the mobile phone.
- ▶ 38% of the respondents are influenced moderately by the friends and relatives in choosing the mobile phone.

FINDINGS RELATED TO CHI-SQUARE ANALYSIS

- ❖ All the personal factors have significant influence towards the source of awareness about the mobile phones.
- ❖ Age group, educational qualification, occupation, family monthly income have significant influence towards the features influenced to choose the models. Gender Marital status has no significant influence towards the features influence to choose the models.

FINDINGS RELATED TO CORRELATION

- ❖ The coefficient of correlation is +1 (0.533), which indicates a positive correlation, meaning that both variable, brand awareness in mobile models and level of satisfaction towards mobile phones move in the same direction together.
- ❖ The coefficient of correlation is +1 (0.733), which indicates a positive correlation, meaning that variable, brand awareness and brand's various features move in the same direction together.

FINDINGS RELATED TO ANOVA TEST

- ❖ It is found that there is significant association between age and other five variable (price, models, appearance, advertisement and user friendly)and there is no significant association between age and other two variables (battery life and quality).
- ❖ It is found that there is significant association between monthly income and other five variable (price, quality, battery life, user friendly, appearance, advertisement) and



there is no significant association between monthly income and other variable (models).

CONCLUSION

This study is mainly focused on to find out the pulse of the respondents, their problems and all other factors related to brand preference. With the growth of awareness of brand preference, comes a wealth of new market footprint coverage opportunities that can appropriately cater to all types of customers.

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CHALLENGES, OPPORTUNITIES AND GROWTH OF INDIAN TEXTILE INDUSTRY

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ABSTRACT

The Indian textile industry is highly fragmented and labor-intensive. The textile industry is being dominated by unorganized sector and Small and medium industries. The textile industry in India is a strong and vibrant sector contributing largely to India's economic growth. The sector contributes about 14 % to industrial production, 4% to the gross domestic product (GDP), and 17 % to the country's export earnings. Abundant availability of raw materials and skilled workforce has given India a competitive edge in textile exports. The foreign investors is not investing in the textile sector which is also one of the areas of concern. The government policies and tax structure are not favoring this industry textile industry is highly competitive and the present situation demands the companies to benchmark their products with the best in the world and try to upgrade the quality and production processes.

The paper tries to provide insights into the emerging trends in Textile Industry. The study also focuses on challenges. The study is based on the data available from the secondary sources as well as the review of literature from the available sources. The study also focuses to explain the opportunities, challenges and suggestions.

Introduction

India is the world's second largest producer of textiles and garments after China. It is the world's third largest producer of cotton after China and the USA and the second largest cotton consumer after China. Indian textile industry currently estimated to be US \$108 billion and expected to reach US \$209 billion in the year 2021. The industry is the second largest employment generator after agriculture by employing 45 million people directly and 60 million people indirectly [1].

The Indian textile industry presently contributes around 14 percent to industrial production, and 4 percent to GDP, 17 percent to the country's exports, and 21 percent employment. India has abundance of natural resources like cotton, jute and silk. Indian



products are preferred for their fine designing, embellishment and craft. From the ages the Indian fabric designers and weavers are recognized as one of the best in the world. At present industry is growing at 9-10 percent with Indian economy. Indian textile industry currently possesses a share of 4.7% in world market of textiles and clothing [2].

Export of clothing from India is increasing world over due to the versatility of different products. The major retailers include JC Penney, Nautica, Dockers, Bed, Bath and Beyond, Target, Kohl's Liz, Calvin Klein, Sprit, Marks & Spencer, GAP, United Colors of Benetton, Mango, Zara and Dillard's etc. European Union and USA the largest markets for textile and apparel with a share of 36% and 14% respectively. Among the nations, China is the largest supplier of textile and apparel in the world with a major share of 40%. It is distantly followed by countries such as India, Italy, and Germany etc. each with an approximate share of 5% in the global textile and apparel exports [1].

The global luxury industry has seen steady growth over the past 16 years [3] and it is commonly believed to be one of the most appealing and profitable industries in the world. In addition to its economic value, luxury fashions brands help develop the best fashion products for the market. They are leaders in the fashion world and drive a lot of mass-market imitators. Moore and Birtwistle (2005) focused on Gucci to study the nature of "parenting advantage" in luxury fashion. They reviewed Gucci's annual reports and other secondary information sources and identified the "ten-year renaissance" in Gucci. They argued that there is an intra business group synergy in Gucci and this synergy is crucial for saving Gucci from the financial crisis that it faced at that time. They also established a multidimensional luxury fashion branding model which identifies various critical components and their interactions for luxury fashion brands. They believed that their proposed model can help luxury fashion brands to better shape the branding strategies and develop a competitive edge. Fionda [4] adopted a qualitative multiple-case study approach to investigate the most important dimensions for the success of luxury fashion brands. They studied 12 international luxury fashion retailers and collected data via both semi-structured interviews with managers of the target companies and reviews of some secondary sources such as internal documents and media reports. They successfully obtained nine interrelated attributes which are critical to the success of luxury fashion branding. They concluded their study with a comment on the fact that luxury fashion brand management is complex in general, and the luxury fashion brands should adopt a coherent approach in order to succeed. Moore [5] investigated the use of flagship stores as a market entrance strategy in luxury fashion retailing. They studied 12



luxury fashion retailers and obtained the primary data via semi-structured interviews. From the collected data and observed industrial strategies, they proposed several characteristics of the flagship stores of the luxury fashion retailers. They revealed that luxury fashion retailing flagship stores can be treated as a strategy which can provide substantial support for the development of luxury fashion retailing in a foreign market. In other words, these flagship stores play a crucial role in helping the luxury fashion retailers to enter another market and go international. They also interestingly showed the interdependence of flagship stores and the wholesaling method for luxury fashion brands. Stankeviciute [6] explored brand extension strategy in luxury fashion. They examined several famous international luxury fashion brands, namely Giorgio Armani, Calvin Klein, and Jimmy Choo. They found that luxury fashion brands can collaborate with no luxury brands to develop an extended co-brand. This extension can achieve a positive impact on them if the co-brand possesses the luxury fashion's features, and the no luxury brands have good reputation. They further revealed that a downward brand extension can enhance the parent luxury brands if the extension keeps the parent brands' luxury fashion elements and other critical core brand elements. They also studied the brand dilution effect and argued that the luxury fashion brands have to continuously improve themselves so as to yield a successful portfolio of their brands under the brand extension strategies. Recently, Nobbs et al. [7] explored the essential elements of the luxury fashion flagship store's format. They revealed that the luxury fashion flagship store's scale and size in practice are more than sufficient compared to its functional requirements. They argued that the luxury fashion flagship stores treasure exclusivity and uniqueness most and help attract customers' visit. They explored the characteristics of the luxury flagship store format and demonstrated how the flagship store helps generate and communicate differentiation.

Indian textile industry opportunities

The fundamental strength of Indian textile industry is its strong production base with wide range of fibers/yarns. These are natural fibers such as cotton, jute, silk and wool and synthetic/man-made fibers like polyester, viscose, nylon and acrylic. In producer-driven value chains, large, usually transnational, manufacturers play the central roles in coordinating production networks. Textile industry is capital- and technology-intensive comparable with automobiles, aircraft, computers, semiconductors and heavy machinery industry. Buyer-driven value chains are those in which large retailers, marketers and branded manufacturers play the pivotal roles in setting up decentralized production networks in a variety of



exporting countries, typically located in developing countries. This pattern of trade-led industrialization has become common in labor-intensive, consumer-goods industries such as garments, footwear, toys, handicrafts and consumer electronics. Large manufacturers control the producer-driven value chains at the point of production, while marketers and merchandisers exercise the main leverage in buyer-driven value chains at the design and retail stages. Apparel is an ideal industry for examining the dynamics of buyer-driven value chains. The relative ease of setting up clothing companies, coupled with the prevalence of developed-country protectionism in this sector, has led to an unparalleled diversity of garment exporters in the third world. Apparel is an ideal industry for examining the dynamics of buyer-driven value chains.

The global apparel market size is expected to reach US \$2.6 trillion in 2025 growing by a projected rate of 4%. The major growth drivers of the global apparel market will be the developing economies, mainly China and India, both growing in double digits. China will become the biggest apparel market adding more than US \$378 bn. in market size by 2025, while India will be the second most attractive apparel market adding around US \$121 bn. by 2025 [1]. A large and growing domestic demand coupled with increasing spending power of people in these two countries will result in the combined addition of around US \$500 bn. in the global apparel market size by 2025. The combined apparel market size of China and India i.e. US \$795 bn. is expected to exceed combined market size of EU and USA i.e. US \$775 bn, by 2025. India is one of the fastest growing economies with the GDP growth of 7.2 percent in the last quarter of 2017-18. This growth also boosts the purchasing power and propels the demand for the textile products [2].

India has a share of approximately 5% of the global textile and apparel trade. The break-up of our current exports are as follows: (Table 1 & 2).

Table 1: Export share of different goods [8].

Sl. No.	Items	Share %
1	Cotton Fibre	9%
2	Cotton Yarn, Fabrics and Made ups	23%
3	Man-made Textiles	14%
4	Garments	39%
5	Handlooms and Handicrafts	11%
6	Others	4 %



Table 2: Projections for India in world exports [8].

Year	World Textile Exports \$	Billion India's Exports \$ Billion
2016	860.6	54.4
2017	903.6	62.6
2018	948.8	72.1
2019	996.2	83.0
2020	1046.0	95.5
2021	1098.3	109.9
2022	1153.3	126.5
2023	1210.9	145.6

The growth of Indian E-Commerce companies provides opportunities for the Indian textile industry in the domestic as well as international market. Amazon, Flipkart, Jabong and Myntra are the major players IN Indian E-Commerce Industry. India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textile industry is also labor intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale. The textile industry employs about 45 million people directly and 20 million people indirectly. India's overall textile exports during FY 2015-16 stood at US\$ 40 billion. The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world [8].



Indian textile industry

The Indian textiles industry, currently estimated at around US \$120 billion, is expected to reach US \$230 billion by 2020. The Indian Textile Industry contributes approximately 2 per cent to India's Gross Domestic Product (GDP), 10 per cent of manufacturing production and 14 per cent to overall Index of Industrial Production (IIP). Indian khadi products sales increased by 33 per cent year on- year to Rs 2,005 crore (US \$311.31 million) in 2016-17 and is expected to exceed Rs 5,000 crore (US \$776.33 million) sales target for 2018-19, as per the Khadi and Village Industries Commission (KVIC). The production of cotton in India is estimated to increase by 9.3 per cent year-on-year to reach 37.7 million bales in FY 2017- 18. The total area under cultivation of cotton in India is expected to increase by 7 per cent to 11.3 million hectares in 2017-18, because of expectations of better returns from rising prices and improved crop yields during the year 2016-17. Indian exports of locally made retail and lifestyle products grew at a compound annual growth rate (CAGR) of 10 per cent from 2013 to 2016, mainly led by bedding bath and home decor products and textiles [8].

Investment in textile sector

The textiles sector has witnessed a growth in Foreign Direct Investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US \$2.82 billion during April 2000 to December 2017 [8].

Some of the major investments in the Indian textiles industry are as follows:

a) The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US \$202.9 million) from 2017-18 to 2019-20.

b) Future Group is planning to open 80 new stores under its affordable fashion format, Fashion at Big Bazaar (FBB), and is targeting sales of 230 million units of garments by March 2018, which is expected to grow to 800 million units by 2021.

c) Raymond has partnered with Khadi and Village Industries Commission (KVIC) to sell Khadi-marked readymade garments and fabric in KVIC and Raymond outlets across India.



Max Fashion, a part of Dubai based Landmark Group, plans to expand its sales network to 400 stores in 120 cities by investing Rs 400 crore (US \$60 million) in the next 4 years [8].

Government initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiative will be taken into consideration by Government of India.

a) The Union Ministry of Textiles Government of India along with Energy Efficiency Services Ltd (EESL), has introduced a technology up gradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the power loom sector of India.

b) The Government has taken initiative to connect with 5 crore (50 million) village women to charkha (spinning wheel) in next 5 years with a view to provide them employment and promote khadi and also, they inaugurated 60 khadi outlets which were renovated and re-launched during the completion of KVIC s 60th anniversary and a khadi outlet.

c) The Textiles Ministry will organize 'Hastkala Sahyog Shivirs' in 421 handloom-handicrafts clusters across the country which will benefit over 1.2 lakh weavers and artisans.

d) The Gujarat government's decision to extend its textile policy by a year is set. It is estimated to attract Rs 5,000 crore (US \$50 billion) of more investment in sectors across the value chain. The government estimates addition till now of a million units of spindle capacity in the spinning sector and setting up of over 1,000 units in technical textiles.

e) The Textile Ministry of India earmarked Rs 690 crore (US \$106.58 million) for setting up 21 ready-made garment manufacturing units in seven states for development and modernization of Indian Textile Sector.

Some of initiatives taken by the government to further promote the industry are as under:

The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.



The Government of India plans to introduce a mega package for the power loom sector, which will include social welfare schemes, insurance cover, cluster development, and up gradation of obsolete looms, along with tax benefits and marketing support, which is expected to improve the status of power loom weavers in the country [8].

Indian textile industry challenges

The Indian textile industry is highly fragmented and is being dominated by the unorganized sector and small and medium industries. The changing government policies at the state and central government levels are posing major challenges to the textile industry. The tax structure GST (Goods and Service Tax) makes the garments expensive. Another important threat is raising interest rates and labor wages and workers' salaries. There is higher level of attrition in the garment industry. Although central government is wooing the foreign investors the investment is coming in the textile industry. In India places such as Bangalore, Mumbai, New Delhi and Tirupur are the hubs of textile garment industries. These manufacturers have ability to produce the entire range of woven wear and knitwear at low cost with reasonably good quality within the short notices. The Indian textile industry has its own limitations such as accesses to latest technology and failures to meet global standards in the highly competitive export market. There is fierce competition from China, Bangladesh and Sri Lanka in the low price garment market. In the global market tariff and non-tariff barriers coupled with quota is posing major challenge to the Indian textile Industry. The environmental and social issues like child labor and personal safety norms are also some of the challenges for the textile industry in India [8-12].

Conclusion

The Indian textile industry requires support from both the Central and State governments to become competitive in the Global market. The Skill India and Make-in India programs of Central government headed by Prime Minister Sri Narendra Modi is helping the industry in getting required skilled manpower and good market for textile products. It is high time for the textile industry to upgrade their technology and implement ERP to streamline supply chain and enhance customer relations management activities. These measures are enabling the industry in becoming competitive in the global market. The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has



experienced a rapid growth in the last decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organized apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period

The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalizing guidelines for the revised Textile up gradation Fund Scheme (TUFS). The Indian cotton textile industry is expected to showcase a stable growth in FY2017-18, supported by stable input prices, healthy capacity utilization and steady domestic demand.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market. The domestic market for apparel and lifestyle products, currently estimated at US\$ 85 billion, is expected to reach US \$160 billion by 2025. The Indian cotton textile industry is expected to showcase a stable growth in FY2017-18, supported by stable input prices, healthy capacity utilization and steady domestic demand.

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CUSTOMER SATISFACTION TOWARDS HERO HONDA ACTIVA 4G

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ABSTRACT

Today's consumer markets are too competitive for maximizing the profit and widening the market share. The companies use various efforts for attaining their objectives. There also exist strong consumer advocacy movements all over the world. Most of the companies try to convert potential customer into a regular customer. For this, they try to provide maximum benefits and convenience to the customers through the excellent utilization of resource. The automobile industry in India has witnessed a rapid growth over the last couple of decades and in recent years it has also captured the attention of the whole world with some innovative products. The study focuses on customer satisfaction towards the Hero Honda Activa 4G. The analysis is based on the primary data collected from 100 respondents in Coimbatore city through well-structured questionnaire. Tools used for the analysis of data are chi-square test, rank analysis. The study concludes that there is a significant relationship between the gender and level of satisfaction towards Hero Honda Activa 4G.

Keywords: Brand, Customer Satisfaction, Automobile Industry, Hero Honda Activa 4G,

INTRODUCTION

In industrial sector one can see that all the corporate houses focusing on retaining the customers without compromising the organizational objectives, ethics and values. Customers are individuals and the organizations have to make each and every customer feel that they are highly compassionate to them. The transformation of a potential customer into a regular customer is not an easy task. They have to blend various marketing mixes in different ways.

The automobile industry designs, develops, manufactures, markets, and sells motor vehicles, and is one of the world's most important economic sectors in respect of revenue. The competitive nature of the automobile industry has prompted the companies to take up new and innovative market strategies towards the competition.

India becomes the world's largest automobile market, and the demand of Indian vehicles continuous to grow in the domestic and international market. Honda has been the



world's largest motor cycle manufacturer since 1959, as well as the world's largest manufacturer of internal combustion engine measured by volume, producing more than 14 million internal combustion engines every year. To meet the future needs of the customers and stay head of competitions, manufacturers are now catching up on up-gradation, digitalization and automation.

REVIEW OF LITERATURE

Dr.D.Vijayalakshmi, M.Shantha Kuamri, S.Deepika (2015)¹, "A Study on customer satisfaction of a selected branded Two Wheelers in South Coimbatore" Customer is the center point of all the marketing activities and all the players in the market are trying to hold their place in the minds of the customers. Their satisfaction plays an essential role for the success of any business. The researcher has attempted to study the satisfaction level of the customers towards selected branded two wheelers in south Coimbatore city. The study is based on the primary data that has been collected from 250 respondents and the top five brands have been selected based on the report of the Regional Transport Office, South Coimbatore. The tools used for the analysis of the collected data are simple percentage analysis, chi-square, t-test and ANOVA. The researcher concludes that the level of satisfaction towards quality of selected five brands is highly satisfied.

Dr.Duggani Yuvaraju and Prof. Durga Rao (2014)² "Customer Satisfaction towards Honda Two Wheelers: A Case Study in Tirupati". The two wheeler industry has been going steadily over the years all over the world. India is not an exception for that. Today India is the second largest manufacturer of two wheelers in the world. The study has aimed to analyze the customer satisfaction of two wheelers. The researcher collected the data through survey method with a structured questionnaire. The tools used for the analysis of data are percentage analysis and chi-square test. Most of the customers agree that Honda is best quality with reasonable price, the opinion of 50% of customers towards price of Honda Bikes is reasonable. But 10% of the customers are asking for improvement in the quality. The researcher concluded that there is a significant difference among the preferable factors such as, mileage, pickup, price and design.

OBJECTIVES OF THE STUDY

- To study the customer satisfaction towards Hero Honda Activa 4G in Coimbatore city.



- To study the factors influencing selection of the brand.

RESEARCH METHODOLOGY

- **RESEARCH DESIGN:** Descriptive Research Design.
- **SOURCES OF DATA**
 - **PRIMARY DATA:** Primary data which are collected through the questionnaire.
 - **SECONDARY DATA:** Secondary data are collected through records like books, magazines, journals, articles, newspapers etc.,
- **SAMPLING TECHNIQUES:** Simple Random Sampling.
- **TOOLS USED FOR ANALYSIS:** (i) Chi-square; (ii) Rank analysis.
- **SAMPLE SIZE:** The sample size used for this study is 100.
- **AREA OF THE STUDY:** Coimbatore city.

ANALYSIS

➤ CHI-SQUARE

(i) Comparison between Age and Preferable Budget

H_0 : There is no significant relationship between age and the preferable budget.

PERSONAL FACTOR	PEARSON CHI-SQUARE	DF	P-VALUE	ACCEPTED/REJECTED
AGE	24.337	2	0.18	REJECTED

Source: Primary Data

(ii) Comparison between Gender and Level of Satisfaction

H_0 : There is no significant relationship between gender and the level of satisfaction.

PERSONAL FACTOR	PEARSON CHI-SQUARE	DF	P-VALUE	ACCEPTED/REJECTED
GENDER	7.704	6	0.53	REJECTED

Source: Primary Data



➤ **RANK ANALYSIS**

Factors Influencing to Buy Hero Honda Activa 4G

FACTORS	RANK	1	2	3	4	5	6	TOTAL SCORE	RANK SCORE	RANK
	SCORE	6	5	4	3	2	1			
Quality	NO. OF RESPONDENTS	11	19	18	17	15	20	100		
	SCORE	66	95	72	51	30	20	334	3.34	3
Price	NO. OF RESPONDENTS	17	15	18	15	15	20	100		
	SCORE	102	75	72	45	30	20	344	3.44	2
Style	NO. OF RESPONDENTS	16	18	10	9	20	27	100		
	SCORE	96	90	40	27	40	27	320	3.2	4
Performances	NO. OF RESPONDENTS	28	15	18	17	12	10	100		
	SCORE	168	75	72	51	24	10	400	4	1
Mileage	NO. OF RESPONDENTS	8	12	18	8	9	8	100		
	SCORE	48	60	72	24	18	8	230	2.3	6
Colour	NO. OF RESPONDENTS	19	17	5	8	11	40	100		
	SCORE	114	85	20	24	22	40	305	3.05	5

Source: Primary Data



FINDINGS

➤ **CHI-SQUARE ANALYSIS**

- There is significant relationship between age and the preferable budget.
- There is significant relationship between gender and the level of satisfaction.

➤ **RANK ANALYSIS**

- Average score of 37.4 have been given 1st rank for performances of Hero Honda Activa 4G.

CONCLUSION

The automobile industry is one of the important drivers of economic growth of India. India is a prime destination and aspirations of business expansion in Asia by many multinational automobile companies. It has been undoubtedly proven that retaining customer is the only way to succeed in business. The study concludes that the customers purchased the vehicle based on the performance of that vehicle. There is a significant relationship between the age and the preferable budget and gender and the level of satisfaction.

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**CUSTOMERS' AWARENESS TOWARDS SWIGGY WITH SPECIAL REFERENCE
TO COIMBATORE CITY**

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ABSTRACT

Online food ordering is a process that delivers food or takes away, from home chefs, local restaurants and other food co-operatives through a mobile application or through a website. This style of food delivery is gaining popularity with more and more people especially the younger generation turning to mobile food ordering applications, thereby changing the way food is delivered and picked up. Customers prefer using the food ordering application over ordering food online. The number of food delivery mobile application startups is growing at a fast pace and compete the food delivery section of the restaurant market. This study helps to understand the customer awareness towards Swiggy. The study is based on the primary data collected from 100 respondents in the Coimbatore city. The tools used for the analysis is percentage analysis. The study concludes that most of the respondents are ordering their food through Swiggy, more offers and discounts influence the customer to order the food in Swiggy application through mobile and online.

Key Words: Online food ordering, Restaurants, Swiggy application, Food Applications

INTRODUCTION

Marketing is the process by which companies create customer interest in products or services. It generates the strategy that underlies sales techniques, business communication, and business development. It is an integrated process through which companies build strong customer relationships and create value for their customers and for themselves. Marketing is the business process of creating relationships with and satisfying customers. With its focus on the customer, marketing is one of the premier components of business management.

Swiggy is food ordering and delivering company which is situated in Bangalore. It provides a single window for ordering food from a wide range of restaurants and has their own personnel pick up orders from the restaurants and deliver it to the customers. It is a complete food ordering and delivery solution that connects neighborhood restaurants with urban foodies. With an increased volume of digital ordering comes a wealth of data around



customers spend, preferences and ordering behaviors. Restaurants can now use this data to expand their analytics and even create algorithms that can predict order volume and menu item inventory needs. The demand for a positive and efficient food ordering experience continues to grow rapidly. The good news is that the restaurants have many innovative solutions to explore and adopt as they respond to the demand for change. The key is to become educated on the variety of modern technologies which it is being offered currently.

REVIEW OF LITERATURE

Dr. S. Preetha, S.Iswarya (2019)¹⁴“An Analysis of User Convenience towards Food Online Order and Delivery Application (FOOD App via Platforms)”.The sight of recent traffic on Zomato, Swiggy, Uber eats etc. through the roads of Chennai is very common. Day on day this traffic is increasing widely across all the areas of the city. The influence of this food online order and delivery especially the platform-to-delivery application is increasing its presences. Understanding the demography will throw light on the frequency of usage of these applications. This study is to discern the quality of the FOOD (Food Online Order and Delivery) Applications - the platform-to-consumer delivery application, from the feedback of customers. The study also attempts to understand the factors that lead to the intension to use this mobile Application.

Prof. B.U. Parihar, ChaudhariYogesh, DabhadeKushal, ShikhareOjaswini (2019)¹⁵ “Zigbee based e-menu food ordering system”. The paper is proposed with the Zigbee technology as the communication medium which implements faster ordering system. The technology able to solve lack number of worker, reduces the error on ordering foods by the customers. The e-menu food ordering system is based on software-hardware platform of Arduino (ATMega328p) and using Zigbee short range radio communication technologies. Zigbee technology has divided the system in two sections one is handheld section (customer section) and other is main section (owner section), both section consists of Zigbee transceivers. At handheld section GLCD with touch screen is provided to place the order and order sends further to main section via Zigbee transceiver. Simultaneously buzzer will indicate that order has arrived and LCD display which is at main section is used to display food menu order and cost.

OBJECTIVE OF THE STUDY

- To study the level of awareness among the customers towards swiggy.



RESEARCH METHODOLOGY

- **Research Design:** Descriptive Research Design
- **Sources of Data:**
 - ✓ PRIMARY DATA: The primary data were collected based on the structured questionnaire.
 - ✓ SECONDARY DATA: Secondary data for the study have been collected from books, journals, magazines, articles, old reports and required websites.
- **Sampling Technique:** Simple Random Sampling
- **Sampling Size:** The sample size used for this study is 100 respondents.
- **Tools Used for the Study:** The SPSS package was used for the study
 - Percentage Analysis

ANALYSIS AND FINDINGS

ANALYSIS

S.NO	PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
1	Gender		
	Male	46	46
	Female	54	54
2	Age		
	Below 18 years	7	7
	19 – 25 years	44	44
	26 – 35 years	30	30
	Above 35 years	19	19
3	Educational Qualification		
	School level	8	8
	Under graduate	26	26
	Post graduate	50	50
	Diploma	16	16
4	Occupation		
	Students	32	32
	Business	22	22



	Employee	27	27
	Homemaker	19	19
	Monthly Income		
5	Upto Rs.10,000	4	6
	Rs.10,001 to Rs.20,000	20	29
	Rs.20,001 to Rs.30,000	17	25
	Rs.30,001 and above	27	40
	Marital Status		
6	Married	53	53
	Unmarried	47	47
	Type of family		
7	Joint family	49	49
	Nuclear family	51	51
	Family Members		
8	2 to 4	43	43
	4 to 6	29	29
	Above 6	28	28
	Area of Residence		
9	Rural	21	21
	Urban	59	59
	Semi-Urban	20	20
	Awareness		
10	Yes	90	90
	No	10	10
	Source of Information		
11	Television/Radio	31	34
	Newspapers/Magazines	22	24
	Relatives/Friends	21	23
	Display boards	16	19
	Choice of Online Food Application		
12	Uber eats	2	2
	Swiggy	82	91



	Food panda	4	5
	Zomato	2	2
13	Ordering Food in Swiggy		
	Yes	82	91
	No	8	9
14	Mode of placing order		
	Mobile application	54	66
	Web browser	28	34
15	Frequency of purchase		
	Daily	13	16
	Weekly	26	32
	Monthly	26	32
	Only on offers	17	20
16	Preference		
	Price	13	16
	Discount & Offers	27	33
	Time saving	24	29
	Availability of various hotels	18	22
17	Type of meal		
	Breakfast	12	15
	Lunch	36	44
	Snacks	10	12
	Dinner	24	29
18	Amount spending for placing the order		
	Less than Rs.200	10	12
	Rs.201 to Rs.500	33	40
	Rs.501 to Rs.1000	23	28
	Rs.1000 & above	16	20

Source: Primary Data

FINDINGS

Findings from Percentage Analysis

- Majority (54%) of the respondents are female.



- 44% of the respondents belong to the age group of 19-25 years.
- 50% of the respondents are post graduates.
- 32% of the respondents are students.
- 40% of the respondents are earning a monthly income of above Rs.30,001.
- Majority (53%) of the respondents are married.
- Majority (51%) of the respondents belong to nuclear family.
- 43% of the respondents have 2 to 4 members in their family.
- Majority (59%) of the respondents are from urban area.
- Majority (90%) of the respondents are aware of ordering food through online.
- 34% of the respondents came to know about online food ordering through television/radio.
- Majority (91%) of the respondents choose swiggy for ordering food through online.
- Majority (91%) of the respondents are ordering food in swiggy.
- Majority (66%) of the respondents are placing the order through mobile application.
- 32% of the respondents order food weekly.
- 33% of the respondents prefer swiggy for discount and offers.
- 44% of the respondents prefer lunch through online ordering of food.
- 40% of the respondents are spending between Rs.201 to Rs.500 for placing the order through online food purchasing.

CONCLUSION

Nowadays, customers have preferred to order the food through online applications. The restaurants realize that the customer feel comfortable and easy to order the food through online and it satisfies the customers, which influence them to buy more through online applications. Today customers can also order food with their voice using Amazon's Alexa from brands such as Jet's pizza. Thus the study concludes that, most of the respondents are ordering their food through Swiggy, more offers and discounts influence the customer to order the food in Swiggy application through mobile and online.

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science, resources, labor, technology, access to markets, and politics. Distinct economic, social, and political factors influence and form the sort of business markets inside every country.

OBJECTIVES

- To aware of the current economic situation
- To study the impact of the economic factor on marketing
- To analyze the limitations of the current economic situation
- To know about the indications that taking by government to overcome the economy slow down

RESEARCH METHODOLOGY

Research methodology is a systematic and analytical method used for research purposes. It is a process that is used to make the right decision at the right time in the field of study. Here I used both primary and secondary data in this paper which was collected from different journals, books, and website

ECONOMIC FACTORS THAT AFFECT MARKETING

Several factors affect marketing are as follows

Environmental Factors

The environmental factors that affect a business. The factors are demand and supply, rate of interest, tax policies, inflation, and recession. Even your success in the marketing plan depended on your creativity, but it will be affected by these factors.

Rate of inflation

Inflation rates are one of the main factors which is reducing the purchasing power. It represents the product levels and raising the service. When the inflation rate is higher, the purchasing power will be decreased. As well as the tax rate goes up. So you have to work hard to retain your market even though the consumers may not have sufficient income to spare.



Disposable income

The changes in the disposable income of buyers are more impact on spending. For example, if unemployment rates increase, there is no source of spending on our product. Then automatically the demand for goods and services will drop. Similarly, the tax rates go up. So your customers couldn't afford your products, which will affect your revenue.

Recession

A recession ever slowdown in economic activity which lasts for more than a half year. It affects the rate of employment, GDP, customer demand, income. In 2008, during the recession, the stock market crashed. In 2009, un employments 10% reached and more than 6 million people were lost their jobs. Banks also stopped lending money so customer's purchasing behavior also affected.

Rate of interest

The High-end goods are jewelry and cars, are often purchased on credit. If rates of interest increase, these products become more expensive for customers who can't afford to pay cash. So the higher interest rates affect credit purchases.

Ecological Forces

Eco logical forces are more influenced by consumer attitudes, such as air and water pollution, which have increased in the past decades. Then organizations need to be aware of these issues and making alternative arrangements to their business strategy. For example, more customers are choosing sustainable products. Finally, governmental agencies are constantly implementing new policies to improve natural resource management.

Technology

Technological advances are a strong economy marketing factor that organizations couldn't afford to ignore. Social media, data, artificial intelligence, machine learning, and other trends are deciding the business landscape. They have a great power to shape customer behavior and preferences while creating new market opportunities.



REVIEW OF LITERATURE

Aaker, David, and George, in 1971, he wrote in his book „Consumerism Search for the consumer Interest“ made effort to evaluate the influence on the customer from their close group such as friends, reference groups, family as well as the society. The general definition of consumer behavior is that one of the studies a marketer uses to determine a consumer better and forecast how their behaviors' change when coming to buying decisions. Haley, in his field of study, in 1968 the view that customer satisfaction reflects their perception of benefit and segmentation depends upon benefit is ideal. Therefore, can segment customers by their degree of satisfaction.

Lake, in 2009 in his paper „Consumer Behaviour for Dummies“ noted that consumer behavior describes the study of every individual and the tasks that exist to satisfy their identified requirements. That satisfaction exists from the processes used in choosing, protecting and using services or else products when the benefits acquired from those processes meet or exceed customer's expectations. Engel et al. , in 1982 projected that customers with different lifestyles reflect variation in their consuming attitudes. Because the lifestyle of people is influenced more by culture, social status, reference group and family, people with different lifestyles have distinct values, personalities, and perceptions. Blackwell et al. , in 2006 the basic idea behind consumer research was questioning buying reasons, moreover, the researchers have to go in-depth and also they should ask people how and in which circumstances buy and use.

Price Fluctuation Influence on the Market

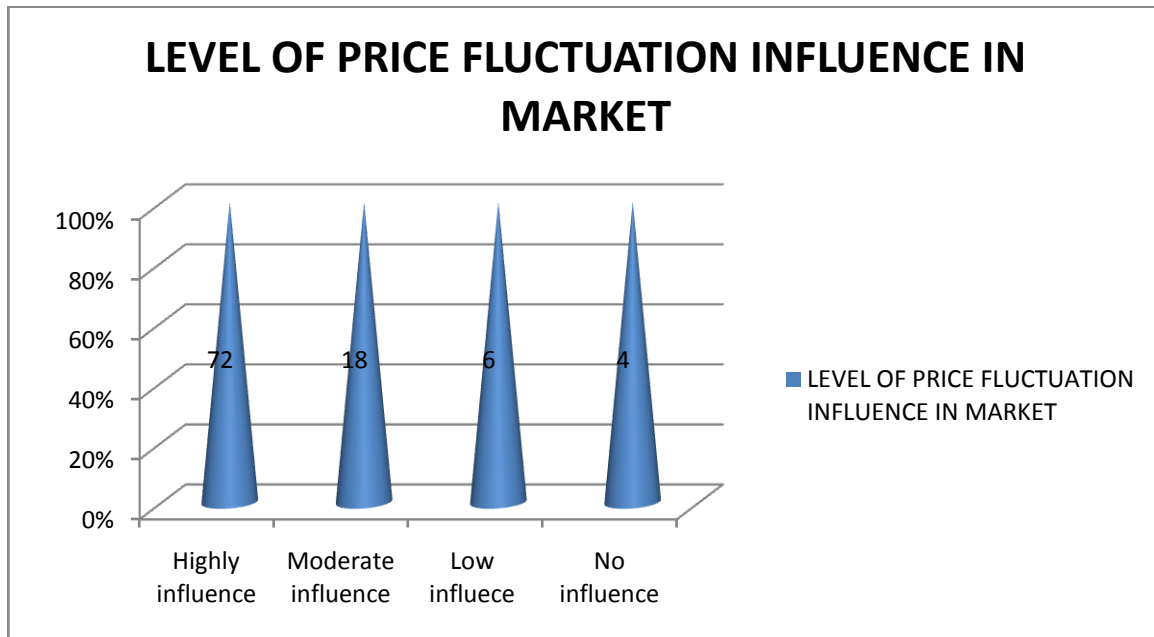
The world commodity prices being volatile, driven by the changes in demand and supply, then developing countries are particularly affected by external factors that can result in raised poverty and reduced public funding for education and health.

Table no 1.1 the level of price fluctuation impact on the market

Level of price fluctuations on market	Percentage
Highly Influence	72
Moderate Influence	18
Low Influence	4
No Influence	6



Graph 1.1 The Level of Price Fluctuation Impact On the Market



From the above table and Graph, it can be inferred that 72% of the consumers said that price fluctuation is highly influenced, 18% of the consumers said that price fluctuation is Moderate Influence, 4% of the consumers said that price fluctuation is Low influence, 6% of the consumers said that price fluctuation is No influence

Climate Change effect on the Current Economy

The IV National Climate Assessment (2018), warned that if we do not curb greenhouse gas emissions then start to adapt and climate change could seriously disrupt the U.S. economy. Warmer temperatures, sea-level will rise and extreme weather will damage property and critical infrastructure, impact human health and productivity, and negatively affect sectors such as agriculture, forestry, fisheries, and tourism.

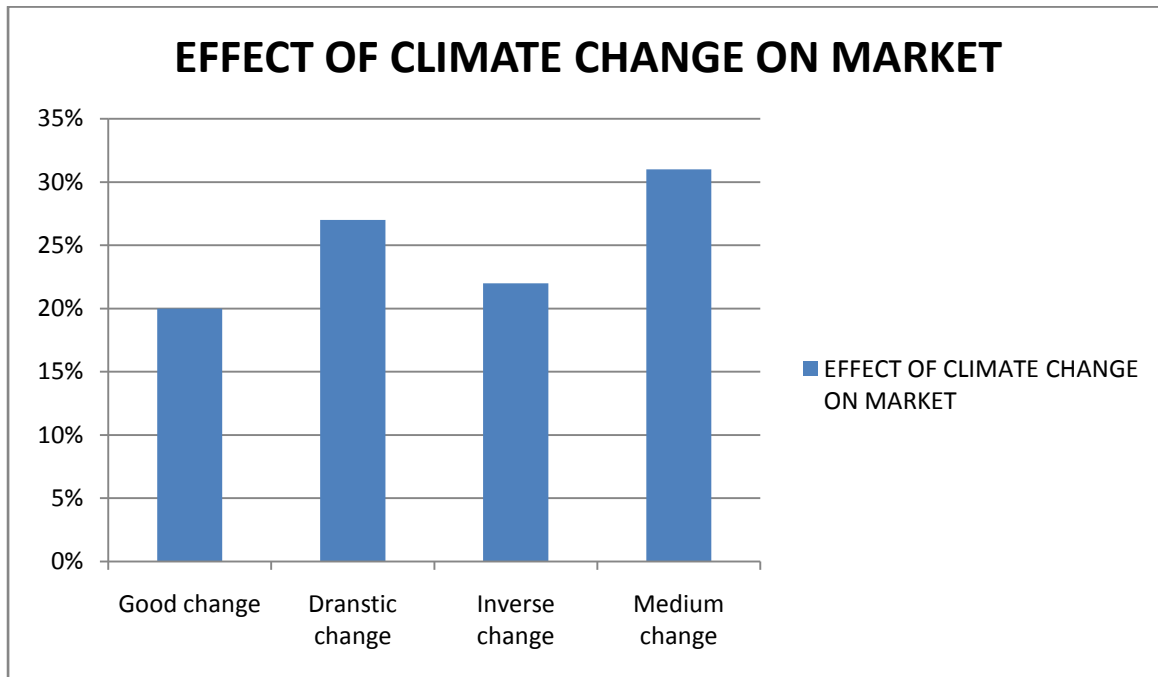
From the table 1.1 and graph 1.1, can be inferred 20% of the consumers said that the climate change on market was good, 27% consumers said that the climate change effect on market was drastic change, 22% consumers said that climate change effect on market was inverse change, 31% consumers said that climate change effect on market is medium change



TABLE NO 1.2 The Level of Climate change Effect on the Market

Climate Change Effect on Market	Percentage
Good change	20
Drastic change	27
Inverse change	22
Medium change	31

Graph 1.2 The Level of Climate change Effect On Market



Limitations of current Economic Situations

In the present scenario, the next two months will be crucial for the Indian economy, which is going to face the worst growth slowdown in 6 years, as per official GDP data released on August 30 India's economy's annual growth is 5.0 percent in the April-June quarter, the slowest in more than 6 years GDP growth has come in line with our forecast of 5 per cent-5.2 percent.



The following Indications are going to take by the government to overcome the Limitations in current economic situations. The policy stimulus by RBI and the government along with normal monsoons will provide some relief in the second half. For this year, expect GDP growth at 6.5 percent since the real estate and construction sectors offer employment to a large pool of people. If the slowdown would probably continue for the next quarter, then it will be high time the government focuses on fixing the liquidity crisis, which has choked lending to most MSMEs and reducing the tax burden on individuals and companies.

CONCLUSION

In this present paper, I mentioned the many economic marketing aspects that are fixing the business landscape. A change in Government, fiscal policies, buyer confidence, and market dynamics plays a key role. Have to consider these factors before developing a marketing plan, could mean the difference between success and failure.

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**POST - PURCHASE SATISFACTION OF CONSUMERS WITH REFERENCE
TOWARDS WHITE GOODS IN COIMBATORE CITY**

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ABSTRACT

The Consumer Durables industry consists of durable goods and appliances for domestic use such as televisions, refrigerators, air conditioners and washing machines. Instruments such as cell phones and kitchen appliances like microwave ovens are also included in this category. The sector has been witnessing significant growth in recent years, helped by several drivers such as the emerging retail boom, real estate and housing demand, greater disposable income and an overall increase in the level of affluence of a significant section of the population. The industry is represented by major international and local players such as BPL, Videocon, Voltas, Blue Star, MIRC Electronics, Titan, Whirlpool, etc. The consumer durables industry can be broadly classified into two segments: Consumer Electronics and Consumer Appliances. Consumer Appliances can be further categorized into Brown Goods and White Goods. This research evaluates the Indian consumer electronics industry (White Goods). It briefly discusses about the current and emerging trends in the industry, underlining the future potential areas and key issues crucial for the industry development. It provides an insight into the consumer behavior in white goods utilization. The white goods were selected for the study were Washing Machine, Refrigerator, Air-conditioner, as they were considered as luxury goods a decade ago and today they have almost become necessity goods. This change in the consumer durable industry may be due to the growing dual income families, nuclear families and increase in working women population. The changing trend may be due to the rapid development in the technology, shortage of time, and so on.

INTRODUCTION

India is the second largest consumer market in the world. The Indian consumer profile has been developed and changed in terms of education, income, occupation, and reference group and media habits. There is a shift in consumer brand preference for durables products for the past decade with the influx of modern technology. The consumer buying preferences are rapidly changing and moving towards high-end technology products with



acculturation. Products which were once considered luxury items have become a necessity because of the changing lifestyle and rising income levels. With growth in disposable incomes, the demand for high-end products such as television, washing machine, refrigerator, and air conditioners has increased considerably. It is also facilitated by the easy availability of finance and prevalence of nuclear families. Increasing in demand for consumer durable in the market the fall in prices as Indian consumers are continue to attach a high degree of importance to value for money. The consumer is brand-conscious, but not necessarily brand-loyal, and might even pick up a reliable private label if it offers good price and quality values.

Overview of India's Consumer Durables Goods Market

The Indian consumer durables goods segment can be segregated into three consumers groups. There are:

Segregation of Consumer Durables Goods

White goods	Brown Goods	Consumer Electronics
Air conditioners	Mixers	Mobile Phones
Refrigerators	Grinders and cooking range	Televisions (colour)
Washing machines	DVD players	Audio and video systems
Sewing machines	Games consoles	Digital cameras
Electric fans	Personal computers	Camcorders
Watches and clocks		
Cleaning equipments		
Microwave ovens		
Dishwashers		
Cookers		

NEED OF THE STUDY

In modern days, more households have two working adults (husband and wife) who do more or less their household tasks at night after work. So, both refrigerator and washing machine have become an inseparable part of every household. In a hot climate country like India, air conditioning has become a need of modern day life in contrast to its earlier perception as a luxury product. The purchase of these house hold products needs high involvement and has a great influence on buyer behaviour and their way of living. This study helps marketers understand the decision making at the choice of the buyers and develop appropriate marketing programmes in order to enthrall the consumer



Objectives of the study:-

1. To identify the factors that influence the buyers during the purchase of white goods.
2. To identify the factors which influence the buyers to choose a particular showroom.
3. To measure the level of customer satisfaction in the retail outlet during purchase and after sales services rendered by the service centers.

Research Methodology

The methods used for analyzing the consumer post –pre purchase satisfaction towards white goods. It deals with selection of sample, nature of the study, sources of data, method of data collection, pre-test of questionnaire and tools of analysis.

Selection of sample: A method of random sampling is used to collect the required information for the study.

Sources of data:The sources of data are primary and secondary.The primary data for the study relates to consumer buying behavior towards durable products has been collected through questionnaire.The secondary data on consumer buying behavior were collected from different newspapers, journals, magazines, reports, books, etc., Further; enormous data relating to the topic of a research were downloaded from the internet.

Tools of analysis: Anova and correlation analysis used to analyses the data collected from the sample consumers of White goods in Coimbatore.

Limitations of the Study

- Due to time constraint, only 100 consumers were consulted.
- Data are collected through questionnaire. The limitations of questionnaire method could have impacted the result of the study.
- Only three products are taken into account for this study.

DATA ANALYSIS AND INTERPRETATION

Findings of the Study

- There is significant difference between male and female, married and un married consumer, consumer with different age groups and various educational level with regard to fulfilling of needs by the product and their level of satisfaction vary.
- The study says that there is significant difference between different modes of employability and income levels with regard to experience after using the product. Customers with technical background have like mindedness with managers and others while they are more significant in opinion with professionals.



- Analysis shows that there is significant difference between different income levels with regard to satisfaction with the company profile. If satisfaction in company profile increases it would also influence number of purchase in the same brand.
- The correlation coefficient between factors of satisfaction on product features and opinion after using the product is positive; satisfaction on product features and factors influencing to purchase the product was positive.
- At 5% level of significance there is significant difference between different levels of education in people with regard to experience of the product after using them. Based on Duncan multiple range test under graduates and post graduates are more satisfied with experience by white goods than people with professional education
- The null hypothesis is rejected at 1% level of significance with regard to experience by using the products therefore there is significant difference between different modes of employability with regard to experience after using the product. Based on Duncan multiple range test manger level customer are more satisfied with their experience with the product is good.
- The null hypothesis is rejected at 5% level of significance as there is significant difference between different levels of employability in people with regard to opinion after using the product. Based on the information customers at manager level and other professionals are having more positive opinion about the product after using it. Customers with technical background also have like mindedness with managers and others while they are more significant in opinion with professionals. With regard to opinion after using the products.
- The null hypothesis is rejected at 1% level of significance with regard to experience with using the products. This says that there is significant difference between different income levels with regard to experience after using the product.
- The null hypothesis is rejected at 5% level of significance as there is significant difference between different level of monthly income with regard to opinion after using the product and their satisfaction with the product features.
- The correlation coefficient between satisfaction of company profile and opinion about risk taking nature of the customer indicates 34% positive relationship between satisfaction with company profile and opinion of risk taking nature.



- The correlation coefficient between factors opinion about buying style and risk taking nature indicates 58% approximately positive relationship between about buying style and risk taking nature.
- The correlation coefficient between factors influencing to purchase and opinion about buying style is 25 % positive relationship between factors influence to purchase and buying style of the customer.
- The correlation coefficient between factors satisfaction on product features and opinion after using the product is 64% approximately, positive relationship between satisfaction on product features and opinion after using the products.
- The correlation coefficient between factors satisfaction on product features and experience after using the product is 16% approximately, positive relationship between satisfaction on product features and experience after using the products.
- The correlation coefficient between factors satisfaction on product features and overall fulfillment of the needs after using the product is 43% approximately; positive relationship between satisfactions on product features and need fulfillment by the product.
- The null hypothesis is rejected at 1 percent level of significance and can be concluded that there is association between perfection and years of using the washing machine.
- The null hypothesis is rejected at 1 percent level of significance and therefore can be concluded that there is association between brand consciousness and years of using washing machine have association with level of satisfaction.

SUGGESTIONS

A manufacturer may prudently aim at capturing all the income groups of consumers. Reliable advertisements may be made to attract the consumers. The manufacturers have to give reliable information to the consumers. Interest free installment methods would help to increase the sales of the manufacturers. payments of consumers' durable goods are accepted on installment basis it would help in boosting sales up. Service during warranty period is mostly availed by the consumers and if done properly they are satisfied. But some of them have not availed the facility. Hence, door service may be tried for those who want it. Quality and brand name are two important factors, which are considered purchasing



durable goods. Hence, companies have to provide quality products and they have tried to build brand name.

Conclusion

Satisfied with the product features the customers have repeated purchases of the same brand for their needs and show their brand loyalty. This data is revealing the fact that the generations X customers who belong to the 21st century pay more attention in getting good quality. The next set of customers that is who are using the products for past 10 years were very particular that the product should meet their expectations. They also have opinion that well-known brands would always be their preference. The reason may be that only if the customers are satisfied with the product the sales would increase and therefore the brand which sells more has the best quality in its products. This can also be co-related that the well-known brands are best-selling brands and similarly the bestselling brands are always more known to the customers. Word of mouth is the mode of advertisement which would be the reason for this popularity of the brands. The satisfied customers spread the message of the quality through their known circle that the particular brand is well known. The next set of customers that is who are using the products for past 10 years were very particular that the product should meet their expectations. The customers of 20th century that is the set of customers who would have purchased their product before 2000 were very particular in getting good quality was a very important criterion when they selected the present brand. It can be concluded that the new generation customers are very particular that only the expensive brands can give the best products with good quality, but customers with 5 to 10 years of usage have the opinion that only the bestselling brands give the best quality.

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ROLE OF MUDRA IN THE GROWTH OF WOMEN ENTREPRENEURS IN INDIA

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ABSTRACT

Empowering the millions of women who live in poverty is essential both for their intrinsic human rights and broad benefits for economic growth and global development. Developing countries all over the world recognized that women entrepreneurs are the engines for their inclusive and sustainable industrial growth. In India women entrepreneurship has emerged as the torchbearer for women empowerment across the country. Many schemes and programmes were initiated by the Government of India to increase and strengthen up the women entrepreneurship. Among the various schemes, MUDRA Yojana has played a crucial role in the financial inclusion of women.

Micro Units Development and Refinance Agency Limited (MUDRA) was launched on 08 April 2015 by the Government of India for providing loans up to 10 lakhs to micro enterprises engaged in manufacturing, processing, trading and service sector activities. The MUDRA loans are offered under three categories viz., Shishu (Loans upto ₹ 50,000/-), Kishore (Loans from ₹ .50,001 to ₹ 5 lakh) and Tarun (Loans from ₹ 5,00,001/- to ₹ 10 lakh). Total disbursements under MUDRA yojana during 2017–18 stood at ₹ 2,46,437 crore. Out of this, 40 per cent has been disbursed to women entrepreneurs. Thus, MUDRA has proved as a most successful initiative in furthering the spirit of women enterprise and empowerment of women. The present paper focus on the role of MUDRA yojana in the growth and development of women entrepreneurs in India.

Keywords: Women, empowerment, Entrepreneurs, MUDRA

“Small opportunities are often the beginning of great enterprises.” – Demosthenes

Introduction

Empowering the millions of women who live in poverty is essential both for their intrinsic human rights and broad benefits for global development and economic growth. Developing countries all over the world recognized that women entrepreneurs are the engines for their inclusive and sustainable industrial growth. Development of women entrepreneurship enhances their status and leads to integration of women in the development process of the economy. In India women entrepreneurship has emerged as the



torchbearer for women empowerment across the country. According the Annual Report of Ministry of Ministry of Small and Medium Enterprises (2017-18) only 20.37 percent of the total entrepreneurs in India are women whereas the share of male entrepreneurs is 79.63 per cent. Many schemes and programmes were initiated by the Government of India to increase and strengthen up the women entrepreneurship. Schemes like the Pradhan Mantri Mudra Yojana, Stand Up India, Start up India, Mahila Coir Yojana, Micro and Small Enterprises Cluster Development Programme and SHGs have enabled women to enter in the business sphere and become powerful and empowered women. Among these schemes Mudra Yojana has played a crucial role in the financial inclusion of women.

Objectives of the Study

The study focusses on the role of MUDRA yojana in the growth and development of women entrepreneurs in India with the following objectives:

1. To analyse the overall performance of MUDRA loans in India
2. To examine the contribution of MUDRA loans to women entrepreneurs

Methodology

Descriptive research is used for the study. The secondary data for the analysis were collected from the annual reports of MUDRA and Ministry of Micro Medium and Small Enterprises. The collected data were analysed using statistical tools like percentages, annual growth rate, compound growth rate and trend line.

Micro Units Development and Refinance Agency (MUDRA)

The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. It contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating largest employment opportunities at comparatively lower capital cost, next only to agriculture.

Micro Units Development and Refinance Agency Ltd (MUDRA) has been formed in April 2015 with primary objective of developing the micro enterprise sector in the country by extending various support including financial support in the form of refinance, so as to achieve the goal of “funding the unfunded”. MUDRA is extending refinance to a wide spectrum of Lending Institutions such as Banks (Commercial Banks, Regional Rural Banks, Small Finance Banks), NBFCs, MFIs etc., engaged in providing financial assistance



to borrowers from micro enterprises. Since its inception an amount of 10.24 lakh crores has been sanctioned to 20 crore loan accounts.

MUDRA loans are classified under three categories:

1. Shishu: Under the Shishu, MUDRA will provide a loan up to ₹ .50,000 to small businesses.
2. Kishor: Under Kishor loan, MUDRA will provide loans ranging from ₹ .50, 000 up to ₹ .5 lakh.
3. Tarun: Under this stage, loans of amounts ranging from ₹ .5 lakhto ₹ .10 lakh will be provided.

Performance of MUDRA Loans in India

Table 1 depicts the overall achievement of MUDRA loans in India over the years and there was a considerable growth of number of loans sanctioned with a cumulative total of 20,83,42,488. Total number of MUDRA loans sanctioned has shown a positive increase from 3,48,80,924 in 2015-16 to 5,98,70,318 in 2018-19 with a compound annual growth rate of 66.69 per cent. The loan amount sanctioned increased from ₹ 137449.27 crores in 2015-16 to ₹ 321722.79 crores in 2018-19. It was observed from the table-1 that the amount of MUDRA loan disbursed has also show an increasing trend, i.e., from ₹ 1329354.73 crores in 2015-16 to ₹ 311811.38 crores in 201819.

Table-1 Overall Achievement of MUDRA Loans in India

(Amount in
Crores)

Financial year	2015-16	2016-17	2017-18	2018-19	2019-20*	Cumulative Total (Upto 01.11.2019)
No. of Loans Sanctioned	34880924	39701047	48130593	59870318	25759606	208342488
Amount Sanctioned	137449.27	180528.54	253677.10	321722.79	130655.14	1024032.84
Amount Disbursed	132954.73	175312.13	246437.40	311811.38	125982.61	992498.25
AGR (No. of loans)		13.83	21.23	24.39		
CAGR (No. of loans)				66.69		

**Provisional Data Last Updated on: 01/11/2019*

Source: Compiled from Annual reports of MUDRA



MUDRA loans to Women Entrepreneurs

Development of women entrepreneurship enhances their status and leads to integration of women in the development process of the economy. The women entrepreneurship development is a process which requires extensive support from the government and financial institutions. MUDRA has significantly contributed to the development and growth of women entrepreneurs in India. The participation of women was high under MUDRA during 2015-16 with 79 percentage of the loan accounts and 60 percentage of loan amount sanctioned being the share of women entrepreneurs.

During the financial year 2016-17 the women's share in terms of number of loan accounts was at 73 percentage of total loan accounts, 44 percentage in terms of the sanctioned amount and 45 percentage in terms of disbursement amount. The annual growth rate of number of loan accounts sanctioned was 5.50 per cent, but the amount sanctioned and disbursed is slightly lower than the previous year 2015-16. The growth of MUDRA loans to women in terms of loan account, amount sanctioned and amount disbursed continues to increase for the year 2017-18. Though there was an increase in the number of loans sanctioned to women in 2017-18, the share of amount sanctioned and amount disbursed to women entrepreneurs has declined.

In the year 2018-19 in terms of number of accounts, the share of women borrowers was 61.90 percent, 41.35 percent of loan amount was sanctioned to women borrowers and 41.42 percent of amount were disbursed to women entrepreneurs.



Table-2 MUDRA Loans to Women Entrepreneurs

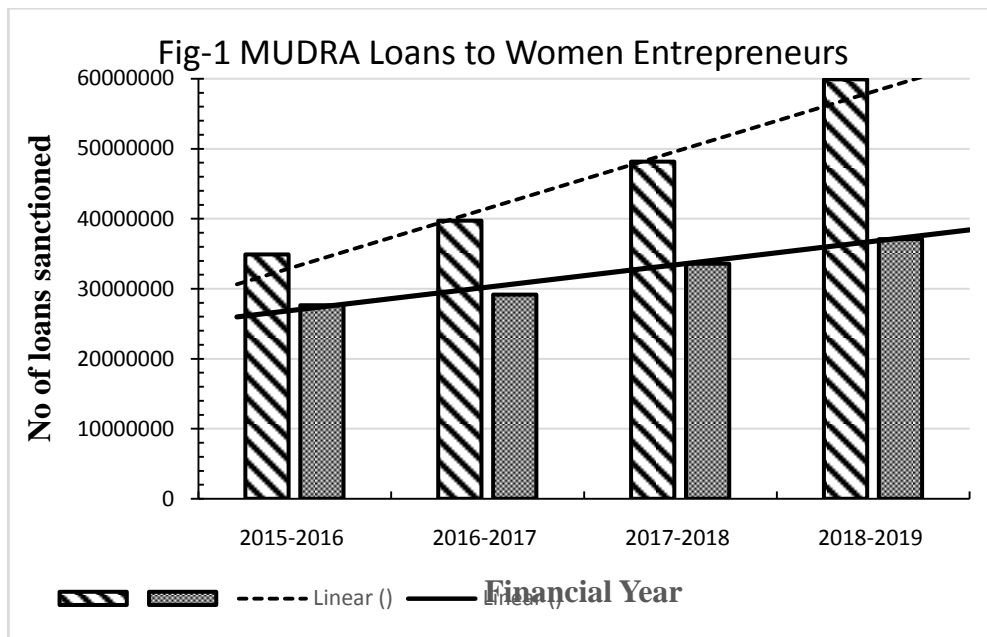
(Amount in Crores)

		2015-2016	2016-2017	2017-2018	2018-2019
No of loans Sanctioned	Total	34880924	39701047	48130593	59870318
	Women	27628265 (79.21)	29146894 (73.42)	33558238 (69.72)	37062562 (61.90)
Amount Sanctioned	Total	137449.27	180528.54	253677.10	321722.79
	Women	82183.55 (59.79)	80289.68 (44.47)	103254.12 (40.70)	133033.62 (41.35)
Amount Disbursed	Total	132954.73	175312.13	246437.40	311811.38
	Women	63190.43 (47.53)	78249.77 (44.63)	100170.55 (40.65)	129153.23 (41.42)
AGR - No of loans sanctioned to women			5.50	15.13	10.44
CAGR - No of loans sanctioned to women					7.62

Figure in parenthesis indicate the share in percentage

Source: Compiled from Annual reports of MUDRA

It was evident from the linear trendline in the fig 1 that there was a substantial growth in the number of MUDRA loans sanctioned to women entrepreneurs in India over the years.





Category Wise MUDRA Loans to Women Entrepreneurs

MUDRA loans to women entrepreneurs was extended under three categories namely, Shishu, Kishor and Tarun were given in the table-3.

Table-3 Category wise MUDRA Loans to Women Entrepreneurs

(Amount in Crores)

			2015-2016	2016-2017	2017-2018	2018-2019
Shishu (Loans upto □ 50,000/-)	No. of Loans Sanctioned	Total	32401046	3649781	4266979	5150743
		Women	27103118 (83.65)	2847234 4 (78.01)	3214413 2 (75.33)	3340357 9 (64.85)
	Amount Disbursed	Total	62027.69	83891.88	104228.1	139651.6
		Women	50640.02 (81.64)	66185.86 (78.89)	78921.72 (75.72)	93977 (67.29)
Kishor (Loans from □ .50,001 to □ 5 lakh)	No. of Loans Sanctioned	Total	2069461	2663502	4653874	6606009
		Women	473536 (22.88)	624925 (23.46)	1335192 (28.69)	2875392 (43.53)
	Amount Disbursed	Total	41073.28	51063.12	83197.09	99868
		Women	8675.43 (21.12)	8733.38 (17.10)	15749.53 (18.93)	25666.77 (25.70)
Tarun (Loans from □ 5,00,001/- to □ 10 lakh)	No. of Loans Sanctioned	Total	410417	539732	806924	1756871
		Women	51611 (12.58)	49625 (9.19)	78914 (9.78)	783591 (44.60)
	Amount Disbursed	Total	29853.76	40357.13	59012.25	72291.84
		Women	3874.98 (12.98)	3330.54 (8.25)	5499.3 (9.32)	9509.46 (13.15)

Figure in parenthesis indicate the share in percentage

Source: Compiled from Annual reports of MUDRA

Among three categories, Shishu loans had the highest share in terms of number of accounts and amount of loan disbursed to women borrowers over the years, which was



followed by Kishor and Tarun. The share of Kishor loan accounts to women has increased from 22.88 percent in 2015-16 to 43.53 percent in 2018-19 and there was also a small increase in terms of amount disbursed to women from 22.12 percent to 25.70 percent. The share of Tarun loan also increased to 44.60 percent in 2018-19 from 12.58 percent in 2015-16 in terms of number of loan accounts.

It was evident from the above analysis that MUDRA has contributed significantly to the growth of women entrepreneurs in India by providing them financial support.

Conclusion

The MUDRA Yojana was launched by the Government of India to improve the status of women by providing loans and encouraging them to start new ventures and thereby empowering them by providing a financial security. The MUDRA Yojana has helped the aspirations of many women micro entrepreneurs who were otherwise outside the ambit of the formal banking system, and has addressed the problem of ‘funding the unfunded’ to a large extent. MUDRA has proved as a most successful initiative in furthering the spirit of women enterprise and empowerment of women.

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**REVERSE MORTGAGE: A TOOL OF SOCIAL SUPPORT FOR OLD AGE
POPULATION**

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Abstract

The scheme of reverse mortgage has been introduced recently for the benefit of senior citizens owning a house but having inadequate income to meet their needs. Under this, a homeowner who is above 60 years of age is eligible for reverse mortgage loan. It allows him to turn the equity in his home into one lump sum or periodic payments mutually agreed by the borrower and the banker. The property should be clear from encumbrances and should have clear title of the borrower. No repayment is required as long as the borrower lives, Borrower should pay all taxes relating to the house and maintain the property as his primary residence. The loan shall become due and payable only when the last surviving borrower dies or would like to sell the home, or permanently moves out .As a financial tool, Reverse Mortgage is ideal to augment a senior citizen's income in his years ahead. Despite all its shortcomings in India, it could make good the shortfall in one's pension or income to live a quality life ahead. In this paper an overview about reverse mortgage and its level of penetration in the Indian market is analysed.

Keywords:Reverse mortgage, loan, borrower

Introduction

The scheme of reverse mortgage has been introduced in India for the benefit of senior citizens owning a house but having inadequate income to meet their needs. The scheme is more or less reverse of the regular home loan. When one buys a house through a home loan, every EMI it pays towards servicing the loan increases its equity in the house. Once loan is paid in full, equity in the house becomes 100 per cent. However, in the case of reverse mortgage, one actually pledges house with the bank, and its equity decreases with every disbursement that the bank makes to him/her. In case of a home loan, one takes a lump sum loan and repays it in installments in future. Under the reverse mortgage scheme, one gets installments and the loan is repayable in lump sum in future



When the home is pledged, its monetary value is arrived at by the bank, on the basis of the demand for the property, current property prices, and the condition of the house. The bank then disburses a loan amount to the borrower in the form of periodic payments, after considering a margin for interest costs and price fluctuations. The periodic payments also known as reverse EMI are received by the borrower over fixed loan tenure. With each payment, whether monthly or quarterly, the equity or the individual's interest in the house decreases. A reverse mortgage is an ideal option for senior citizens who require regular income, or if the property is of illiquid nature for some reason.

Reverse Mortgage is a relatively new concept in India. It would take some time for a change in mind set of individuals to accept it. As a financial tool, Reverse Mortgage is ideal to augment a senior citizen's income in his years ahead. Despite all its shortcomings in India, it could make good the shortfall in one's pension or income to live a quality life ahead. The scheme of reverse mortgage has been introduced recently for the benefit of senior citizens owning a house but having inadequate income to meet their needs. Under this, a home owner who is above 60 years of age is eligible for reverse mortgage loan. It allows him to turn the equity in his home into one lump sum or periodic payments mutually agreed by the borrower and the banker. The property should be clear from encumbrances and should have clear title of the borrower. No repayment is required as long as the borrower lives, Borrower should pay all taxes relating to the house and maintain the property as his primary residence. The amount of loan is based on several factors: borrower's age, value of the property, current interest rates and the specific plan chosen. Generally speaking, the higher the age, higher the value of the home, the more money is available. The valuation of the residential property is done at periodic intervals and it shall be clearly specified to the borrowers upfront. The banks shall have the option to revise the periodic / lump sum amount at such frequency or intervals based on revaluation of property. Married couples will be eligible as joint borrowers for financial assistance. In such a case, the age criteria for the couple would be at the discretion of the lending institution, subject to at least one of them being above 60 years of age. The loan shall become due and payable only when the last surviving borrower dies or would like to sell the home, or permanently moves out. On death of the home owner, the legal heirs have the choice of keeping or selling the house. If they decide to sell the house, the proceeds of the sale would be used to repay the mortgage, with the remainder going to the heirs.



Reverse mortgage in India; Eligibility for Reverse Mortgage in India

Reverse mortgage was introduced to India in 2007. This proposal was passed in a budget that took place during that period.

- House owners above the age of 60 years. If spouse is a co-applicant, then she should be above 58 years.
- Owners of a self-acquired, self-occupied residential house or flat, located in India. The titles should be clear, indicating the prospective borrower's ownership of the property.
- Property should be free from any encumbrances.
- The life of the property should be of minimum 20 years.
- Property should be the permanent primary residence of the individuals.
- Earlier, the period of reverse mortgage loan was 20 years from the date of signing the agreement by the reverse mortgagor and the approved lending institution. But, now the period has been extended to "the residual life time of the borrower".

Importance of Reverse Mortgage for Senior Citizens

Reverse mortgage is a blessing for the elderly as it allows them to generate good income from their homes after retirement. The most important aspect of this scheme is that they can still continue to live in the same house till the end of their life. For most Senior citizens, the house is the largest component of their wealth. Reverse mortgage scheme has proved itself as a boon for senior citizen who do not have a regular income of sources or who do not have children to take care of them in their old age; reverse mortgage has also given a self dependence to them.

Guidelines by RBI

- Maximum loan amount would be up to 60% of the value of the residential property
- Prior to the amendment of 2013, the loan was extended as regular fixed monthly annuity up to a max period of 20 years OR till the death of the last surviving spouse, whichever was earlier. These loans were allowed as either periodical payment or lump sum payment. After the amendments, the approved lending institutions are allowed to disburse the amount of the loan to the "Annuity Sourcing Institution".



Moreover, now the tenure of reverse mortgage loan has been extended from 20 - years to the residual lifetime of the borrower where the loan is disbursed to the “Annuity Sourcing Institution” (which includes LIC and any other insurer registered with IRDA). Option of monthly, quarterly, annual or lump sum loan payment is now available. However, the aggregate of the amount disbursed as lump sum payments will not exceed 50% of the total loan amount sanctioned

- Property revaluation to be undertaken by the lender once every 5 years
- Reverse mortgage rates can be fixed or floating and hence will vary according to market conditions depending on the interest rate regime chosen by the borrower

Settlement of a reverse mortgage

A reverse mortgage loan becomes due only when the last surviving borrower dies, or when the borrower chooses to sell the house during his life. Usually on the death of the last surviving borrower, the bank first gives an option to the next of kin to settle the loan along with accumulated interest, without sale of property. If the next of kin is unable to settle the loan, the bank then opts to recover the same from the sale proceeds of the property. Thus, Settlement of Loan, along with accumulated interest, is actually met by the proceeds received out of sale of residential property. Any surplus on the sale of the property is paid to the legal heirs.

Tax Implications

- Section 47 prescribes certain transactions, which are not regarded as transfers which means that no capital gain tax is payable on such transactions. The Finance Act, 2008 inserted clause (xvi) in section 47 w.e.f. assessment year 2008–09, to provide that nothing contained in Section 45 shall apply to any transfer of a capital asset in a transaction of Reverse Mortgage under the scheme made and notified by the Central Government. Thus, the act of mortgaging the capital asset under the reverse mortgage scheme will not be treated as transfer affecting any tax liability.
- Further, section 10(43) of the Income Tax Act, 1961 provides that any amount received by an individual as a loan, either in lump-sum or in installment, in a transaction of reverse mortgage referred to in clause (xvi) of Section 47 of the Income Tax Act, 1961, shall not be included in total income. Thus, the amount received through reverse



mortgage is considered as loan and not income and hence the same will not attract any tax liability.

- However, as and when the property is disposed of, either by the approved institution or by the borrower or its legal heirs, normal provisions of capital gains will apply and the owner or his legal heirs shall be liable to pay capital gains tax as per the provisions applicable to the general sale of property.

Some other Rules for Reverse Mortgage Loans

- Objective of Loan is to meet the financial needs of senior citizens owning self occupied property (house) through regular income / supplementing pension / other income, for their day to day requirement.
- The house must be in the name of the borrower. He / she should have a clean title. Ancestral properties are therefore discouraged.
- Death of one of the spouses: If one of the spouses dies, the other can still continue living in the house. Only on death of both, settlement of the loan takes place.
- The borrower must be living in the said property.
- The house must be insured with a large residual value, for a period of at least 15- 20 years.
- If the borrower is the sole owner of the house, his will should pass it on to his spouse only. He will have to state that this is his last will and he should get it registered.
- Borrowers can prepay the loan at any time during the tenor of the loan, at no prepayment penalty or charges.
- The property is valued before the loan is sanctioned and depending on the value the amount that has to be sanctioned will be decided. Revaluation in regular intervals of 3 years or 5 years and based on the revalued reports the amount will be revised. This happens based on the depreciation in value of property.

Disadvantages of a Reverse Mortgage loan

- There is a lengthy documentation procedure. Banks require various documents of the property. For a senior citizen, this procedure could be tedious, complicated and difficult to understand;



- The monthly pay outs are fixed. Usually there are no provisions to increase this amount in case of an emergency or contingency (Some institutions allow some lump sum payments for contingencies).
- Variation in interest rates and loan amount during the time of valuation can turn into serious problems at times. The terms and conditions of the reverse mortgage loan are to be studied and taken care of before purchasing it.

Though introduced in 2007, Reverse Mortgage has not gained much popularity in India for the following reasons.

- Inadequate marketing of the product. Recent reports indicate that many of the senior citizens are not aware of the existence of such a product.
- Many banks which offer Reverse Mortgage have capped the maximum loan amount available for individuals to a maximum amount of Rs. 50 lakhs to 1 crore.
- Children have resentment for a reverse mortgage as they see it as giving away their family home or legacy.

Conclusion

The life expectancy in India has been rising steadily in the last few decades. However, so have the costs of medical treatment. For senior citizens, who have a lack of regular income or financial support from children, this could lead to a financial crisis. Further, gone are the days when the elderly lived with their sons and daughters, depending on them for their amenities and medical needs. The reverse mortgage, introduced by the Union Government in 2007, is an answer to such issues faced by senior citizens, giving them a life of dignity.

In simple terms, a reverse mortgage is the "opposite" of a conventional home loan. A reverse mortgage enables a senior citizen to receive a regular stream of income from a lender (a bank or a financial institution) against the mortgage of his home. The borrower (i.e. the individual pledging the property), continues to reside in the property till the end of his life and receives a periodic payment on it.



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**CAUSAL EFFECT OF GOVERNMENT SPONSORED SCHEMES OF MICRO
FINANCE ON MSMEs.**

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Abstract:

The paper aims to find the cause and effect of government sponsored schemes of micro finance on the growth of MSMEs. Micro, Small and Medium Enterprises sector is the most vibrant sector of the Indian economy maintaining a substantial growth rate and generating employment opportunities. This sector has been recognized as an engine of economic growth and social development in many developed and developing countries. The paper used different variables and tested with statistical tools such as paired sample T-test and Friedman rank test. The result showed that there is significant difference between the pre and post impact on growth of MSMEs sectors and subsidy for capital and working capital has gained more benefit for the entrepreneurs.

Keywords: Sales / Turnover, Profit, Capital, Employment, Investment.

Introduction:

Globally this sector contributes more than 90% in the industrial development and more than 50% in the field of employment of workforce. Particularly in the developing countries like India, Small and Medium Enterprises is considered a highly integral part of business scenario. This sector is able to achieve unprecedented importance due to its distinctive feature of less capital investment and high labor absorption. As per the Development Commissioner of MSME (2001), the sector has occupied the world second highest position in generating employment, which stands next to agricultural sector. This sector also plays an important role to alleviate poverty and encourage sustainable growth and equitable distribution of income, efficiently allocating the enormous labor supply and scarce capital by implementing labor intensive production processes, triggers private ownership, and boosts entrepreneurial skills in India. India has witnessed a remarkable growth of small-scale sector which further helped to bring decentralized industrial development, better distribution of wealth, investment and encouraging entrepreneurial talent throughout the country. In India, nearly 40% of industrial production, 95% of the



total industrial units, 35% of exports and manufacture of more than 6000 products have come from this sector. They also include various types of units ranging from traditional crafts to modern high-tech industries and ancillaries that supply components to most modern large-scale industries. Thus, it can be said that Micro, Small and Medium Enterprises are the backbone for economic growth of a country.³

REVIEW OF LITERATURE:

Poovendhiran and Sathishkumar (2016)⁴ studied on impact of industrial policy on small scale industries (SSI): an exploratory study on Indian SSI's. The study was steered to evaluate the level of awareness, the efficiency of Industrial policy and the extent of its impact faced by the SSI entrepreneurs in the Erode District. The focused sector of the research was entrepreneurship development. The predominant target of the Industrial Policy was considered to be erection of awareness and productive mobilization of its incentives and subsidies. The objective of the study was to diagnose the level of awareness, to mark the advantages of the industrial policy with reference to SSI's and to analyze the problems of breach between the content of the industrial policy and the procedure followed by the entrepreneurs. The research was conducted among 350 respondents. The primary data were collected from the respondents through structured questionnaire. The data collected from the respondents were tabulated and analyzed into logical statements using percentage analysis, T-test, factor analysis, chi- square, multiple regression analysis and average rank analysis. The interpretation of the researcher reports that with the reconstruction of policy especially in the areas of technical reinforcement and enhancement of marketing support will pave the way for not only the successful formulation of the policy but also for its reach and usefulness to the entrepreneurs of the SSI's.

Pavan Mishra (2016)⁵ a study of working capital management in small scale industries. The main objective of the study was to analyze the working capital management of SSI.

³Dr. Sarita Satpathy1, P. SailajaRani2, M.L.Nagajyothi2 (2017) A Study of Micro, Small and Medium Enterprises; the Backbone for Economic Development of Indian Economy, International Journal of Research and Scientific Innovation (IJRSI) | Volume IV, Issue VI, Pp: 75-85

⁴**Dr. N.V. Poovendhiran Veerappan, Dr. D.Sathishkumar (2016)⁴⁰** " Impact of Industrial Policy On Small Scale Industries (SSI) : An Exploratory Study on Indian SSI'S". International Journal of Advanced Engineering Technology, /Vol. VII/Issue II/April-June,2016, Pp646-654.

⁵**Dr. Pavan Mishra (2016)⁴¹**"A Study of Working Capital Management in Small Scale Industries." International Journal of Management (IJM), Volume 7, Issue 3, Pp.266–278



The paper focused on certain group of industries like fertilizer and pesticide, food grain, dal processing and warehouse, agriculture implements manufacturing, fabrication and service, HDP bags, refining of used oil, RCC pipes, craft paper and others. There are 64 units out of which 32 units are taken as sample. The financial tools used such as current ratio, quick ratio, working capital turnover ratio, inventory turnover ratio, debtor's turnover ratio and creditor's turnover ratio of unit for three consecutive years, and the researcher found that all units are at optimum level.

Purushottam and Sudindar (2016)⁶ analyzed on MSMEs (micro, small, medium enterprises) registered under entrepreneur's memorandum (part II) and Indian GDP." The objective of the study was to analyse the relationship between filing EM II and GDP and also EM II of major 5 south India states. The study is descriptive by collecting secondary data from EM II MSMEs and annual report of MSMEs 2015-16. The article revealed that challenges are infrastructural problem, financing, marketing, technological upgradation, cluster development, career development opportunities, lack of creativity and innovation facing tough competition, turbulent in global and local market, safety network of workers and capital shortage. The paper revealed that there is positive relationship between GDP and number of registrations under EM- II and there is an increasing trend in GDP. There are more opportunities of growth in MSME sector. The 'state of art' 'willing edge technology' 'ease of doing business' is known for MSMEs. It creates socio economic purpose live hood and creates job.

OBJECTIVES OF THE STUDY:

- To examine the cause and effect of entrepreneurs who are availing scheme.
- To rank the benefits of government sponsored scheme.

RESEARCH METHODOLOGY:

The study is based on primary data collected from the entrepreneurs who are availing loans through government sponsored schemes. The sample of 202 entrepreneurs are the respondents considered for the study. The statistical tools used are paired sample T-test and Friedman rank test to test the data.

⁶**Purushottam Gurjar And Sudindar V R (2016)** "Analysis of MSMEs (Micro, Small, Medium Enterprises) Registered Under Entrepreneur's Memorandum (Part II) And Indian GDP." International Journal of Applied Research; 2(6): Pp625-630



Paired sample T-test:

To compare the means of the two paired sets of data. The average of the difference “d” is compared to 0. If there is any significant difference between the two pairs of samples.⁷

t test statistics value can be calculated as follows :

$$t = \frac{m}{s\sqrt{n}}$$

m and **s** are the **mean** and the **standard deviation** of the difference (d), respectively. **n** is the size of d.

Friedman rank test:

The Friedman test is a non-parametric alternative to ANOVA with repeated measures. It is used to test for differences between groups when the dependent variable being measured is ordinal. The Friedman test tests the Null hypothesis of identical populations for dependent data.⁸

$$\chi_F^2 = \frac{12n}{k(k+1)} \left[\sum_j R_j^2 - \frac{k(k+1)^2}{4} \right]$$

Cause and effect of Government sponsored schemes of Micro finance:

Null Hypothesis H₀: There is no significant difference on growth of entrepreneurs before and after availing loans through government sponsored schemes.

Alternative Hypothesis H₁: There is significant difference on growth of entrepreneurs before and after availing loans through government sponsored schemes.

⁷<http://www.sthda.com/english/wiki/t-test-formula>

⁸<https://www.slideshare.net/zarikahn/friedmans-test>

⁹<https://www.google.co.in/search?q=friedman%27s+test+formula&dcr=0&sxsrf=ACYB>



Table-1

Paired Samples Statistics

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 preimpact	2.8944	202	.50576	.03558
postimpact	4.2508	202	.39631	.02788

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 preimpact & postimpact	202	.549	.000

Paired Samples Test

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 preimpact - postimpact	-1.35644	.43925	.03091	-1.41738	-1.29549	43.890	201	.000

Inference

From the table 1 it is observed that the p value is less than 0.05 which indicates that there is significant difference on growth of entrepreneurs after availing loan through government schemes. The impact is measured in terms as sales, profit, capital, employment, investment and capacity of purchasing raw material.



Benefits of government sponsored schemes:

Null Hypothesis H_0 : There is no significant difference in the ranking of benefits of government sponsored schemes before and after availing loan by MSMEs.

Alternative Hypothesis H_1 : There is significant difference in the ranking of benefits of government sponsored schemes before and after availing loan by MSMEs.

Table-2

S. No.	Statement	Mean Rank	Rank
1	Collateral security free for creation of fixed assets & working capital	4.35	4
2	Subsidy loan for term loan	4.25	3
3	Subsidy for capital and working capital	2.80	1
4	Technology up gradation & modernization	4.21	2
5	Provide market assistant development	7.05	9
6	Support for quality control, quality assurance, productivity, new product, process introduction, etc.	7.26	10
7	Availing of raw materials in scarce.	6.32	7
8	Train potential entrepreneurs in improving their techno/managerial knowledge & skill	6.28	6
9	Loan with subsidy on the project cost	6.07	5
10	Subsidy on purchase of plant & machinery	6.39	8

Source: primary data

Test Statistics^a

N	202
Chi-Square	435.721
Df	9
Asymp. Sig.	.000

a. Friedman Test

Inference

It is inferred from the above table No.2, the Friedman test shows that P value is 0.000, less than 0.05, hence there is significant difference in the ranking of benefits of



government sponsored schemes. Out of the ten benefits considered for the analysis, “Subsidy for capital and working capital” has lowest mean rank of 2.80. Hence, it may be concluded that the subsidy for capital and working capital has gained more benefit for the entrepreneurs.

Conclusion:

Micro, Small and Medium Enterprises (MSMEs), including khadi and village/rural enterprises are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports. They also play a key role in the development of economies with their effective, efficient, flexible and innovative entrepreneurial spirit. The socio-economic policies adopted by India since the Industries (Development and Regulation) Act, 1951 have laid stress on MSMEs to contribute in improving the country’s economic conditions.¹⁰ The paper revealed that there is significant difference on growth of MSMEs through Government sponsored schemes of micro finance and subsidy for capital and working capital has gained more benefit for the entrepreneurs.

Acknowledgement:

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¹⁰Shivani Mishra(2012) Small Scale Industries: Striving and Thriving in the Era of Globalization,international journal of enterprises computing and business systemVol. 2 Issue 2 July 2012



STATEMENT OF THE PROBLEM

The sugar industry is an agro-based industry, is vital for the economic growth of rural economy. The industry face problem due to raising cost and closure of many mills in the industry. Sugar industry contributes significant depending upon the domestic output, price and foreign demand.

OBJECTIVES

- To analyze the Solvency position of the Sakthi Sugars Limited
- To analyze the profitability position of the Sakthi Sugars Limited.

RESEARCH METHODOLOGY

Data collection

Secondary data was collected for the purpose of the study.

Period of Study

Data of financial years are used for the purpose of study. The five years of study ranges from 2014- 2015 to 2018- 2019.

Tools and Techniques

- Ratio analysis

Ratio Analysis

The following are the various ratio analyses done on sakthi sugar out of the data obtained for a period of five years from 2014-2015 to 2018-2019.

Current Ratio

Particulars	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Current Assets	1626.27	1426.32	2112.05	2257.21	2898.6
Current Liabilities	498.70	453.38	700.37	773.48	1372.4
Current Ratio	3.26	3.15	3.0	2.9	2.11

Source: Computed from the Annual reports of Sakthi Sugars Limited.



Quick Ratio/Acid Test Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Liquid Assets	1099.94	951.06	1335.45	1509.6	1695.4
Current Liabilities	498.70	453.38	700.37	773.48	1372.4
Liquid Ratio	2.21	2.10	1.91	1.91	1.23

Source: Computed from the Annual reports of Sakthi Sugars Limited.

Working Capital Turn Over Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Sales	2786.39	3577.9	4137.52	5001.04	5942.43
Working Capital	1127.57	3672.94	1411.68	1483.73	1526.4
Working Capital Turn Over Ratio	2.47	0.97	2.93	3.37	3.89

Source: Computed from the Annual reports of Sakthi Sugars Limited.

Inventory Turnover Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Sales	2786.39	3577.9	4137.52	5001.04	5942.43
Average Inventory	158.37	205.45	277.61	336.12	975.4
Inventory Turn Over Ratio	17.6	17.41	14.90	14.88	6.09

Source: Computed from the Annual reports of Sakthi Sugars Limited.



Debtors Turnover Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Sales	2786.39	3577.9	4137.52	5001.04	5942.43
Debtors	415.44	595.99	760.98	887.23	1156.3
Debtors Turn Over Ratio	6.71	6	5.44	5.64	5.13

Source: Computed from the Annual reports of Sakthi Sugars Limited.

Creditors Turnover Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Purchase	2447.75	3190.45	3781.72	4690.67	5452.65
Creditors	265.88	232.19	330.01	463.94	483.65
Creditors Turn Over Ratio	9.21	13.74	11.46	10.11	11.27

Source: Computed from the Annual reports of Sakthi Sugars Limited.

Debt Equity Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Debt	1731.27	3005.91	2943.73	4679.45	3287.12
Equity	2207.61	3124.55	4023.74	4121.66	5477.4
Debt-Equity Ratio	0.78	0.96	0.7	1.14	0.60

Source: Computed from the Annual reports of Sakthi Sugars Limited.



Operating Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Operating Income	420.10	559.3	592.3	553.7	912.01
Sales	2786.39	3577.9	4137.52	5001.04	5942.43
Operating Margin Ratio	0.15	0.16	0.14	0.11	0.15

Source: Computed from the Annual reports of Sakthi Sugars Limited.

Gross Profit Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Gross Profit	387.60	432.6	454.93	328.26	495.08
Sales	2786.39	3577.9	4137.52	5001.04	5942.43
Gross Profit Margin Ratio	0.13	0.120	0.109	0.065	0.083

Source: Computed from the Annual reports of Sakthi Sugars Limited.

Net Profit Ratio

Particulars	2014- 2015	2015- 2016	2016- 2017	2017- 2018	2018- 2019
Net Profit	186.93	225	243.07	137.43	495.08
Sales	2786.39	3577.9	4137.52	5001.04	5942.43
Net Profit Margin Ratio	0.07	0.062	0.048	0.027	0.085



Findings

- Current ratio of the Sugars Ltd. is satisfactory because the ratio is much high the accepted standard of 2:1.
- Acid test ratio is more than the normal standard of 1:1. Liquid assets are quite sufficient to provide a cover to the current liabilities.
- Working capital turnover ratio indicates efficient utilization of working capital.
- The average inventory indicates efficient management of inventory except in the year 2018-2019 because more frequently the stocks are sold, the lesser amount of money is required to finance the inventory.
- Debtor's turnover ratio has been reducing form 2015-2016 till 2018-2019 shows that debtors turnover was not promptly collected.
- Creditor's turnover ratio has been fluctuating throughout the study period. Sakthi Sugars Limited. Paid their due on time.
- Debt equity ratio is quite satisfactory except in the year 2016-2017 & 2017-2018.
- Gross profit and Net profit ratio is not satisfactory.

Conclusion

The study is analyzing the Sakthi sugars Ltd. with the tool ratio analysis. The conclusion is that the short term solvency position and debt equity ratio is satisfactory. The Sakthi sugars Ltd. Improve the profitability position.

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**A STUDY ON THE GREEN BANKING INITIATIVES OF PUBLIC AND PRIVATE
SECTOR BANKS**

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Abstract

Banks and financial institutions can play a major and decisive role in these global efforts to make our planet a better place to live in. Green Banking is comparatively a new development in the financial world which is a form of banking taking into account the social and environmental impacts and its main motive is to protect and preserve environment. This paper is an attempt to identify the green banking activities undertaken by the banking sector in India.

Introduction

The process of Economic Development, has led to undesirable effects on the environment and has created issues of increased Carbon emission, global warming, climate change, greenhouse gases, flood, drought etc. Thus, sustainable development and preservation of the environment have become subjects of prime importance at the Global context. Basically, green banking refers to the banking business managed in such a manner that helps in the overall reduction of external carbon emission and internal carbon footprints. As responsible institutions, Banks and financial institutions have taken measures for protecting the environment from degradation by financing environment friendly projects and adopting environment friendly products and services.

As major implementers of technology, banks have adopted green practices and thereby lead the way in this global initiative. Also, product innovation and leveraging on the use of technology enable banks and their customers today to reduce the usage of resources such as paper, thereby aiding in environmental protection. Banks are actively engaged in green processes, strategies, green infrastructure and introduce a variety of green products and services that ensure environmental protection. In December 2007, the Reserve Bank of India (RBI) issued a circular highlighting the importance for banks to act responsibly and



contribute to sustainable development and emphasizing the need for Indian banks to establish institutional mechanisms to enshrine sustainability.

Objectives of the study:

1. To study the Green banking initiatives of public sector banks
2. To study the Green banking initiatives of private sector banks
3. To analyse the benefits of going green

Methodology:

The descriptive research design is developed for conducting the study. It is mainly based on secondary data. The secondary data were collected from both private sector and public sector banks to identify the initiatives taken by the banks for changing their activities, products and process green. The secondary data was collected from websites of banks, annual report of RBI, journals etc.

Initiatives by Nationalized banks in India:

(i) State Bank of India:

- (a) SBI has launched Green Channel Counter from 1 July, 2010 as an initiative and innovative step toward green banking. GCC is available in 7052 branches and an average number of more than 1,00,000 daily transactions run through it.
- (b) SBI collaborated with Suzlon Energy Limited to generate green power by installing 10 windmills with 15 MW aggregate capacities in the states of Tamil Nadu, Maharashtra and Gujarat.
- (c) The Bank encourages shareholders to receive annual reports of the bank in electronic form and contribute a nominal sum to a charitable cause. The acceptance of electronic annual report by Shareholders bank has contributed Rs. 4.19 cr. to the SBI children Welfare Fund in the financial year 2018.
- (d) SBI gives project loans at a concessional rate of interest to encourage reduction of greenhouse gases by adopting efficient manufacturing practices.

(ii) Bank of Baroda:

- (a) As a part of its green initiatives, the Bank of Baroda has undertaken optimum technology utilization such as Windows Server Virtualization, Desktop Virtualization and Backup Consolidation, improved data center operational



efficiency, Application Virtualization, Automatic Storage Management (ASM) and Real Application Clusters (RAC) implementation, Bandwidth up-gradation, provision of backup links and use of new technology based on MPLS (Multi- Protocol Label Switching).

- (b) The bank has undertaken energy efficiency measures like up-gradation of AC, real time monitoring of temperature and pressure, energy efficient IT equipment selection, energy efficient CFL and LED lighting and solar powered UPS, etc.
- (c) The bank has constructed buildings at Varanasi and Jaipur as per the standards of the Indian Green Building Council (IGBC) and installed 5 KW Solar panels for external lighting, staircase lighting and basement lighting.

(iii) Punjab National Bank:

- (a) Punjab National Bank has set up a green lobby at the bank branch at Bhikhaiji Cama Place, New Delhi. The Cash Deposit Machine, Passbook Updating Machine and Cheque Deposit Machine installed in the lobby are powered by solar energy.
- (b) The Bank has signed the 'Green Pledge' of the Ministry of New and Renewable Energy. The bank has set up a butterfly park in the compound of the Guruvayur temple which houses 18 types of medicinal plants.
- (c) The Bank has installed Solar UPS at selected ATM sites in Bihar and U.P. where the power cut is high.
- (d) The Bank has conducted energy audits at all offices as an energy conservation initiative and maintained electricity audits.

Initiatives by Private Sector banks in India:

(i) IndusInd Bank

- (a) Solar powered ATMs have been set up at multiple locations.
- (b) Server virtualization has been done in data centres.
- (c) The storage and archiving facility runs on solar energy.
- (d) E-waste is recycled by authorized vendors.
- (e) Green procurement is followed in the supply chains.



(ii) Yes Bank

- (a) Green Future: Deposit proceeds are sent towards Sustainable Development Goals aligned sectors.
- (b) The dry waste recycling pilot project was set up.
- (c) Yes Bank has made a Green Energy Financing Agreement with the Indian Renewable Energy Development Agency (IREDA).
- (d) Yes Bank pioneered the Green Bond market in India.
- (e) The bank has an Environment and Social Policy (ESP) which mandates environmental risk, social risk and financial risk assessment before lending.

(iii) HDFC Bank:

- (a) Social & Environment Management System (SEMS) has been set up by HDFC bank to assess the risks of the projects they finance.
- (b) Carbon Footprint Calculator found on the website of HDFC can be used by individuals and organizations to identify their carbon footprint.
- (c) Energy Management Module is an initiative by HDFC to monitor real-time electricity usage in 100 select branches across 4 metro cities through sensors.
- (d) Employee paper consumption is tracked and communicated through internal reports.
- (e) HDFC has partnered with the Goa Electricity Department to set up a quick and efficient method for bill payers in Goa through online or PoS machines. This can reduce the time spent on commuting and increase paper-less transactions.

Major benefits of Green Banking

For implementing eco friendly business, banks should adopt environmental standards of lending as it improves the asset quality of the banks. This activity of the bank also has a very significant influence on the environmental performance of its clients. This forces the clients to perform in an environment friendly way. This not only enhances the reputation of the bank but also helps them face the environmental regulations in successful way and thus



leading to better legal risk management by the banks. The banks normally grant loan to the clients on a low rate of interest. This promotes more and more entrepreneurs to start with environment friendly projects and thus leads to more and more awareness on the environment protection activities in the economy as a whole. It is thus a win-win approach by the banks as it not only benefits the environment but also the banks and its customers as a whole. Some of the major benefits of green banking to the banks identified from the interviews of the managers are as follows:

Reduces the Transaction Cost of the Bank

Green banking avoids paper work to the optimum level thus, Paperless banking reduces the transaction cost.

Competitive Edge

It helps the banks to get a competitive edge over their competitors through innovation in their products and services.

Cost Conscious Process

The transaction cost incurred to the bank through green banking products like ATM, Mobile banking and online banking is very less compared to the cost incurred through customer visiting the branch and performing the transaction.

Convenient Process

Green Banking provides convenience to the bank and also to the bank customers. Due to various green banking initiatives like ATM, online banking, mobile banking etc, the foot fall of the customer reduces to a larger extent in the branches of the banks and this leads to reduced cost and effort in the management of the banks activity. These banking activities also provide convenience to the consumers in terms of time management, energy and fuel conservation as they need not visit the branch for every transaction.

Conclusion

Green banking refers to the initiatives taken by the banks to encourage environment-friendly investment. Green banking as a concept is a proactive and smart way of thinking towards future sustainability. In the emerging economies, it is very important for the banks to be pro-active and accelerate the rate of the growth of the economy. As there is a



continuous change in the environmental factors leading the banks face intense competition in the global market, the banks need to adhere to the stringent public policies and strict law suits. Banks need to apply morality of sustainability and responsibility to their business model, strategy formulation for products and services, operations and their financing activities and become stronger. By adopting the environmental factors in their lending activities, banks can recover the return from their investments and make the polluting industries become environment-friendly.

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**A STUDY ON STOCK MARKET VOLATILITY OF SELECTED ENERGY
COMPANIES WITH SPECIAL REFERENCE TO NSE NIFTY**

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ABSTRACT

India's energy sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. This paper examines the volatility of selected energy companies. Reliance industries, NTPC Ltd., and Power Grid Corporation has been taken based on their market capitalization. On the basis of analysis it is found that simple moving average of Reliance industries is not satisfactory and NTPC Ltd has high risk with high return when comparing with other companies.

Keywords: Stock market, energy sector, Simple Moving Average, average return, standard deviation.

Introduction

Indian capital market which facilitates the long term requirements of funds in the economy has seen accelerated expansion in the past six decades. Securities market deals with shares. Both shares and debt are instruments of fund raising, but there is a difference between them. In case of shares the investors have a share in the capital and profit. In case of debt the investors do not have any share in the capital, they just lend to the company. The company is liable to pay interest on capital borrowed through bonds. Regardless of profit or loss the debt instrument holders are entitled to receive interest income.

India's energy sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. NIFTY Energy sector Index includes companies belonging to Petroleum, Gas and Power sectors. The Index comprises of 10 companies listed on National Stock Exchange of India (NSE). NIFTY Energy Index is computed using free float market capitalization method, wherein the level of the index reflects the total freefloat market value



of all the stocks in the index relative to particular base market capitalization value. NIFTY Energy Index can be used for a variety of purposes such as benchmarking fund portfolios, launching of index funds, ETFs and structured products.

Review of Literature

Madhavi Dhole (2013) has conducted a study on Analytical study of four automobile sector companies in price movement of shares. This paper attempts to find the correlation between price movement of the shares and the performance of their respective companies. For the analysis the author has selected four automobile companies. Statistical technique have been used. It is found that Maruti Suzuki has high quality earnings when compare with other companies. The investors should analyse the return and go for better portfolio.

Dr. Anubha Srivastava (2014) has conducted a research on a comprehensive study of performance of Indian Automobile industry – A stock market perspective. The main aim of this research is to know the financial performance of the company and industry as whole. The researcher has taken three automobile companies. For the analysis various tools have been applied like closing prices movement, moving averages, correlation using graphs, risk and return analysis. It is found that Tata motors have a negative trend, Maruti Suzuki has a decreasing current ratio, Mahindra and Mahindra is most correlated. As per automobile sector Sensex are correlated and movements of one can be used to predict the movements of the other. The auto's sector is directly related to the economic trends in the country.

D. Prema Chandran (2016) has examined a study on the volatility and returns of the Indian Banking Sector Index with reference to NSE Nifty. The author has taken 12 banks which are considered the most liquid and large capitalized stocks. For data analysis descriptive statistics with regard to daily closing prices average, high and low and the daily returns are used. Volatility is explained using standard deviation and beta. The NIFTY index returns and each of the bank returns have been correlated to see the relationship. It is found that Bank of Baroda has the least standard deviation and reflecting least fluctuation in price. As per the return concerned HDFC and Yes bank shows a small and positive returns when compare to other banks. Regarding volatility, based on Beta value except HDFC bank all other banks are more volatile and all the banks are positively correlated with NIFTY index.

Dr. M.Muthu Gopala Krishnan and Akarsh P.K (2017) has examined the equity analysis of automobile industry in Indian stock market. The study on equity analysis of automobile industry will help the potential investors in taking informed and rational investment



decision. Among all eight companies were taken for the analysis. Various tools like mean, standard deviation, variance, co-efficient of variation, correlation, Beta are used for the analysis. It is found that Mahindra and Mahindra is the best company to invest when compare with other companies in automobile industry.

K.Kavitha and Dr.R.Hamsalakshmi (2018) has done a study on Market Volatility of Selected IT companies with special reference to BSE. For the study they have selected top three IT companies based on their market capitalization. They used Simple Moving Average, Standard Deviation, Variance and Trend Analysis. They found that market volatility of among the selected IT sectors, the moving average of Infosys is not satisfactory when compared to other companies and all the other company shows a positive trend. Regarding the risk and return TCS has the least risk when compare to other companies.

Objectives of the study

- To identify the daily share price movements of selected Energy companies.
- To compare the risk and returns among selected companies.

Research Methodology

Period of the study: For analyzing the share price movements of selected Energy companies. One month data has been used from 01.11.2019 to 30.11.2019.

Source of data: Secondary data has been used for the study. The data has been collected from the NSE website and yahoo finance.

Sample Size: Top three performing Energy companies have been selected for the study based on their market capitalization. They are Reliance Industries, NTPC ltd., Power Grid Corporation of India.

Tools Used for the study: The following statistical tools have been used for analysis of data:

- Simple Moving Average
- Standard Deviation and Variance



Analysis and Interpretation

This section of the research paper discusses the analysis of data and interpretation in terms of simple moving average, standard deviation and variance of the selected energy companies.

Table 1: Simple Moving Average

Date	Reliance		NTPC		Power Grid	
	Closing Price	5 Days SMA	Closing Price	5 Days SMA	Closing Price	5 Days SMA
11/1/2019	1456.9		121.5		197.3	
11/4/2019	1457.65		120.55		194.75	
11/5/2019	1447.3		120.6		195.4	
11/6/2019	1434.9		120.65		195.1	
11/7/2019	1458.6		119.55		194.2	
11/8/2019	1445.5	1451.07	117.4	120.57	191.65	195.35
11/11/2019	1427.8	1448.79	118.25	119.75	191.75	194.22
11/13/2019	1472.3	1442.82	118.3	119.29	189.25	193.62
11/14/2019	1462.75	1447.82	118.55	118.83	188	192.39
11/15/2019	1470.85	1453.39	117.35	118.41	187.65	190.97
11/18/2019	1459.2	1455.84	117.45	117.97	190.65	189.66
11/19/2019	1509.75	1458.58	117.35	117.98	195.45	189.46
11/20/2019	1547.65	1474.97	117.05	117.80	196.1	190.20
11/21/2019	1537.6	1490.04	115.3	117.55	196.3	191.57
11/22/2019	1546.5	1505.01	117.8	116.90	198.75	193.23
11/25/2019	1561.55	1520.14	118.1	116.99	198.6	195.45
11/26/2019	1560.25	1540.61	116.65	117.12	194.4	197.04
11/27/2019	1569.85	1550.71	115.75	116.98	195.1	196.83
11/28/2019	1580.3	1555.15	115.55	116.72	196.15	196.63
11/29/2019	1551.15	1563.69	116.35	116.77	193.3	196.60



Interpretation

The above table shows the 5 day simple moving average of Reliance Industries, NTPC Ltd., Power Grid Corporation. The SMA is lesser than the closing price of value in all three companies. Hence it indicates the positive sign to the investors. The average daily moving price of Reliance is not satisfactory because of too much fluctuation.

Table 2: Calculation of Average Returns, Standard Deviation and Variance

	Reliance	NTPC	Power Grid
Average Return	-0.00319	0.002322	0.00114
Standard Deviation	0.014155	0.008889	0.011055
Variance	0.0002	7.9021	0.000122

Interpretation

The average return of Reliance industries is negative which indicates during the study period the return is less. The value of standard deviation is less than one which shows less risk and the variance states less return with less risk. The average return of NTPC Ltd is positive and has higher return when compare to other companies. The value of standard deviation is less than one which shows less risk. Variance value is higher than other companies which states high return with high risk. The average return of Power Grid is positive which indicates increase in price. Standard deviation is less than one which shows less risk and the variance states less return with less risk.

Conclusion

The study deals with the daily share price movement risk and return of the three energy companies. The analysis is done with tools like moving average, standard deviation and variance. It is found that the Simple Moving Average is lesser than the closing price of value in all three companies. Hence it indicates the positive sign to the investors. The average daily moving price of Reliance is not satisfactory because of too much fluctuations. The NTPC Ltd has high risk and high return.



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RESEARCH METHODOLOGY

RESEARCH DESIGN

The research design adopted in the study was **Descriptive Research Design**.

SAMPLE SIZE

The size of the sample used for this research is **250**.

TOOLS OF RESEARCH

1. PRIMARY DATA COLLECTION

In this research **Questionnaire Method** is chosen. Questionnaires are extensively used in all kinds of survey and **Structured Non-Disguised Questionnaire**(list of formal questions and the respondents are known about the purpose of collecting information) was used in this research. The questionnaire contains **17 close-ended** questions which include 9 Multiple Choice questions, 2 Dichotomous questions, 1 Ranking questions and 4 Check-list questions are collected from the respondents.

2. SECONDARY DATA COLLECTION

Secondary data means data that are already accessible. The secondary data were collected through books, journals, newspapers, bank's annual reports, articles, magazines and several websites. This secondary data had already provided by some researchers or investigators or reporters or scholars.

AREA OF THE STUDY

The study was conducted in Coimbatore city.

SAMPLING TECHNIQUE

The Technique adopted for this research is Convenience Random Sampling Technique.

STATISTICAL TOOLS

The statistical tool which are used in this research are Percentage Analysis, Rank Analysis, One – Way ANOVA and Chi-Square Test.



REVIEW OF LITERATURE

K. Lakshminarayanan (2015)¹²: *A study on green banking system by commercial banks in Tiruvarur district.* The summary of this research is the researcher has culled out many vital inferences about the point of view of customers and bankers. These inferences help the researcher to identify and understand the important findings, which are the results of reasoning. The results of this thesis provide valuable suggestions to the customers and bankers of the selected commercial banks as to how best green banking system can be improved.

Dr. Bibhu Prasad Sahoo et.al (2016)¹³: *Green Banking in India: Problems and Prospects.* The abstract of this research paper is green banking is different from traditional banking, as green banking focus on promoting environment friendly banking. Green banking is also known as ethical banking. This paper finding explains that there is significant difference in the usage of green banking products across various age groups individuals, as young generation is more inclined towards green banking products than middle age and senior age groups.

FINDINGS FROM PERCENTAGE ANALYSIS

- The majority (58%) of the respondents are Male.
- It is noted that 35.6% of the respondents are between the age group from 26 years to 35 years.
- Majority (65.2%) of the respondent are married.
- In this study 33.2% of the respondents are under graduate.
- 25.2% of the respondents are private employed.
- 25.2% of the respondents' family income (per month) is ₹.20,000 to ₹ .30,000.
- Equal number (10%) of respondents chosen from the selected banks as State Bank of India, Canara Bank, Andhra Bank, Corporation Bank and Indian Bank in Public Sector and from the Private Sector HDFC Bank, ICICI Bank, Yes Bank, Kotak Mahindra Bank and IndusInd Bank.

¹² **K. Lakshminarayanan (2015):** *A study on green banking system by commercial banks in Tiruvarur district* Ph.D. thesis A.V.V.M Sri Pushpam College (Autonomous), Poondi, Thanjavur District, April, 2015

¹³ **Dr. Bibhu Prasad Sahoo et.al (2016):** *Green Banking in India: Problems and Prospect*, International Journal of Research ISSN- 2350-0530(O), ISSN- 2394-3629(P), IF: 4.321, Vol.4 (Iss.8): August, 2016. SGTB Khalsa College, India.



- 33.2% of the respondents are using Green Banking from 3 years to 4 years.
- All the respondents (100%) are Aware about Green Banking Practices.
- 30.4% of the respondents got awareness about Green Banking from their Friends/Relatives.
- All the respondents are aware about Green Banking Applications.
- 15.2% of the respondents are using Internet Banking and Mobile Banking.
- 37.6% of the respondents are agree that they usually prefer to get bills through e-mail.
- 41.2% of the respondents are agree that they usually prefer net banking to avoid paper wastage.
- 42.8% of the respondents are agree that ecological friendly technologies must be followed by banks.
- 46.4% of the respondents are strongly agree that solar lighting system is a good green product.
- 58.4% of the respondents are agree that Government must frame certain rules and regulations for green banking implementation.
- 48.8% of the respondents are agree that green advertisement doesn't effective.
- 39.2% of the respondents are not agree and not disagree that green banking applications plays a major role in saving the environment.
- 41.6% of the respondents are not agree and not disagree that every companies should sign the green bond with the bank.
- 31.6% of the respondents are want to create more solar farms in India.
- 42.4% of the respondents are agree that by using Green Banking the benefit of it might be reduced costs from less paper work.
- The majority 51.2% of the respondents are agree that by using Green Banking the benefit of it might be reduce the need for expensive branch banks.
- 45.6% of the respondents are agree that by using Green Banking the benefit of it might be energy - efficient operational procedures reduced costs from less paper work.
- 36.4% of the respondents are strongly agree that by using Green Banking the benefit of it might be offer green lending and raise money for local environment initiatives.



FINDINGS FROM RANK ANALYSIS

Rankings for first to eighth ranks for the methods of adopting green banking are Paperless Statements, Internet Banking, Online Bill Payment, Cost reduction with paper less work, Creation of awareness about environmental responsibility among people, Best way to avoid Global Warming, Get loans at cheaper rate and Fulfillment of environmental responsibility respectively.

FINDINGS FROM ANOVA

- There is no significant difference between gender and Reduced costs from less paper work.
- There is no significant difference between age and Reduce the need for expensive branch banks
- There is no significant difference between marital status and Energy – efficient operational procedures
- There is no significant difference between qualification and Offer green lending and raise money for local environment initiatives.
- There is no significant difference between occupation and Reduced costs from less paper work.
- There is no significant difference between monthly income and Reduce the need for expensive branch banks
- There is no significant difference between period of using and Energy – efficient operational procedures
- There is significant difference between period of using and Offer green lending and raise money for local environment initiatives.

FINDINGS FROM CHI-SQUARE

- The acceptance on views of preference to get bills through e-mail and Gender factor are independent.
- The acceptance on views of preference to net banking to avoid paper wastage and Gender factor are independent.
- The acceptance on views of ecological friendly technologies must be followed by banks and Gender factor are independent.



- The acceptance on views of solar lighting system is a good green product initiative and Gender factor are independent.
- The acceptance on views of Government must frame certain Rules and regulations for green banking implementation and Gender factor are independent.
- The acceptance of views on Green Banking advertisement doesn't effective and Gender factor are independent.
- The acceptance of views on green banking plays a major role in saving the environment and Gender factor are independent.
- The acceptance of views on every companies should sign the green bond with the bank and Gender factor are independent.

CONCLUSION

Green banking is quiet foremost issue and can take a key for improvement and growth of our country. Finally this study concludes that Green Customers are aware about Green Banking Applications and practices through friends and relatives. People mostly using Internet Banking and Mobile Banking to avoid paper consumptions. Green Banking customers are usually prefer to get bills through e-mail. They usually prefer net banking to avoid paper wastage. Green Banking Customers expect some ecological friendly technologies must be followed by banks also and wants to create more solar farms in India. They expecting that Green banking advertisements doesn't effective. Green banking had the benefit of reduced in costs from less paperwork. Green Banking had the benefit in energy – efficient operational procedure and also had the benefit of offer green lending and raise money for local environment initiatives.



E-LEARNING:A PARADIGM SHIFT IN 21ST CENTURY SCHOOL EDUCATION

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ABSTRACT

E-Learning is a learning process with the combination of content that is both delivered digitally and through face to face learning. E-Learning to the use of web technological tool which enhances collaborative learning and presents an entirely new platform for students.Paradigm shift is the fundamental change from traditional method of teaching and learning to digitalized class rooms. Policy of education shifted from certification to skill development. Content centered classroom to learner- centered classroom.21st century is the current century based on skill development. Future ready skill encompass having competences such as financial and ionic literacy, global awareness, cross-cultural skills, critical and inventive thinking, problem- solving communication, collaboration as well as social and emotional competences.

Keywords : E-Learning, Paradigm Shift, 21st century school education

1. INTRODUCTION

The world around us is moving very rapidly. It is changing at all times. Never challenges unique situations assail us even before we have understood, internalized and prevail over the present ones. New and emergent technologies have completely transformed the way we work, communicate and even think.

A teacher in E-Learning plants the seeds of knowledge and sprinkles them with love and patiently nurtures their growth to produce tomorrow's dream. Right practices in the right direction will definitely increase the happiness index of a child. The E-Learning strategies will significantly increase the students' rate of success and achievements and skill development also. With the increasing awareness for the need for skill development, school must focus on identifying the requisite skills for the work force of the 21st century, introduces these skills to schools, provide infrastructure to deliver the knowledge effectively.



2. 21ST CENTURY SKILLS

The world we live in today is very different from the one we lived in 20 years ago. Then there was no internet, no mobile phones, no digital media and many other things that we take for granted today. It becomes obvious, that therefore there is no possible way of predicting what world the children of today will engage with 20 years from now.

In such a situation, the teacher has a huge responsibility to equip the students with skills which will enable them to secure a successful future. A part from knowledge and content today the teacher is expected to impart values life skills and attitudes. There is a growing consensus now that just marks and good scores in examinations will not help students to succeed. They must also learn to be skilled, confident and internationally aware citizens so, as educators we have to give young people the opportunity to grow into these well-rounded, creative and critical citizens, ready to engage with emergent and demanding labour markets and craft their own future as well as the future of generations to come.

UNESCO's Sustainable Development Goal 4 is to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all such that young people can develop their knowledge, skills and values to live and work in a globalized economy and contribute responsibly both locally and globally. But, education systems around the world face some overwhelming challenges. While many children out of school, other are in school but learning the basics or are intellectually disengaged from that schooling. Employers are demanding higher-order cognitive skills from their workforce, as opposed to the traditional manual lower-order cognitive skills. If economies are to be successful in the long term, young people need to be enabled to:

- ✓ Generate and implement new ideas, solutions and products.
- ✓ Use digital tools to enable knowledge discovery, creation of resources and communications
- ✓ Apply their knowledge to solve real-world problems.

British Council is committed to helping educators to develop those core skills and competencies in young people that relate to the world in which they are living (often known as 21st century's skills or deep learning skills), which include:

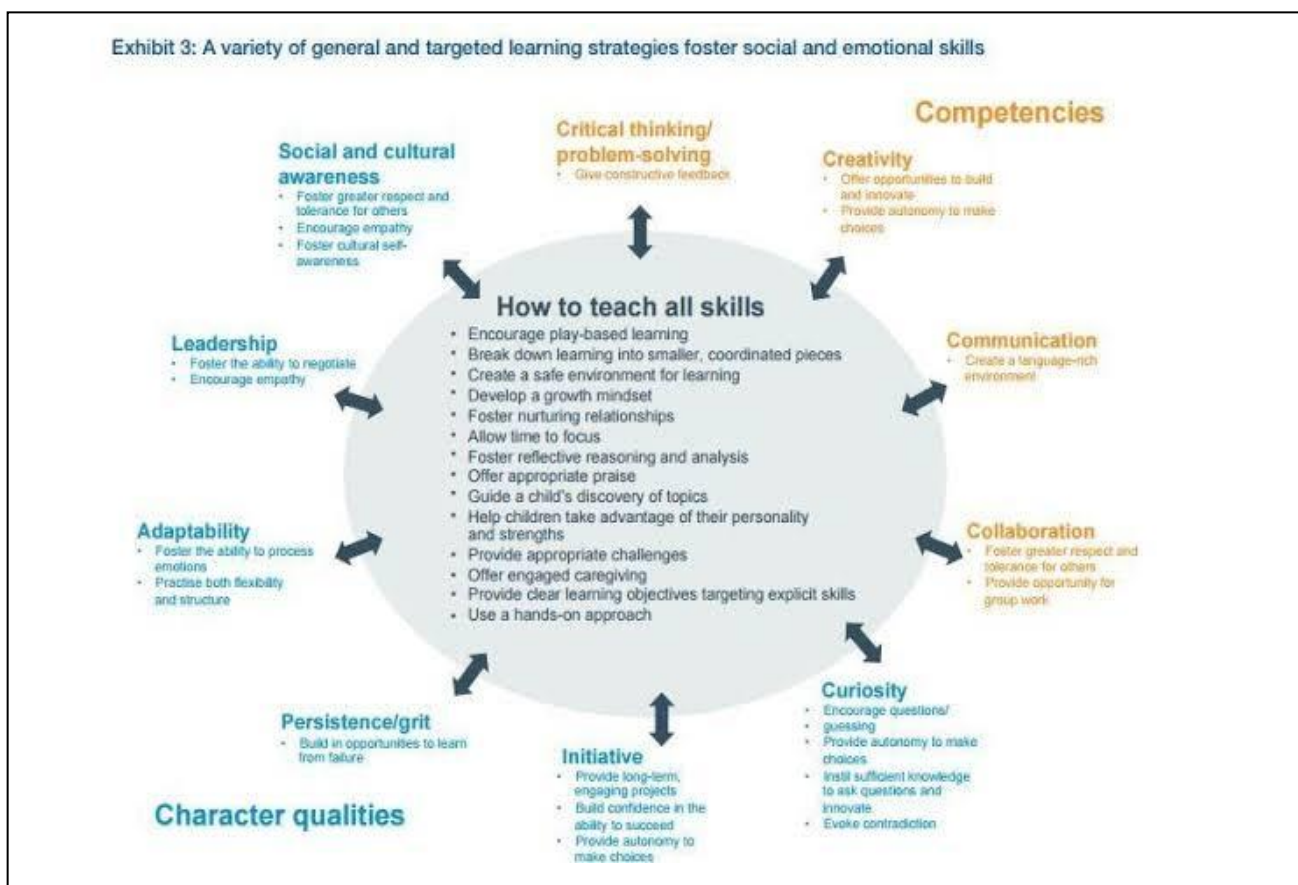
- ✓ *Ways of working:* communication and collaboration



- ✓ *Ways of thinking:* critical thinking, problem solving, creativity and innovation, learning to learn and metacognition
- ✓ *Tools for working:* information literacy, information and communication technology (ICT) literacy.
- ✓ *Ways of living in the world:* global citizenship and civic responsibility, including cultural awareness and competence.

Major skills encompass honing competencies such as financial and civic literacy, global awareness, cross cultural skills, critical thinking, problem solving, creativity, communication, collaboration as well as social and emotional competencies. The system and the syllabi need to be rewarmed to facilitate educators to integrate the development of skills with in the existing system and reform subject-based curriculum to an amalgamation of the subject coupled with skill based curricula.

21st Century Skills : World Economic Forum, New Vision for Education (2015)



21st Century Learner

For parents, their children are the world and their satisfaction is confined to the dreams and aspirations of their children. Every child is unique in his or her own way. Every child is



born to be a blessing and to to something special in this world. A learner is always directed to fulfill the 4 Ps.

- ❖ *Preparedness*
- ❖ *Passion for doing something*
- ❖ *Peace of mind*
- ❖ *Purpose of life*

As students are the future citizens, school development plans should align with the social and emotional wellbeing of students. Students should grow the concept of freedom of life choices.

A bird cannot swim in the water.

and

A fish cannot climb a tree.

So a learner's role is very important. Right practices in the right direction will definitely increase the happiness index of an individual. The E-Learning strategies will definitely increase the rate of success and students achievements.

21st Century Curriculum

The school curriculum signifies the importance of the subject and the role it plays in the student's life. For example we opt the subject social science incorporated in the school curriculum through the combination of subjects like History, Geography and Anthropology, Phycology, Sociology, Law, Linguistics, Politics etc. Each subject helps the learner to become better citizens. 21st century curriculum enables the learner

- ✓ To grow up as an active citizen
- ✓ Responsible in responsibilities
- ✓ Reflective member of the society
- ✓ It also teaches them to address societal and global concerns using literature, technology and other identifiable community resources.

The curriculum enables the learner to understand importance of democracy, right and freedom and the facts that in order to live and co-exist peacefully each and every one needs



to respect, trust and balance the various opinions, values and attitudes, life styles, cultures and practice and ideologies existing in society.

Curriculum offers the following three skills to a learner. 21st century curriculum offers the following three skills to a learner:

- ✓ **People skills:-** We are hired for our skills but we are fired for our behaviour not only as persons but even as employees. Today's generation is so comfortable with technology and computers and they are uncomfortable with people.
- ✓ **Persuasion skills:-** It means the ability to influence, negotiate, convince and sell. It is the ability to influence others to achieve your objectives by putting your point across succinctly and effectively.
- ✓ **Prioritizing skills:-** Priorities are based on values. When we forget our priorities we are unable to distinguish between what is urgent in life and what is important.

21st Century Teaching V/S Learning

School is an institution where the darkness of illiteracy, ignorance and conservatism are addressed and banished. It brings the light of wisdom, knowledge and creativity into the sensitive minds of young children, on whose shoulders lie the responsibilities of the future.

We are called subject experts or teachers, but reality, we are facilitators and supporters of learning. Not only do we teach, but we also learn from our students, and this makes us lifelong learners. Our education and learning are not restricted to the attainment of a degree from a university.

A teacher cannot find such depth and clarity of the concepts in books of philosophy or journals on education which you can see during randomly-held classroom discussions with your students. It proves that knowledge is not limited to a structured environment. The most crucial tool to **“know the knowledge”** or to challenge ourselves- **“are we really knowledgeable?”**- is to generate enquiry.

WHY? This challenging word demands more from the educators and puts them into a never-ending thinking process. Sadly, some of us curtail the creativity and curiosity of children the



moment they say “why?” We are so engrossed in the completion of the so-called syllabus that we suppress the thought process of our students. Students learn better and give a commendable performance in the subject where teachers support their questions and appreciate them.

As educators, can we understand the needs of kinesthetic learners, visual learners or verbal learners, and facilitate differentiated learning? Do we explained our learners that what connection our teaching will have with their real lives? Do you explain to them that education is incomplete without learning.

Can we forget the way we were taught and start afresh? Because somewhere during my observation, I have found that we reflect the way our teachers had taught us. Can we “unlearn, learn and relearn?”

3. REVIEW OF LITERATURE

- ✓ **Eddie Blass (2018)** – A 21st Century Education Paradigm, Journal of Education and social policy. The paper is a blue print for a future education system that is designed for the 21st century.
- ✓ **British Council (2017)** – Handbook for embedding International Dimension and Core Skills in the class room.
- ✓ **S.A.Kelkar (2012)**- IT Service Management- A Concise Study has analysed the use or the deployment of IT services that differentiate companies from each other. IT services are at the heart of every company’s success. Service requirements are shaped by technology, business models and customer expectations.
- ✓ **Wang and Woo(2011)** – claimed that the face book group had the potential to be used as Learning Management System. It has pedagogical, social, technological affordance. Technological support brings a lot of creativity among the learners.
- ✓ **Steven Alter (2011)** – Foundation of E- Business – E-learning has become a buzzword for businesses over a past few years, with increased awareness about the use of computer and communication technologies to simplify business procedures and increase efficiency.

3. RESEARCH METHODOLOGY

The study is based on primary data. Primary data is collected by using questionnaires. Questionnaires are given on gender basis simultaneously. Sample selected is analysed by using Mean and Standard Deviation and Z value.



5. ANALYSIS

The study is based on primary data of sample of 200 students (100 boys and 100 girls) from high school and higher secondary level. The researcher applied closed questionnaires for collecting samples. The sample of questions included in the questionnaire is given below:

No.	Questions	Yes	No
1.	Do you like the shift from traditional learning to digital learning?		
2.	Do you feel the learner is the king of the learning process?		
3.	Do you believe that your confidence in life skill is moving in upward direction?		
4.	Do you feel joyful experiences?		
5.	Are you happy in collaborating the curriculum content with life skill learning?		
6.	Do you prefer digitalization in learning?		
7.	Do you find any difficulty in paradigm shift in education?		
8.	Do you like to update your skills apt to 21 st century?		
9.	Do you feel that digitalization makes the curriculum more attractive and simple?		
10.	Do you find any attraction towards the E-Learning outcomes?		

6. INTERPETATION OF THE DATA

Two Tailed Test – Large Group		
	Boys Group	Girls Group
Mean	72	55
Standard Deviation	118	70.5
No. of Students	100	100

7.

Null hypothesis : There exists no real difference between the means of two samples.

The difference between means M_1 and $M_2 = 72 - 55 = 17$



Mean value on boys Perception based on E-learning - Paradigm shift in 21 st Century School Education			Mean value on girls Perception based on E-learning - Paradigm shift in 21 st Century School Education		
Arithmetic Mean	Standard Deviation	Coefficient of Variance	Arithmetic Mean	Standard Deviation	Coefficient of Variance
72	118	163	55	70.5	128.18

The Standard Error of difference between means, $SE_D = 13.74$

Converting the significance of difference between means to Standard score

$$Z = \frac{M1-M2}{\sigma_D} = 1.23 < 1.96$$

We accepted null hypothesis at 5% level of significances and at 1% level of significance. The acceptance of null hypothesis helps in concluding that there is not much difference found between the two sample means.

7. CONCLUSION

E-learning changes the shift from subject based curriculum to subject coupled with skill based curriculum. E-Learning helps to teach less and learn more. In education, technology can be a life charger, a game charger for kids who are both in school and out of school. Technology can bring text books to life. The internet can connect students to their peers in other parts of the world. It can bridge the quality gap. The proper usage leads to the learner in his/her full learning potential.

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**THE IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES AND
TRAINING IN MANUFACTURING SECTOR**

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ABSTRACT

The purpose of this study is to determine the functional relationship between Human Resource Management (HRM) practices (Compensation and Benefits, Work-life Policies, Performance Appraisal and Training and Development) and performance of employees in the manufacturing concern. Thus by appraising the employees in the concern , train the employees will indulge in the development process. It is suggested that training and development is the most important factor that positively influences employee performance followed by performance appraisal. Compensation and benefits and work-life policies were found to be not significant in predicting employee performance. In relation to these findings, human resource department shall have designed suitable training plan with comprehensive and consistent performance appraisal system for the employees.

Key words: Human resource Management, Training, compensation, employee participation

INTRODUCTION

Employees are the backbone of an organization. Hence, the retention of the employees is important in keeping the organization on track. In order to retain the best talents, strategies aimed at satisfying employee's needs are implemented, regardless of global companies or small-sized firms. Generally, organization would retain their personnel for a specified period to utilize their skills and competencies to complete certain projects or execute tasks. In another word, we can understand it as employee retention where the scope of task is however, often larger than a simple task and more preferably a job in real world. Retaining the desirable employees is beneficial to an organization in gaining competitive advantage that cannot be substituted by other competitors in terms of producing high morale and satisfied coworkers who will provide better customer service and enhanced



productivity, which subsequently resulting in sales generating, customer satisfaction, smooth management succession and improved organizational learning.

OBJECTIVES OF THE STUDY

- To find key human resource practices contributing to employee productivity

RESEARCH METHODOLOGY

Quantitative data was collected using the non probability questionnaire. In analyzing the data collected, Statistical Package for the Social Sciences (SPSS) technique has been employed. This section also introduced the sampling techniques used in order to collect information from target population using questionnaire.

RESEARCH DESIGN

A research design is the set of methods and procedures used in collecting and analyzing measures of the variables specified in the problem research. A research design is a framework or blueprint for conducting the marketing research project. It details the procedures necessary for obtaining the information needed to structure or solve marketing research problems. In simple words it is the general plan of how you will go about your research

DATA COLLECTION METHODS

PRIMARY DATA

For this study, a questionnaire consisting four main variables, namely employee empowerment, training and development, employee compensation and performance appraisal, is conducted by extracting sources from few established questionnaire.

SECONDARY DATA

In this study, most secondary data are extracted from online resource such as online databases, internet findings or other sources.

CORRELATION AND REGRESSION ANALYSIS

Pearson correlation was conducted to determine the association between HRM Practices and employee's Job performance. In this research study Pearson correlation was used. Correlation analysis show there was statistically significant correlation between HRM practices and employees job performance. The calculated value of training and development is (.635**) and ($p < .005$) which shows significant relation between training and development and employee's performance which is most important factor. Correlation



matrix of recruitment and selection which showing correlation coefficient of (.659**) and ($p < .005$) is also positively associated with employees performance

LIMITATION

- The Study is limited to manufacturing industry.
- The period of the study is limited.
- The sample size of the study is limited to 100 respondents.

FINDINGS

Analysis results suggest some possible steps or remedies for employee's performance enhancement. The Training program should conduct in order to increase the level of learning and new effective method must be introduced to evaluate the effectiveness of training programs. Training equipment's such as techniques and process need to enhance according to latest environment. For expected employees performance manager should analyze procedure and methods of recruitment & selection in organization. Performance appraisal system should be conducted in such a manner which productive and development oriented.

CONCLUSION

In summary, it can be concluded that for this particular study, training as a HRM practice contributed significantly towards explaining the three types of innovation: product, process, and administrative innovation. Our sample comprised of manufacturing companies. The study has enhanced the fact that HRM practices generate positive impact on employee performance in the organization. Based on the findings of this empirical research, training and development has the strongest impact on employee performance, followed by performance appraisal. The current data has provided employer sufficient evidence for the human resource department of the organization in designing the best suitable solutions for improving the employee performance. It is very important for the organization to take note that enhancing employee performance using HRM practices is a big issue for the development of an organization especially it might bring destructive effects to the organizational efficiency if it was not properly designed and implemented.

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THE SIGNIFICANCE OF WORK LIFE BALANCE

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Abstract

Work Life Balance is about people having a measure of control over when, where and How they work in the organization. Balance in work and family is an emerging challenge for all the employees working in the organization. This conceptual paper gives a meaning and importance of work life balance in current scenario. It gives suggestion to overcome those obstacles. This paper will give in-depth knowledge on how necessary is to balance the work and life simultaneously. Work life balance is about how one balance the work and be satisfied with their work and get satisfied in the personal life.

Keywords: Work Life Balance, Organization, Family, Management

I. Introduction

The term "WORK-LIFE BALANCE (WLB)" was coined in 1986. Interestingly, work/life programs existed as early as the 1930s. The policies and procedures established by an organization with the goal to enable employees to efficiently do their jobs and at the same time provide flexibility to handle personal concerns or problems at their family front In fact; dual-wage-earning families in general are working longer hours. A balance work and life is supposed to exist when there is a proper functioning at work and at home with a minimum of role conflict. Therefore, the incompatibility between the demands from the work and non-work domain give rise to conflict and consequently, people experience a lack of WLB.

II. What Does Work-Life Balance Really Mean?

Work-Life Balance does not mean an equal balance. Trying to schedule an equal number of hours for each of your various work and personal activities is usually unrewarding and unrealistic. Climbing the organizational ladder often requires employees to work long hours and deal with difficult and complex issues. Some days on the job are likely fun and positive and other days are tension-filled and stressful. A common dilemma for many people is how they manage all of the competing demands in work and life and avoid letting any negative



effects of work spill over into their personal lives. Research has in fact shown that employees who believe they do not have time for the personal life feel drained and distracted while they are at work. In addition, the spillover of negative aspect of work into an employee's personal life can lead to job exhaustion, disruption of relationships with family and friends, loss of enjoyment, and increased stress. Work-life balance is about creating and maintaining supportive and healthy work environments, which will enable employees to have balance between work and personal responsibilities and thus strengthen employee loyalty and productivity. However, some people appear to manage career success and a positive private life with ease.

III. Work-Life Balance Definition

Experts say there is no single definition and some don't even like to use the phrase. But generally they agree work-life balance translates to satisfaction with one's entire life -- professional and personal -- and it can be reached even while working long hours. Let's first define what work-life balance is not:

1. Work-Life Balance does not mean an equal balance. Trying to schedule an equal number of hours for each of your various work and personal activities is usually unrewarding and unrealistic. Life is and should be more fluid than that.
2. . Your best individual work-life balance will vary over time, often on a daily basis. The right balance for you today will probably be different for you tomorrow. The right balances for you when you are single will be different when you marry, or if you have children; when you start a new career versus when you are nearing retirement.
3. There is no perfect, one-size fits all, balance you should be striving for. The best work-life balance is different for each of us because we all have different priorities and different lives.
4. However, WLB is defined as - —The amount of time you spend doing your job compared with the amount of time you spend with your family and doing things you enjoy. It can be difficult to get the right work-life balance. Experts say success lies not only in carefully defining how you want to spend your time, but in making sure you adjust your life and work as your needs change. Sometimes even small changes



can make a difference. An unmanageable schedule and out-of-control home life can lead to depression, poor performance at work, and conflict with family and a feeling of burnout that can lead physicians to question whether to stay in medicine at all. WLB is a comfortable state of equilibrium achieved between an employee's primary priorities of their employment position and their private lifestyle. Most psychologists would agree that the demands of an employee's career should not overwhelm the individual's ability to enjoy a satisfying personal life outside of the business environment.

IV. WLB: Men vs. Women

Traditionally, men have been thought of as being the protectors and main providers for their families and, therefore, if they spent more time at the office, networking, or even time pursuing an education they were valued for their drive and praised for their successes outside the home. Men are commonly referred to as "good providers" when their worth is being summed up. Women are more likely to be praised for being good wives and mothers long before they might be referred to en masse as "good providers." Men are often expected to be aggressive in business—to be go-getters and are not highly criticized for putting work ahead of family because, in the end, they are serving their families by ensuring their needs are met by a decent income. Women are assumed to be more docile and less effective in business—something statistics show is anything but true.

Gender Differences

Men are generally better at asserting and expressing their needs. Biology, nature, and society better prepare boys to enter into adulthood as leaders than is true for girls. Girls are given dolls to play with and may be discouraged from pursuing math and science fields, and certainly, few could argue that women have a tougher time getting ahead in the corporate world than most men do. Being aggressive can be a great quality when it is tempered with maturity; being aggressive in the right ways can help most of us get more out of life—but many women are often timid about asking to have their own needs met. Men may be more likely to take a day off to golf, sleep in, watch sports, or go to the gym than women are because when a woman makes a demand, she may be seen as bossy, whiny, or as a selfish mother or wife.

V. The Importance of Work-Life Balance



Technology has improved people's lives in many different ways. People can live longer, healthier lives because of technological advancements. A student can access vast resources of information to complete assignments and a mother can see and talk to a daughter that is thousands of miles away. The advancements in the way people access information, communicate with one another, and complete tasks have allowed for flexibility in the workplace. It has also created a lack of distinction between work and family time. People who are constantly tied to their jobs deal with the symptoms of stress and burnout. If a person doesn't have a time to relax and recharge, their ability to do their job decreases and their performance level suffers. Thus, from a management point of view, it is important to encourage a person to take time off from work instead of putting in long hours. Creating a schedule that allows a person to do activities they enjoy will help them to be better employees, friends, and family members. Once the time to work is over the person needs to learn to walk away from the laptop and not answer the cell phone for work calls. This type of balance is not easy to achieve because there will always be people who want to make demands on an individual's time. People need to learn that it is okay to say no and only agree to take on additional tasks if they are important. Without creating a work-life balance a person isn't able to take time to enjoy the life they have worked so hard to create. They aren't available for friends and family members, and often take their stress out on the ones they love. They can also suffer from illness and physical disorders that stem from prolonged stress such as heart disease, alcoholism, and even diabetes.

VI. The Negative Effects of Work Life Conflict

Long work hours and highly stressful jobs not only hamper employees' ability to harmonize work and family life but also are associated with health risks, such as increased smoking and alcohol consumption, weight gain and depression. Work life conflict has been associated with numerous physical and mental health implications. According to a 2007 study by **Duxbury** and **Higgins**, women are more likely than men to report high levels of role overload and caregiver strain. This is because women devote more hours per week than men to non-work activities such as childcare, elder care and are more likely to have primary responsibility for unpaid labor such as domestic work. Furthermore, other studies show that women also experience less spousal support for their careers than their male counterparts. Although women report higher levels of work-family conflict than do men, the numbers of



work-life conflict reported by men is increasing. Work-life conflict has negative implications on family life.

According to the 2007 study by **Duxbury** and **Higgins**, 1 in 4 Canadians report that their work responsibilities interfere with their ability to fulfill their responsibilities at home. Employees, especially the younger generation who are faced with long hours, the expectations of 24/7 connection and increasing pressure of globalization are beginning to demand changes from their employers. Also, people in the elderly employee segment are working longer now than in the past and are demanding different work arrangements to accommodate their life style needs. In one survey of physicians, control over work schedule was the greater predictor of reported work-life balance. 2Demographic and work-life factors, in order of how strongly they affect work-life balance:

- Control over schedule and hours worked
- Total weekly hours worked
- Number of children at home
- Total weekly hours "on call"
- Age
- Gender
- Income

VII. How to Implement a Work-Life Balance Strategy

Before embarking on a work-life balance strategy it is essential to identify the core needs of the business, for example, some services like a help desk may require a staff presence between certain hours. It is important and useful to consult with staff at this stage in order to get their views. Remember that it is often the staff doing certain jobs that can come up with the most innovative ideas for improvement. From this point it will be necessary to review existing policies and develop a draft work-life balance strategy. This should be put out to consultation to staff and staff groups if appropriate and it may also be worthwhile running a pilot of the policy. After a final review the strategy can be formally launched to all staff. Remember to include a section in the strategy for review and evaluation in order that the uptake and effectiveness can be reviewed over time.



VIII. What Can The Organization Do?

1. Promote work-life flexibility options for all staff. Use examples and case studies as part of in-house promotional materials to show success stories at all levels of the organizations.

2. Demonstrate a willingness to explore ways in which senior roles can be re-designed to accommodate greater flexibility in where and when work is done.

3. Focus on outcomes rather than time spent in the office. Shift thinking away from thinking that presence equals professionalism and performance.

4. Establish a formal process for requesting a flexible work arrangement that is monitored by the HR or Diversity Manager. This should ensure that all staff has an equal opportunity to have their needs reviewed fairly and objectively.

5. As part of their regular performance discussions ask the question —what can I do to support you achieve your work-life balance, what barriers need to be removed or challenged? Ensure that they take action on the requests.

6. Help executives assess low value work and review workloads and work practices so that that reduces the amount of time they have to spend on non-essential work, or work which can be delegated to others.

7. Include questions about work/life issues and access to senior roles as part of the regular employee consultation/survey process. Take action on the findings.

- a. The ability to define and agree the work to be done and the standards that needs to be achieved.
- b. Implementing systems and processes that allow the employee to work effectively and productively whether that is from the corporate office or another location.
- c. Communicating explicitly about standards for quality and on-time delivery.
- d. Creating an environment where employees communicate their concerns and creative ideas.
- e. Evaluating and monitoring progress, and being able to modify systems where needed.
- f. Providing regular feedback and coaching on performance.

IX. What Does The Organization Need To Do?

1. Facilitate education programs that up-skill supervisors to manage work/life/flexibility issues within their teams. Such sessions would include information about: the business benefits of work/life options and flexible working.

• Managing the performance and output



of employees who work flexibly. This should also include management of poor performance (sometimes this is blamed on the flexible work arrangement and avoids dealing with the real issues of performance.) • Building trust between the employee and manager • Establishing clear communication channels between the manager, employee and team members so as to avoid crisis situations and resentment between team members. This type of training needs to be practical and include case studies and skill development exercise. 2. Provide one-on-one coaching for managers as they respond to requests for flexible working. This can be done by either a senior manager or a member of the HR team. They can work with the manager to ensure that: • Clear performance indicators are discussed and established as part of the flexible work arrangement. • The days, times, location and work hours of any arrangement are clearly established. This is particularly important where an employee is working from home. • Both parties agree what success will look like and how it will be measured. • How communications between the employee/manager/client/customer and colleagues will be managed. • Dates and times are agreed when the manager and employee will meet to discuss the effectiveness of the flexible work arrangement. 3. Have clearly defined policies and procedures for flexible work arrangements. These should describe which options are available, which may access them and the criteria that will be used to assess an employee's application to work flexibly. This then provides a level playing field for all employees which give guidance to managers who may be reluctant to relinquish control by allowing employees to work flexibly. 4. Communicate success stories. Experience within best practice organizations would suggest that sharing success stories from within the organization helps managers to recognize that change is possible and that there are bottom line benefits that can be gained from trusting employees and being proactive in the way they manage work/life flexibility issues within their teams.

X. What Can The Employee Do?

Some vital work suggestions:

- We have to define some integral elements about work and life for to set an appropriate time-frame. In normal fashion, work is defined for eight hour a day, while one must care about
- In all sorts of work we have to deal with meetings and assignments which need to be accomplish with in suitable time to avoid next day burden.



- In taking care about assigned work, follow-ups and dealing with people, there needs a well-organized attitude in friendly manner.
- One must set a priority list of daily work and also need to get a pause along it to get ready for the next.
- There is another important issue during work as to deal with rush a calm and soft attitude supposed to excellent in finding best results.
- All the co-worker also needs your attention during your duty hours and there needs an excellent attitude is important while always keep friendly way of dealings required.

Some vital Life suggestions:

- People need to give proper time to their interest because this necessary to refresh and overcome the mental as well as physical stress.
- Morning walk or a long walk in the afternoon is tonic for the people who stay all the day with sitting-work/ office-work. They also needs to go for exercise or any play ground game which keeps their health best and energize them well.
- The people whose wok nature is a bit different and not stay in office needs to adopt hobby of reading or indoor games which will be a refreshing tonic for mind and body.
- Always give time to spouse, children, parents, relatives and friends even your home-workers according to your available time and it's also necessary to adopt any community for your interest to acquaint with vicinity changes.
- A home even a family activities place but there needs to be setup some cheerful activities like birthday celebration, get-together parties, family friend's gatherings etc., which is necessary to be an active part of society.A pause in work and proper deep-sleep in the night according to age and nature of work is an essential element of work-life balance.



- Your soul will be thirsty in all this work-life management if you don't care about that. Health, wealth, joy even any big achievement sometimes felt nothing only due to the ignoring the spiritual activities. Yourself, your inner will be in worry if you'll not give time to your soul, that's a pray , a religious activity , a meditation which returns a bliss in your life, a calm state of mind , a physical healing , a boost to your immune system.
- All our work-life happenings centered to only one nucleus, God/Allah/ Creator whatever name you like to call him, always empower us even most of the time we don't bother that. We need to stay in front of our creator as prays at once , twice or more times a days to find everlasting bliss, rejoice the inner, to calm down the mind, to dissolve negative thoughts, to get inspired for all the work-life activities.

XI. Conclusion

Love and work are said to be the cornerstones of being human and both are very important for happiness. Yet juggling the demands of each can be difficult. By thinking differently, we can perhaps find ways to have a better balance between work and home. Evidence suggests that improvements in people management practices, especially work time and work location flexibility, and the development of supportive managers, contribute to increased work-life balance. Work-life balance programs have been demonstrated to have an impact on employees in terms of recruitment, retention/turnover, commitment and satisfaction, absenteeism, productivity and accident rates. Companies that have implemented work-life balance programs recognize that employee welfare affects the —bottom line of the business. Parameters are required to ensure that programs are having the desired effect on both employees and the company. Six parameters that can be used to evaluate work life balance programs are: extent of management buy-in and training, how programs are communicated to employees, corporate culture, management controls, human resources policies and employee control. Finally, self-management is important; people need to control their own behavior and expectations regarding work-life balance. We may not develop Gandhian levels of courage immediately, but surely we can do better than having to look back on our lives and regret that we lived by someone else's priorities.



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ROLE OF PAYMENT BANKS AND FINANCIAL INCLUSION IN ECONOMIC GROWTH

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ABSTRACT

It is now or never, Undeniably the ever-emerging role of financial institutions has stirred every single Indian in the current era. It is discoursed widely that future positioning of India in the world map would somehow be dependent upon its prospective digital stance. With the advent of digitalisation and financial inclusion, one more savings product, 'Payment Banks' was recently announced by the Reserve Bank of India. Despite the obvious economic relevance of this product, they are not able to break even. A Payment Bank (PB) is nothing less than a deposit account. In general, PBs can facilitate money deposit of up to 1 lakh, further offering remittance service, mobile payments, ATM/debit card facility and third-party fund transfer but excludes advancing loans or issuing credit cards. The entire idea is to propel the usage digitally with the help of the facilitator (PB). The reach and penetration to cater to marginalised sections would be the key driving factor to determine the success of PBs. From this view the paper brings an attempt of performance of payment banks towards financial inclusion in country's economic growth.

1.1 INTRODUCTION

With the aim of expanding Banking Services in the country, RBI thrust responsibility on the Nachiket Mor committee to explore and make recommendations for the development of a special category of banks to provide Comprehensive Financial Services to Small Businesses and Low- Income Families. One such recommendation has been the creation of Payment Banks primarily to facilitate Financial Inclusion.

Payment Banks are a part of a special category of banks. They can offer a range of services to its customers, which include providing remittances and receiving payments. These banks primarily differ from Differentiated banks by the fact that they are not authorized to carry out lending services in the form of giving loans or issuing Credit Cards. Payment Banks have been vital to the realization of financial inclusion. This promotes affordable financial services to the low-income and disadvantaged groups in the Indian banking system.



1.2 STATEMENT OF PROBLEM

Financial inclusion aims at providing a platform for the low- income groups to save their life earnings. In the absence of such a platform, the income of the disadvantaged sector including the rural laborers and the urban wage workers is often saved in the form of gold or is used in overspending. Keeping in mind these obstacles to economic growth and prosperity, the development of payment banks were seen as a means to overcome these hindrances.

1.3 SIGNIFICANCE OF THE STUDY

Payment Banks in India will utilize the mobile platform to facilitate transactions between two or more parties. They seek to deliver banking services in the most remote areas of the nation. The idea is to take a step towards economic progress. Payments banks will be available where physical penetration is difficult. It might be likely to bring about a dip in the cost of banking services when compared to differentiated banks. They have become a means of reaching out to the erstwhile unbanked regions. The objective is to incorporate those regions into mainstream financial systems by promoting financial inclusion.

1.4 OBJECTIVES OF THE STUDY

This paper brings an overview of the payment banks and its related literature. Contribution of payment banks with different financial products and the performance of payment banks in recent days.

1.5 THEORETICAL ASPECTS OF PAYMENT BANKS

Payment Banks, the brainchild of RBI's Committee on Comprehensive Financial Services and Low Income Households, has been an important step towards ensuring financial inclusion. Undoubtedly, they promote greater participation of disadvantaged groups in the mainstream financial services. Payment Banks will rid the semi-literate population to carry out all banking services at one stop including paying bills, transfers to others, making deposits and the like. They will empower the users to carry out end to end transactions. Payment Banks will also facilitate the transfer of money to remote locations beneficial to the migrant workers also, since payment banks work through the medium of mobile phones, attracting the youth by its ease and comfort of carrying out transactions with a click.

Function of payment banks in India is to ensure a partnership between Banks and telecom companies. Since the rural and remote areas lack the infrastructure for the institutional development of Banks and financing systems, Payment banks which operate through the medium of mobile phones are best for such a situation. These banks are likely to



aid the disadvantaged groups to carry out transactions electronically. This will eliminate the role of middlemen, while at the same time facilitating organized finances throughout the country.

The role of payment banks comes with a twin goal to ensure financial inclusion. Firstly, to act as a platform where the low-income groups can have a Savings account and deposit their incomes and savings. Secondly, to facilitate transactions and payments for small businesses and promote entrepreneurship. For instance, to pay the wage to migrant laborers and to cover costs of raw materials.

On 23 September 2013, Committee on Comprehensive Financial Services for Small Businesses and Low income Households headed by Nachiket Mor was formed by the RBI. On 7 January 2014, the Nachiket Mor committee submitted its final report. Among its various recommendations, it recommended the formation of a new category of bank called payments bank. On 17 July 2014, the RBI released the draft guidelines for payment banks, seeking comments for interested entities and the general public. On 27 November, RBI released the final guidelines for payment banks. In February 2015, RBI released the list of entities which had applied for a payments bank licence. There were 41 applicants. It was also announced that an external advisory committee headed by Nachiket Mor would evaluate the licence applications. On 28 February 2015, during the presentation of the budget it was announced that India post will use its large network to run payment bank. The external advisory committee headed by Nachiket Mor submitted its findings on 6 July 2015. The applicant entities were examined for their financial track record and governance issues. On 19 August 2015, the Reserve Bank of India gave "in-principle" licences to eleven entities to launch payments banks. The "in-principle" license was valid for 18 months within which the entities must fulfill the requirements and they were not allowed to engage in banking activities within the period. The RBI will grant full licenses under Section 22 of the Banking Regulation Act, 1949, after it is satisfied that the conditions have been fulfilled.

WHY PAYMENT BANKS IN INDIA?

The Rationale

- About 40 per cent–50 per cent of India's 1.2 billion-strong population are eligible to open a bank account but are still unbanked, according to KPMG.
- In all, 390 million of the country's approximately 937 mobile subscribers are from rural areas, according to Telecom Regulatory Authority of India. A majority of them do not hold a bank account.



- A CRISIL report projects that the current Rs 80,000 crore to Rs 90,000 crore domestic-remittances market will grow at 11 per cent to 13 per cent CAGR in the next few years, based on an assessment of remittances to the low-income migrant population. This segment is expected to be among the early users of payment banks. Transactions done through mobile wallets have also tripled over the last two years to Rs 2,750 crore, according to this report. The reason is that it is cost-effective and easily accessible. It is used largely by urban people to remit money to family and relatives living in rural India.
- Payment banks can play a crucial role in implementing the Government's Direct Benefit Transfer (DBT) scheme, where subsidies for healthcare, education and gas are paid directly to beneficiaries' accounts.
- Financial inclusion is most likely to be achieved when banks find it to be a scalable and viable business.

Regulations:

The minimum capital requirement is 100 crore. For the first five years, the stake of the promoter should remain at least 40%. Foreign share holding will be allowed in these banks as per the rules for FDI in private banks in India. The voting rights will be regulated by the Banking Regulation Act 1949. The voting right of any shareholder is capped at 10%, which can be raised to 26% by Reserve Bank of India. Any acquisition of more than 5% will require approval of the RBI. The majority of the bank's board of directors should consist of independent directors, appointed according to RBI guidelines.

The bank should be fully networked from the beginning. The bank can accept utility bills. It cannot form subsidiaries to undertake non-banking activities. Initially, the deposits will be capped at 100,000 per customer, but it may be raised by the RBI based on the performance of the bank. Payment Banks are not be permitted to lend to any person including their directors. 25% of its branches must be in the unbanked rural area. The bank must use the term "payments bank" in its name to differentiate it from other types of bank. The banks will be licensed as payments banks under Section 22 of the Banking Regulation Act 1949, and will be registered as public limited company under the Companies Act 2013.

Important Features of Payment Banks

The banks can accept deposits (savings deposit & demand deposit) up to a maximum of 1 Lakh per individual customer. It can open savings as well as current accounts. It pay interest on the received deposits just like Scheduled Commercial Banks. They can issue ATM and or



debit cards but cannot issue credit cards. They can transfer payments through channels like payment bank branches, ATMs (business correspondents). Internet banking services can be extended by a payment bank which includes mechanism approved by RBI such as NEFT/IMPS/RTGS. They can provide basic financial services like access to mutual funds products, insurance products, pension products, foreign exchange services subject to the conditions set by RBI. • Payments bank cannot undertake lending activities, cannot handle crossborder remittances and cannot accept NRI deposits.

List of Payment Banks in India Approved by RBI are Aditya Birla Idea Payments Bank , Airtel Payments Bank, India Post Payments Bank(Department of Posts), FINO Payments Bank(FINO PayTech Limited) National Securities Depository Limited Payments Bank, Jio Payments Bank(Reliance Industries Limited) Paytm Payments Bank and Vodafone M-Pesa Payments Bank. Cholamandalam Distribution Services, Sun Pharmaceuticals and Tech Mahindra have surrendered their licenses. Aditya Birla have discontinued their services from 26 July 2019.

1.6 CHALLENGES FOR PAYMENT BANKS

“payment banks will change the way people think, change the way they keep the money, where they keep their money, the way they pay,” past Finance Minister Arun Jaitley has predicted.

Certainly payment banks have the potential to play an important part in bringing untouched rural areas under the banking system. Of course they function on a rather smaller business scale compared with other banks and also do not have the mandate to extend loans. How things pan out will depend on how well payment banks meet the challenges that are now coming to the fore.

- A lot will depend upon the volume of business. However, customer acquisition is not going to be a cakewalk since even other normal banks are vying for the same lot. So, yes, the competition is getting tougher.
- Depending on volume also means that the model should focus on being cost-effective and technology-enabled. The customer acquisition and servicing cost structures of payments banks may not follow those of a traditional bank.
- The offering is very niche and does not cover the whole gamut of banking services. An account holder at a payment bank may still need to go to another full-service bank to meet some of their banking needs.



- The new KYC norms for payment banks are stringent – they have to now get their customers’ information verified by third parties. RBI had earlier accepted Aadhaar-based eKYC as a means for customer authentication at the time of opening accounts.
- The old norms also allowed KYC done for mobile connections to be extended to opening bank accounts. This allowed telecom operators with payment bank licenses to provide bank accounts to all of their existing customers with minimum effort and no extra cost. Payment banks may not have the same level of manpower to collect paperbased KYC as traditional banks.
- The maximum cap for holding one’s money in a payment bank needs to be enhanced to at least Rs 500,000 to enable traders and small businesses as well as salaried/self-employed individuals to utilize the banking services to the optimum.
- The deposit insurance cover, which is at present capped at Rs 100,000 per depositor, also needs to be suitably enhanced to provide additional insurance cover and enhance the credibility factor.

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ROLE OF POST OFFICES IN FINANCIAL INCLUSION

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Abstract

Post office saving banks is the largest savings institutions in the country. With a view to mobilising savings of people with relatively small income and circulating in them a spirit of thrift and savings, the central Government has endeavoured to make the national savings movement popular by offering high returns than those given by scheduled banks. At present the POSB provides a wide range of products and services including POSB ordinary deposit accounts, time deposit recurring deposit, Monthly income plan, and national saving certificates. This micro level study aims to assess the post office saving behaviour among Coimbatore. The study drew an empirical understood that the low / middle income families living in Coimbatore region prefer to save money in post office savings bank for the minor children. And sensible as parents they prefer to protect their children's future and save money to meet their future educational expenses or marriage expenses. Most of sample found to park their hand earned money in the recurring deposits, with a thrift of Rs.200 to Rs.400.

Keys Words: Post Office Saving Bank, Middle Income Savers, Thrift Saving.

1.1 INTRODUCTION

Financial inclusion is the availability of banking services at an affordable cost to disadvantaged and low-income groups. In India the basic concept of financial inclusion is having a saving or current account with any bank. In reality it includes loans, insurance services and much more. In advanced economies, Financial Inclusion is more about the knowledge of fair and transparent financial products and a focus on financial literacy. In emerging economies, it is a question of both access to financial products and knowledge about their fairness and transparency. Other than banking and other financial institution the Indian post which partially do banking activity under the ministry of finance is doing a commendable job towards providing easy financial services to the people throughout the country especially in the remote areas through its huge network.



The Indian post office offering a plethora of financial services throughout its all branches, this includes various post office savings schemes, postal life insurance, mutual fund, money remittance, forex services etc. As on March 31, 2011, there are nearly 25 crore postal savings bank account under various post office savings bank schemes. The Department of Posts has taken the responsibility to disburse the MGNREGA wages through Post Offices by opening savings bank accounts in the names of MGNREGA beneficiaries. Starting with Andhra Pradesh Postal Circle in 2005, the Scheme of disbursement of MGNREGA wages through Post Offices accounts is currently operational in the entire country excepting Delhi, Jammu & Kashmir and Tamil Nadu Postal Circles (Tamil Nadu and Pondicherry). The Department is also contributing to the efforts in financial inclusion by payment of benefits under various social security pension schemes viz. IGNOAPS (Indira Gandhi National Old Age Pension Scheme), IGWPS (Indira Gandhi National Disability Pension Scheme) and Indira Gandhi Matritva Sahyog Yojana (IGMSY Scheme), a Conditional Cash Transfer (CCT) Maternity Benefit Scheme. Such payments are being effected either through money orders or Post Office Saving Bank accounts.

1.2 STATEMENT OF THE PROBLEM

India post has been battling a number of challenges to establish its inclusion programs- shortage of trained staff, cost of implementation and a credit hungry rural India, with no lending programs as part of its roadmap, the post office has fallen behind in its customer acquisition to a number of rural regional banks. Apart from mail delivery, India post has been servicing India as a business logistics service provider and a trusted financial advisor. Its services range from basic financial services such as savings bank accounts, recurring and time deposit schemes as well as savings schemes for senior citizens other than that NSC. The Postal Savings System is a vehicle for promoting a more balanced economic development over a century among poor and lower-income people, with the advent of this the central Government introduced digital technology, to aim the India Post Payments Bank will strengthen the country's village system stronger.

1.3 SIGNIFICANCE OF THE STUDY

Small savings is an important and major source for financing the state plan and infrastructure development, The Directorate of Small Savings is mainly concerned with promotion of India post throughout Tamil Nadu state. The state Government implement the program through agents, Institutions and Local bodies. More over the Central Government has plans to use the digitalization exercise for data registration services via its postal network



to enhance digital reach and establish phase 2 of financial inclusion, it has set up a task force to leverage the postal network in India to enhance the role of India Post across the country to enhance financial inclusion services.

1.4 OBJECTIVES OF THE STUDY

The study focuses on the following objectives.

To examine the investors level of awareness and their preferences towards select post office savings schemes.

1.5 REVIEW OF LITERATURE

A few reviews on the study have been presented in the following part.

Juneja's (2017)¹ research paper provides an overview of steps taken by the India Post towards modernisation. The study commented that India Post is the unique and most appropriate organisation of Central Government for leveraging ICT for empowering Aam Aadmi. Post Offices equipped with ICT will not only play a crucial role in social and financial inclusion of rural masses throughout the country but also in National Integration and empowerment of Aam Aadmi. Progressive use of computers in post offices and their connected network on a single integrated platform presents an opportunity for India Post to take state services to village level and also to retail products and services of other service providers. Most of the technology led transformation plans fail because they lack focus on processes, people and resources. India Post has adopted a holistic approach to technology led transformation understanding the importance of reengineering process, skill development and enhancement and resource planning.

Patil and Chaudhari (2017)² study aimed to assess the Financial, Retail and Premium services by Indian Post. The result of the study found that services provided by Indian Post play an important role in financial, retail and premium services among all type individual income group.

Ramteke et al. (2016)³ research article made an attempt has been made to check the hypotheses whether the working population of Chhattisgarh Postal Circle have prefer the whole LifeRisk coverage or the survival maturity returns. The study found that the Whole Life Insurance (Suraksha) policy provide the risk coverage for the insurer throughout the life (or a option of 80 years) in minimal premium amount but due to the lacking of earlier returns or non-survival benefits the working people of Chhattisgarh Postal Circles were not took



more interests in this policy. The study concluded that the returns dominate the marketing of risk coverage in the working population of Chhattisgarh Postal Circle.

Gulam Mohamed and Shajahan (2016)⁴ study examined the motivational factors encouraging investors to prefer post office savings schemes in Tiruchirappalli district. The findings of the study stated that tax benefits can be extended for many schemes, need to adopt advertisement strategy in wider range and also to implement latest technology should be incorporated in post office to serve the public in an efficient manner, thereby reducing the transaction time. Thard and Barua (2016)⁵ research article made an attempt to identify the factors having impact on savings behaviour of an individual and to identify the factors influencing the investment behaviour of an individual. The study found that savings and investment behaviour is influenced by many factors such as income stability, age, marital status, religion, psychological factors, demographical factors, risk and return etc.

Divyesh Kumar (2015)⁶ paper examined the postal office practices adopted in the developed countries, emerging economies and underdeveloped countries. The findings of the study revealed that larger the postal network in the rural areas will be better in the financial inclusion possibility. The result of the study concluded that women empowerment is possible only with making them financially strong; as an initiative they should have an easy access to the post bank services because of coalescence of transaction cost and transport time deters the women to access the postal services.

From the above reviews it is clear that the nature of household saving behaviour is currently practiced in India. The studies also depicted that postal savings funds play a significant role in financing public debt and in a number of countries, the funds are intermediated through a variety of policy based financial institutions with developmental objectives, returning the funds to the direct benefits of the community of savers.

1.6 THEORETICAL REVIEW OF INDIAN POSTAL SAVING IMPORTANT SAVING PRODUCT OF INDIAN POST OFFICE

Some of the merits of post office saving schemes are:

Saving account scheme: Post office saving bank account (POSB) is the oldest and most popular postal saving instrument. Any individual can open a POSB A/C with a minimum balance of Rs-50/



- i. **Time deposit account:** Post office offers time deposit for one year, two year, three year and five year.
- ii. **Monthly Income Scheme:** under this scheme the severs make a lump-sum deposit, which gives him a monthly interest. The minimum deposit in case of single depositor is Rs 1000/ and in case of joint depositor it is Rs 1500/.
- iii. **National Savings Certificate:** This is a tax exempted certificate sold by post office with a minimum investment of Rs 100/ and having no maximum limit. Trust and HUF are not allowed to invest in NSC.
- iv. **Public provident fund scheme:** This is a tax advantage 15 years scheme with a minimum deposit of Rs 500/ in a financial year and a maximum of Rs 70,000/ per year. Withdrawal is allowed after expiry of five years from the date of initial deposit.
- v. **Postal Life Insurance:** besides above mention saving schemes the Indian post offering life insurance services since 1884. Initially the service was limited only to the employee of post & telegram department but due to its popularity the service was later on extended to the employees of some other departments and banks also. It was opened for all people in the year 1995.
- vi. **Rural Postal Life Insurance:** To extend the life insurance service to the rural public the post office extended the service to rural areas in 1995. The prime objective of the scheme is to provide insurance cover to the rural public in general and to benefit weaker sections and women workers of rural areas in particular and also to spread insurance awareness among the rural population.

Post office, Commercial Banks and Financial Inclusion in India a Critical Look

Despite taking various initiative from the part of government, RBI and commercial banks the banking sector in India has so far not been able to provide complete coverage in the country especially in the rural areas. There are 171 commercial banks in the country. Out of the 93,080 Commercial Banks' branches only 36.10per cent are in rural areas and 24.76per cent in semi-urban areas. All India average population served by per branch is 13,503. On the other hand, out of 1.55 lakhs Post offices, 89.8per cent i.e. 1.39 lakhs are in rural areas covering an population of 5,682 per Post office in rural areas and 20,346 in urban areas, on an average 7,176 people are served by one post office as on March 2011. On an average, a post office serves an area of 21.23 sq. k.m. Further, only 5per cent of 6 lakhs villages have bank branches. Two hundred ninety six (296) districts in states are under banked, i.e. they have below-par banking services.



The Indian post office offering a plethora of financial services throughout its all branches. This includes various post office savings schemes, postal life insurance, mutual fund, money remittance, forex services etc. As on March 31, 2011, there are nearly 25 crore postal savings bank account under various post office savings bank schemes. The Department of Posts has taken the responsibility to disburse the MGNREGA wages through Post Offices by opening savings bank accounts in the names of MGNREGA beneficiaries. Starting with Andhra Pradesh Postal Circle in 2005, the Scheme of disbursement of MGNREGA wages through Post Offices accounts is currently operational in the entire country excepting Delhi, Jammu & Kashmir and Tamil Nadu Postal Circles (Tamil Nadu and Puducherry). The Department is also contributing to the efforts in financial inclusion by payment of benefits under various social security pension schemes viz. IGNOAPS (Indira Gandhi National Old Age Pension Scheme), IGWPS (Indira Gandhi National Disability Pension Scheme) and Indira Gandhi Matritva Sahyog Yojana (IGMSY Scheme), a Conditional Cash Transfer (CCT) Maternity Benefit Scheme. Such payments are being effected either through money orders or Post Office Saving Bank accounts.

The Government's financial inclusion plan aims to provide banking services to 73,000 villages each having a population of 2000. This could be effectively and adequately provided by the PBI operating through postal network and thereby help to spread the savings habit. In this regard setting up of a Postal Bank will assist the Government in its plan for financial inclusion besides mobilizing deposits, especially in the under-served rural and semi-urban areas of the country.

1.7 FUTURE OF POST OFFICE SAVING IN INDIA

The expert committee on Harnessing the India Post Network for Financial Inclusion is of the opinion that "succeeding with universal access to financial services will require a considerable role for post offices. In parallel, and as some traditional functions of the postal network are being supplanted by new technologies such as email, India Post is also in the process of carving out a larger role for itself. Therefore, there is a remarkable coincidence of needs between the twin problems of (a) charting the future for India Post, and (b) resolving India's challenges of financial inclusion". In terms of number of branches and customer the Post Office Savings Bank is already the largest bank in the country. There is no doubt of the fact that the Indian Post can lead the way in financial inclusion with its given network and



reach. It can increase its importance and profit provided it can bring together all the stakeholders in to a single platform, bring the necessary reforms, adopt the innovation and take some policy appropriate with the situation. The Indian post has already adopt certain reform measures for innovation and technological up gradation. Government had approved IT modernization project for computerization of all the non-computerized post offices, establishment of required IT infrastructure and development of software. A pilot project on core banking solution and Information and Communication Technology (ICT) is going on in six circles. The project is supposed to be completed by 2014. Indian post also takes decision to establish 1000 ATMs throughout the country. I strongly believe if Indian post can make coordination with other stakeholders, infuse necessary human resource with proper training and technology, bring innovation and other appropriate measures the Indian post can reap the benefits of its huge network, extensive outreach and lower cost and at the same time it will able to contribute towards the national objective of financial inclusion. Establishment of Post Bank of India may be another strong decision to associate Indian post in financial inclusion. Indian post has already applied to the RBI for a banking license; if the license is given it will be a great achievement for Indian post which will enable post offices to perform full banking activities. Indian post can give a new dimension to the process of financial inclusion and can reach an extra mileage in the field of financial inclusion. Indian post can start the journey where Indian banking system stops.

1.8 POST OFFICE SAVING BANK OF INDIA

The post office saving Bank (POSB) of India is an institutions steeped in history. The POSB originated in the government saving bank Act of 1873 with the mandate of providing facilities for the general population to invest their saving. It opened its first branch on 1 April 1882, and by the end of 1883 the POSB was showing significant growth, registering 4,066 branches, 39,129 account, and deposits totaling Rs.2, 796,796. At that time the POSB was then open for transactions on all weekdays between 12 noon and 4P.M; however, a depositor could withdraw money only once a week. The rate of interest was 3.75 percent, subject to no higher monthly interest than Rs.9.6 being allowed on any account. By 1886 the success of the POSB had convinced the government to amalgamate the District treasuries bank with the post office saving banks. From that point on the post office savings banks really began to come into their own.

The POSB today has a country wide network of more than 154,551 post offices, of these, as many as 137,847 are located in rural areas of the country. The network is not only



extensive, but also user- friendly and accessible to the general population. Currently it is the largest mobilizers of individual savings in the country. The fun fragmental role of the POSB is to encourage the habit of thrift and to provide all of India's people with facilities in which they can deposit their savings, no matter what the size. In a larger context, the POSB is also being views as a way to mobilize resources for financing the development programs of the government.

1.9 ORGANIZATION OF THE POSB

The POSB today is an agency function of India post operated on behalf of the Ministry of finance. All the savings mobilized by the POSB are credited to the public account controlled by the ministry finance. India post is remunerated on the basic of a fixed yearly rate based on the average number of transaction taking place per account and is adjusted periodically when the total number of transaction has changed.

The POSB is an important component of India post, and its organizational structure reflects both its units of command as well as its functional autonomy. The director general of India post is the chief executive of the POSB. However, POSB headquarters is under the control of the member of the postal services board is composed of a group headed by the deputy director general and assisted by the director who is responsible for saving bank operation is the country.

At the operational level India post territorial jurisdiction encompasses all post office functions, including savings banks; however, each head office has a staff dedicated to exclusively servicing POSB customers. This arrangement is also in place at most of the sub-post officers. Auditing and accounting functions however are carried out by specialised savings banks units, which consolidate accounts and cross check the veracity of each and every transaction.

1.10 PLACEMENT OF MOBILISED

As the POSB is an agency of the ministry of finance, all deposit are credited to the national exchequer. Currently, 100 present of these are used for long- term loans (twenty-five years) to the state government in proportion to funds collected within their respective jurisdictions. Prior to 1 April 2002, the union government utilised 20 present of the funds for budgetary purpose. The state governments are expected to utilize the loans for development purpose and pay interest at the rate of 12.5 present to the national exchequer of these loans.



Proposals are now being considered to make these loans market oriented under the proposed system, rather than offering equivalent long- term loans, the saving mobilized by the POSB in the concerned d states would be earmarked for the purchase of state securities. This change is expected to induce greater financial discipline among the states and at the same time prove benefits to the POSB in the long run as the new plan is designed to align the asset management of the POSB to the market.

1.11 THE SCALE AND SCOPE OF THE POSB

The POSB network of 154,149 branches is justified by the size of its clientele and business. The POSB had nearly 110 million account – holders and total deposit were over Rs. 1.8 trillion in 1999-2000. The average yearly collections of the POSB are Rs. 700 billion feature of the different savings plans so that the change of error is reduced.

Online help is integrated with the program to assist the post office staff in using the software. The software integrates front and back office operations so that ledger agreements, balance sheet, and other accounting requirement are accurately maintained without any time lag. Customer- specific information can be retrieved easily. Post office having bank control and audit offices have been computerized to enable more effective monitoring of these operations. The net result of the introduction of new technology has been the streamlining of account transaction and verification procedures. The previous system of multiple cross checks and benches that dominated manual transactions has been replaced by automatic online verification processes which has considerably aided the work of the internal; audit department.

India post is currently in the process of established a dedicated VSAT the first phase of its fourteen thousand urban post office. It is expected that in the near future the VAST network , could with computerization of post office saving bank services, will facilities the introduction of online banking and other new services to customers. The VAST network is also Bering used to transmit money order among more than 687 post offers throughout India.

The POSB has introduced on a pilot basis a smart card that contains an encrypted electronic computer chip. The smart card functions as a passbook, permitting tractions to be considered from multiples post office. As the modernization process gathers momentum, India post office plans to increase new facilities for its customers.



1.12 MARKETING PRODUCTS AND SERVICES

In order to maintain steady collection, POSB products and services are marketed using diverse strategies at different levels. Overall, the national savings organization under the ministry of finance is responsible for promoting POSB business, and it does so using both electric as well as print media particulars attention is being paid to target group such as women and workers. At the, state level Government and are responsible for marketing postal saving products. These organizations function under the guidance of state level advisor boards, which have both official as well as n on official members. At present the POSB provides a wide range of products and services including POSB ordinary deposit accounts, time deposit recurring deposit, Monthly income plan, and national saving certificates. Some of these product and services target the requirement of specific group such as women farmers, and senior citizens. The POSB also disburses pensions to Government employees as well as to the indigent aged under the social security's programs of the government recent agreement with the employee provident fund organization provides for disbursement of pensions through twenty –six thousand post offices. Under this service agreement the monthly pension is credited to the beneficiary post office saving banks account. The post office received a present transaction remuneration which is a percentage of the total amount handled.

TABLE 1.1 TOTAL VALUE OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	264456655	100	405712.77	100
2012	287431078	109	396664.37	98
2013	312070823	118	410082.56	101
2014	349136167	132	433188.10	107
2015	399319009	151	448875.38	111
2016	400054521	151	486264.66	120
2017	356714046	135	539275.51	133
2018	371240229	140	597294.84	147
Mean	342552816.00		464669.77	
SD	50231270.31		71656.67	
CV (%)	14.66		15.42	
GCR	65.95		5.92	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018



Table: 3.2 exhibits total value of post office saving schemes at the beginning of the year 2011 it is registered that number of accounts 264456655 with the index of 100 and it shows a positive growth of the following years and it increased to 371240229 with the index value of 140 by the end of the 2018. It also registered the CV 14.66 per cent and 65.95 GCR value. It is found that in the year 2011 the outstanding balance had ` .405712.77 crores with the index value of 100 and it had gradually increased in the following years by ` .597294.84 crores in the year 2018 and the highest index value of 147 with the 15.42 per cent of the CV and 5.92 GCR value.

TABLE 1.2 SAVING ACCOUNTS OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	96476627	100	30099.83	100
2012	115825520	120	34068.42	113
2013	125323400	130	37792.78	126
2014	133501670	138	42959.01	143
2015	165968186	172	46847.59	156
2016	163030431	169	55082.35	183
2017	186200705	193	85168.93	283
2018	99451789	103	86304.98	287
Mean	121623408.50		52290.49	
SD	54838384.88		22029.61	
CV (%)	45.09		42.13	
GCR	5.48		6.94	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is revealed from the above table: 3.2 saving account of post office saving schemes at the beginning of the year 2011 it is registered that number of accounts 96476627 holders with the index of 100 and it shows a positive growth of the following years and it increased to 99451789 account holders with the index value of 103 by the end of the 2018. It also



registered the CV 45.09 per cent and 5.48 GCR value. It is found that in the year 2011 the outstanding balance had `30099.83 crores with the index value of 100 and it had gradually increased in the following years by `86304.98 crores in the year 2018 and the highest index value of 287 with the 42.13 per cent of the CV and 6.94 GCR value.

TABLE 1.3 RECURRING DEPOSIT OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	84305060	100	61251.42	100
2012	85921440	102	62662.47	102
2013	93898145	111	67964.08	111
2014	110599553	131	74150.81	121
2015	122938104	146	74515.26	122
2016	122189563	145	76181.88	124
2017	122703759	146	84455.58	138
2018	121403354	144	92322.97	151
Mean	107994872.25		74188.06	
SD	17216577.77		10537.79	
CV (%)	15.94		14.20	
GCR	6.41		5.68	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

The recurring deposit of post office saving schemes in all pertaining to the first year 2011 had registered as number of accounts 84305060 with the index of 100 and it shows a positive growth of the following years and it increased to 121403354 with the index value of 144 by the end of the 2018. It also registered the CV 15.94 per cent and 6.41 GCR value. It is found that in the year 2011 the outstanding balance had ` 61251.42 crores with the index value of 100 and it had gradually increased in the following years by ` 92322.97 crores and the highest index value of 151 in the year 2018 with the 14.20 per cent of the CV and 5.68 GCR value.



TABLE 1.4 TIME DEPOSIT ACCOUNT OF POST OFFICE SAVING CHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	9355825	100	28443.62	100
2012	9424638	101	27389.37	96
2013	11199050	120	33007.20	116
2014	14246320	152	40712.21	143
2015	16238903	174	51755.12	182
2016	16749513	179	70632.28	248
2017	16669195	178	79655.46	280
2018	18742881	200	99289.07	349
Mean	14078290.63		53860.54	
SD	3636153.55		26644.05	
CV (%)	25.83		49.47	
GCR	9.64		8.59	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

From the detailed analysis it has been inferred that time deposit account of post office saving schemes in the year 2011 the time deposit account of post office saving schemes had registered as number of accounts 9355825 with the index of 100 and it shows a positive growth of the following years and it increased to 18742881 with the index value of 200 by the end of the 2018. It also registered the CV 25.83 per cent and 9.64 GCR value. It is found that in the year 2011 the outstanding balance had `28443.62 crores with the index value of 100 and it had gradually increased in the following years by `99289.07 crores and the highest index value of 349 in the year 2018 with the 49.47 per cent of the CV and 8.59 GCR value.



TABLE 1.5 MONTHLY INCOME SCHEME OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	26936680	100	218672.67	100
2012	24260438	90	205286.61	94
2013	22886520	85	201785.52	92
2014	22017179	82	202083.60	92
2015	21073808	78	200555.35	92
2016	19543130	73	193805.89	89
2017	16680673	62	180063.61	82
2018	15376218	57	81688.06	37
Mean	21096830.75		185492.66	
SD	3832281.20		43316.60	
CV (%)	18.17		23.35	
GCR	-200.92		-201.19	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is informed that the monthly income scheme of post office saving schemes stated that the number of accounts in the year 2011 had 26936680 with the 100 index number and it suddenly decreased to 15376218 with the index of 57 and also had CV 18.17 per cent and negative GCR value -200.92. The outstanding balance had `218672.67 crores with the index value of 100 in the year 2011 and it showed the decreasing growth in the `81688.06 crores with the 37 index value in the year 2018 with the CV 23.35 per cent and negative GCR value -201.19.



TABLE 1.6 NATIONAL SAVINGS SCHEME OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	400163	100	4711.15	100
2012	373471	93	4467.96	95
2013	348636	87	4292.24	91
2014	331869	83	4149.48	88
2015	320174	80	3924.30	83
2016	305001	76	3621.37	77
2017	285125	71	3257.06	69
2018	272867	68	3098.74	66
Mean	329663.25		3940.29	
SD	43362.11		575.36	
CV (%)	13.15		14.60	
GCR	-200.65		-200.79	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is observed that the national savings scheme of post office saving schemes had registered number of accounts in the year 2011 had 400163 with the 100 index number and it decreased to 272867 with the index of 68 and also had CV 13.15 per cent and negative GCR value -200.65. The outstanding balance had `4711.15 crores with the index value of 100 in the year 2011 and it showed the decreasing growth in the `3098.74 crores with the 66 index value in the year 2018 with the CV 14.60 per cent and negative GCR value -200.79.



TABLE 1.7 PUBLIC PROVIDENT FUND OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	2278182	100	31581.99	100
2012	2345861	103	35991.56	114
2013	2374661	104	41120.22	130
2014	2411817	106	46607.65	148
2015	2424984	106	52747.56	167
2016	2456944	108	57603.50	182
2017	2465767	108	63361.91	201
2018	2530301	111	69985.60	222
Mean	2411064.63		49875.00	
SD	78142.20		13464.35	
CV (%)	3.24		27.00	
GCR	1.39		1.94	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is cleared that in the year 2011 had registered 2278182 number of accounts as a public provident fund of post office saving schemes with the 100 index number and sharply increased from the following years to 2530301 in the year 2018 with the 111 index number and also had CV 3.24 per cent and GCR value 1.39. The outstanding balance had `31581.99 crores with the index value of 100 in the year 2011 and it showed the increasing growth in the `69985.60 crores with the 222 index value in the year 2018 with the CV 27 per cent and GCR value 1.94.



TABLE 1.8 SENIOR CITIZENS SAVING SCHEMES OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	1405048	100	30912.42	100
2012	1217620	87	26762.99	87
2013	1085831	77	24092.82	78
2014	1067752	76	22491.36	73
2015	954177	68	17974.64	58
2016	1036568	74	22876.07	74
2017	1123387	80	29453.39	95
2018	1420143	101	41717.69	135
Mean	1163815.75		27035.17	
SD	170661.03		7223.24	
CV (%)	14.66		26.72	
GCR	-200.39		2.56	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

The above table summarised the senior citizens saving schemes of post office saving schemes had registered in the year 2011 1405048 number of accounts with the index value of 100 and suddenly decreased from the following years and it rose to 1420143 in the year 2018 with the 101 index number and also had CV 14.66 per cent and negative GCR value -200.39. The outstanding balance had `30912.42 crores with the index value of 100 in the year 2011 and it showed the decreasing growth and it suddenly increased as `41717.69 crores with the 135 index value in the year 2018 CV 26.72 per cent and GCR value 2.56.



TABLE 1.9 CUMULATIVE TIME DEPOSIT OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	296244	100	14.82	100
2012	314882	106	67.15	453
2013	305411	103	0.24	2
2014	269446	91	6.69	45
2015	181634	61	6.69	45
2016	177867	60	8.27	56
2017	208302	70	8.14	55
2018	202034	68	-38.38	-259
Mean	244477.50		9.20	
SD	57902.95		28.66	
CV (%)	23.68		311.40	
GCR	-201.05		-	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

Table: 3.10 exhibited that in the year 2011 cumulative time deposit of post office saving schemes had 296244 number of accounts with the index value of 100 and it increased from the following years and it suddenly decreased to 202034 in the year 2018 with the 68 index number and also had CV 23.68 per cent and negative GCR value -201.05. The outstanding balance had `14.82 crores with the index value of 100 in the year 2011 and it showed the increased growth and it suddenly decreased in the year 2018 and attain negative value of `.-38.38 crores with the -259 index value and it had CV 311.40 per cent.



TABLE 1.10 FIXED DEPOSIT OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	14010	100	20.80	100
2012	21000	150	24.18	116
2013	7899	56	24.20	116
2014	516	4	24.20	116
2015	516	4	24.20	116
2016	681	5	24.19	116
2017	388	3	24.24	117
2018	402	3	19.76	95
Mean	5676.50		23.22	
SD	7957.04		1.84	
CV (%)	140.18		7.91	
GCR	-208.48		-200.26	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

The above tabulated data inferred that in the year 2011 the number of accounts as a fixed deposit of post office saving schemes was registered 14010 with 100 index value and it suddenly decreased to 402 number of accounts the year 2018 with the 3 index number and also had CV 140.18 per cent and negative GCR value -208.48. The outstanding balance had `20.80 crores with the index value of 100 in the year 2011 and it showed the increased growth and it suddenly decreased in the year 2018 and registered `19.76 crores with the 95 index value and CV 7.91 per cent and CGR value of -200.26.



TABLE 1.11 POST OFFICE SAVING SCHEMES FOR MGNREGA WORKERS

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	38039181	100	-	-
2012	43978080	116	-	-
2013	5169559	14	0.00	-
2014	62689394	165	0.00	-
2015	64884602	171	0.00	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
Mean	42952163.20		-	
SD	24100338.33		-	
CV (%)	56.11		-	
GCR	-		-	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is identified the post office saving schemes for MGNREGA workers had 38039181 number of accounts with the index value of 100 and it sharply rose in the following years and it had registered 64884602 number of accounts with the 171 index value in the year 2015 it had 56.11 per cent as a CV.



TABLE 1.12 MSY ACCOUNTS OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	4949635	100	405.70	100
2012	3748128	76	40.57	10
2013	2945668	60	3.26	1
2014	2000651	40	3.10	1
2015	1847916	37	2.98	1
2016	1810521	37	2.92	1
2017	457608	9	2.90	1
2018	141295	3	1.51	0
Mean	2237677.75		57.87	
SD	1607635.80		141.17	
CV (%)	71.84		243.95	
GCR	-205.80		-208.65	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is inferred that in the year 2011 as MSY accounts of post office saving schemes was registered 4949635 with 100 index value and it suddenly decreased to 141295 number of accounts with the 3 index number the year 2018 and also had CV 71.84 per cent and negative GCR value -205.80. The outstanding balance had `405.70 crores with the index value of 100 in the year 2011 and it showed the decreased growth in the year 2018 and registered `1.51 crores with the 0 index value and CV 243.95 per cent and CGR value of -208.65.



TABLE 1.13 SUKANYA SAMRIDHI ACCOUNTS OF POST OFFICE SAVING SCHEMES

Year	Number of Accounts (Values in Numbers)		Outstanding Balance (Values in Rs. Crores)	
	Value	Index	Value	Index
2011	-	-	0.00	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	2486005	100	521.69	100
2016	7968318	321	6425.94	1232
2017	9919137	399	13824.29	2650
2018	11698945	471	22904.84	4391
Mean	8018101.25		10919.19	
SD	3990368.19		9667.69	
CV (%)	49.77		88.54	
GCR	-		-	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

The above table narrates the sukanyasamridhi accounts of post office saving schemes had registered in the year 2015 as 2486005 number of accounts with the index value of 100 and it gradually increased in the following years as 11698945 with the highest index value of 471 and it had CV as 49.77 per cent. The outstanding balance had `521.69 crores with the index value of 100 in the year 2015 and it showed the highest increased growth in the year 2018 and registered `22904.84 crores with the 4391 index value and CV 88.54 per cent.



TABLE 1.14 NUMBER OF ACCOUNTS OF POST OFFICE SAVING SCHEMES

(Values in Per cent)

Year	SA	RD	TA	MIS	NSSA	PPF	SCSS	CTD	FD	MGNREGA	MSY	SUSA
2011	36.48	31.88	3.54	10.19	0.15	0.86	0.53	0.11	0.01	14.38	1.87	-
2012	40.30	29.89	3.28	8.44	0.13	0.82	0.42	0.11	0.01	15.30	1.30	-
2013	40.16	30.09	3.59	7.33	0.11	0.76	0.35	0.10	0.00	1.66	0.94	-
2014	38.24	31.68	4.08	6.31	0.10	0.69	0.31	0.08	0.00	17.96	0.57	-
2015	41.56	30.79	4.07	5.28	0.08	0.61	0.24	0.05	0.00	16.25	0.46	0.62
2016	40.75	30.54	4.19	4.89	0.08	0.61	0.26	0.04	0.00	-	0.45	1.99
2017	52.20	34.40	4.67	4.68	0.08	0.69	0.31	0.06	0.00	-	0.13	2.78
2018	26.79	32.70	5.05	4.14	0.07	0.68	0.38	0.05	0.00	-	0.04	3.15

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

The above tabulated data inferred that in the year 2011 was registered the number of accounts in SA as 36.48 per cent and it is decreased by 26.79 per cent in the year 2018. Followed by, RD had 31.88 per cent in the year 2011 and it had positive arrival and reached up to 32.70 per cent at the end of the year 2018. Similarly, TA was 3.54 per cent in the year 2011 and in the year 2018 it had sharply increased by 5.05 per cent. Further, it is inferred that MIS in the year 2011 had 10.19 per cent and it is decreased from the following years and it reached up to 4.14 per cent in the year 2018. The NSSA had attained 0.15 per cent in the year 2011 and it attain to 0.07 per cent in the year 2018. The PPF 0.86 per cent in the beginning of the year 2011 and it has been decreased in to 0.68 per cent in the year 2018. The SCSS had registered 0.53 per cent in the year 2011 and it is recorded as 0.38 per cent at the end of the year 2018. The CTD had 0.11 in the beginning of the year 2011 and it reached up to 0.05 per cent in the year 2018. Similarly, FD accounts had 0.01 per cent in the year 2011. The MGNREA had registered 14.38 per cent in the year 2011 and it rose to 16.25 per cent in the year 2015. It is found that MSY had 1.87 per cent in the year 2011 and decreased in the following years and reached to 0.04 per cent by the end of the year 2018. Moreover, SUSA had 0.62 per cent in the year 2015 and reached to 3.15 per cent in the year 2018.



TABLE 1.15 OUTSTANDING BALANCE OF POST OFFICE SAVING SCHEMES

(Values in Per cent)

Year	SA	RD	TA	MIS	NSSA	PPF	SCSS	CTD	FD	MGNREGA	MSY	SUSA
2011	7.42	15.10	7.01	53.90	1.16	7.78	7.62	0.00	0.01	-	0.10	0.00
2012	8.59	15.80	6.90	51.75	1.13	9.07	6.75	0.02	0.01	-	0.01	-
2013	9.22	16.57	8.05	49.21	1.05	10.03	5.88	0.00	0.01	0.00	0.00	-
2014	9.92	17.12	9.40	46.65	0.96	10.76	5.19	0.00	0.01	0.00	0.00	-
2015	10.44	16.60	11.53	44.68	0.87	11.75	4.00	0.00	0.01	0.00	0.00	0.12
2016	11.33	15.67	14.53	39.86	0.74	11.85	4.70	0.00	0.00	-	0.00	1.32
2017	15.79	15.66	14.77	33.39	0.60	11.75	5.46	0.00	0.00	-	0.00	2.56
2018	14.45	15.46	16.62	13.68	0.52	11.72	6.98	-0.01	0.00	-	0.00	3.83

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is identified that in the year 2011 was registered the number of accounts in SA as 7.42 per cent and it is increased by 14.45 per cent in the year 2018. Followed by, RD had 15.10 per cent in the year 2011 and it had positive arrival and reached up to 15.46 per cent at the end of the year 2018. Similarly, TA was 7.01 per cent in the year 2011 and in the year 2018 it had sharply increased by 16.62 per cent. Further, it is inferred that MIS in the year 2011 had 53.90 per cent and it is decreased from the following years and it reached up to 13.68 per cent in the year 2018. The NSSA had attained 1.16 per cent in the year 2011 and it attain to 0.52 per cent in the year 2018. The PPF 7.78 per cent in the beginning of the year 2011 and it has been increased as 11.72 per cent in the year 2018. The SCSS had registered 7.62 per cent in the year 2011 and it is recorded as 6.98 per cent at the end of the year 2018. The CTD had 0.02 per cent in the year 2012 and it reached up to -0.01 per cent in the year 2018. Similarly, FD accounts had 0.01 per cent in the year 2011. It is found that MSY had 0.10 per cent in the year 2011 and decreased in the following years and reached to 0.00 per cent by the end of the year 2018. Moreover, SUSA had 0.12 per cent in the year 2015 and reached to 3.83 per cent in the year 2018.



TABLE 1.16 MARKET SIZE OF POST OFFICE SAVING SCHEMES

Year	Outstanding Balance (Values in Rs. Crores)							
	NSC VIII		KVP		Total		Grand Total	
	Value	Index	Value	Index	Value	Index	Value	Index
2011	54642.44	100	158587.81	100	213230.25	100	618943.03	100
2012	55069.36	101	153963.68	97	209033.05	98	605697.42	98
2013	64708.96	118	128378.43	81	193087.40	91	603169.96	97
2014	75075.89	137	106757.58	67	181833.47	85	615021.56	99
2015	85597.59	157	84844.47	53	170442.06	80	619317.44	100
2016	88128.35	161	64861.05	41	152989.40	72	639254.06	103
2017	87228.37	160	53574.82	34	140803.19	66	680078.70	110
2018	87165.57	160	37983.29	24	125148.86	59	722443.70	117
Mean	74702.07		98618.89		173320.96		637990.73	
SD	14633.91		45741.75		31917.07		42087.89	
CV (%)	19.59		46.38		18.42		6.60	
GCR	1.62		-202.71		-200.92		0.46	

Source: Annual Report, Department of Posts Ministry of Communications Government of India 2011-2018

It is revealed from the Table: 3.16 the market size of post office saving schemes both in the NSC VIII and KVP in beginning of the year 2011 had ₹.618943.03 crores of outstanding balance with the 100 index value and it has positive arrival of growth and reached to ₹.722443.70 crores with the 117 index value by the end of the year 2018. It had 6.60 per cent of CV and 0.46 GCR value.

1.13 PROBLEMS AND CHALLENGES

There is no doubt of the fact that Indian post is playing a very important role in financial inclusion but it can play a much better role if it can overcome from the following problems:

- i. **Lack of Basic Infrastructure:** The post offices in India, especially post offices in rural areas which playing an important role in providing financial services in rural



areas are not equipped with basic infrastructure. In most of the post offices even proper sitting arrangement for staff is not available.

- ii. **Less Numbers of Staff:** There is a crunch of manpower in the post offices. It is observed that most of the post offices are run by one or two persons and need to do all sorts of work which has a very adverse effect on performance and output.
- iii. **Lack of Coordination:** There are many examples in the foreign countries where post offices are doing tremendous work for financial inclusion in coordination with other departments. But, till today Indian post keep itself away from other sister Organisation or other Organisation also not seeking coordination of Indian post in providing financial services.
- iv. **Slow Progress of Innovation:** To cope with the fast changing environment Indian post also need to be catching the new invention and technology timely. The Indian post still following the age old practices of working, though it bringing some innovation recently but in a very slow speeds. Out of total post offices only 25464 post offices are computerized till 2011-12.
- v. **Abstain from Landing:** Providing loan is one of the major aspects of financial inclusion but Indian post is not till today taking it as a part of its business which has narrowed down its operation⁷.

CONCLUSION:

From the above presented discussion, it has been understood that the low / middle income families living in Coimbatore region prefer to save money in post office savings bank for the minor children. And sensible as parents they prefer to protect their children's future and save money to meet their future educational expenses or marriage expenses. Most of sample found to park their hand earned money in the recurring deposits, with a thrift of Rs. 200 to Rs. 400. Finally it is found that the investors prefer to get the maturity for further investments more over they are satisfied with safety, liquidity and ease of operations when compared to banks.



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