ISSN No : 0975-2501

NSHM Journal

OF MANAGEMENT RESEARCH AND APPLICATIONS

Volume 8
Number 3A-B, 2020
Bi-annual Peer Reviewed Journal

Business Research and Information Centre, NSHM Business School, Kolkata

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NJMRA Volume 8, Number 3A-B, 2020

Bi-annual Peer Reviewed Journal

ISSN No : 0975-2501

NSHM Business School

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Contents

Impact of Demonetization on Indian Stock Market: With Special Reference to Sectoral Indices in National Stock Exchange

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Abstract
Demonetization is a drastic interference into the economy that covers removing the legal tender status of a currency. Demonetization acts as a tool to stabilize a currency and inflation in order to facilitate trading activities and access to markets and to transform informal economic activity into more transparency and away from black and gray markets.Stock market is one of the major indicators of the growth of the economy in India. The purpose of the study is to analyse the impact of demonetisation on Indianstock marketwith specialreference to sectoral indices in NationalStock Exchange (NSE) of India. The historical data was collected from 6 different sectors such as Information Technology, Real Estate, Auto mobiles, FMCG, Pharma and Banking sectors. The data collected from 1 February 2016 to 31 July2019 was analysed to test whether there is a significant difference in average prices before and after demonetisation.OLS regression analysis was applied for meaning full conclusion.

INTRODUCTION

The Indian government implemented a major revolution in the economic environment by demonetizing the high value currency notes of Rs 500 and Rs 1000 from the midnight 8th of November 2016. This change involved withdrawing circulation of said currency and gradually replacing them with a new set of currency notes. The main intention of demonetization of the currency is to stop faking of the banknotes used for terrorist activities and crack down the black money circulation in the country. In compare to 1978 demonetization the present 2016 demonetization made larger impact on day to day life of a common man and the present 2016 demonetization was announced for interest of the larger section of the society. Although demonetization holds huge potential benefits in the medium to long-term, given the scale of operation, it was expected to cause transient disruption in economic activity. The immediate impact of removing so much money from circulation is will impact on several sectors that are driven by the black economy like real estate, construction etc.Around 97% of demonetized amount has been deposited into banks i.e. Rs14.97 trillion ($220 billion) out of Rs15.4 trillion as on Dec 30, 2016. The government claimed that the action would "curtail the shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism."

As a combined effect of demonetization and US presidential election, the stock market indices dropped to an around six-month low in the week following the announcement. The day after the demonetization announcement, BSE SENSEX crashed nearly 1,689 points and NIFTY 50 plunged by over 541 points. By the end of the intraday trading section on 15 November 2016, the BSE SENSEX index was lower by 565 points and the NIFTY 50 index was below 8100 intraday.The present study is aimed at understanding the impact of demonetization on the sectoral indices of the National Stock Exchange (NSE).

Review of Literature

Swati Chauban and Nikhil Kaushik (2017) conducted a study titled that "Impact of Demonetization on Stock Market:Event Study Methodology". The objective of this study is to analyze the impact of demonetization on Indian Stock market. This study is applied Event Study Methodology in order to analyze the stock of S&P BSE 100 companies. The result reveals that the comparison of both pre and post-event window and found that there is no significant impact of demonetization on the stock market.

Sandhya Darshan Dash and Priyabrat Bagha (2017) conducted study on "Impact of Demonetization on Stock Price Movements in Banking Sector of India." The main purpose of this study was to decide the effect of the same on the stock value developments of top banks in India. The study considered the Indian lists, Sensex, Nifty and Bankex and investigate whether driving Indian PSU bank stocks demonstrate any arbitrary value developments or taking after patterns. The study period covered for 4 months beginning from October 2016 to January 2017. Run test was applied to check the irregularity of value developments. The result reveals that BANKEX has showed huge effect, the individual bank securities are portraying such abnormal state of haphazardness.

Another study titled, "Demonetization and its Impact on Indian Economy." was conducted by Sutinder Singh (2017). The objective of this study was to analyze the impact of demonetization on different sectors of economy and to analyze the future impact of demonetization on Indian Economy. The study reveals that GDP of country slightly decreased as compare with the previous year. The impact was focused to be negative on various sectors of the economy. The aimed that majority of the negative effect were short run effects.

Divya and Sharon Sophia (2017) conducted a study titled "Impact of Demonetization on Stock Market Return (A Study on Top Ten Software Companies)." The study focused on demonetization and its effect on stock price of top ten software companies in India for a period of three months. The study also captured the sentiments of the top ten software companies and the investors during the period of demonetization. The study followed time-series technique to ascertain the relationship between index and share price of the top ten software companies in India. The study concluded that the market was very volatile in the initial stage of announcement of demonetization. The IT industry wrapped up quickly with required measures and started to boom-up. From the analysis it can be seen that some IT companies are still lagging in progress and minor improvement when compared to their previous day returns, showing that impact of demonetization of IT sector is not significantly affected.

Partap singh and Virender Singh (2016) conducted a study on the titled "Impact of Demonetization on Indian Economy." The main purpose of this study is to know the impact of demonetization in various countries in past years, to analyze the current the immediate impact of demonetization on Indian economy and to work out the probable consequences of the demonetization. Graph and percentile method has been used to analyze the data. The study experiences from different countries shows that the move was one of the series that failed to fix a debt-burdened and inflation-ridden economy and investigates short term and long term implementation from the demonetization on various sectors of Indian economy.

Gautami (2017) conducted a study titled that "Impact of Demonetization on Stock Market in India." The objectives of the study are to identify risk and returns involved in Nifty index fund, to evaluateand analyse the performance of SBI Nifty index fund and benchmark (Nifty 50 index) during pre-demonetization and postdemonetization. The study reveals that the SBI Nifty Index fund is having high risk and so investors were cautioned about investing to earn high returns.

Prashant Sharma and Anjali Pandey (2017) conducted a study on "The Demonetization and the Reaction of Stock Market Returns: The Pre & Post Study of BSE Index." The study analyzes the impact of demonetization on stock market returns in Indian context. The impact is measured in terms of daily returns over the very short term, medium term and long term in pre and post period. The result showed insignificant impact of the announcement of demonetization on stock market returns during the study period. Thus, the authors opinioned that demonetization causes positive response on stock market.

Another study titled "Demonetization in India: An Impact Assessment" was conducted by Ashwani and Geethanjali Nataraj (2018). The objectives of the study were to investigate the impact of demonetization on macroeconomic factor. A descriptive analysis was carried out in the study and the result highlights a mixed response about the assessment. The study concluded that the overall the effects of demonetization on the economy can be said to be neutral.

Sunil and Smitha V Shenoy(2017) conducted a study titled that "Impact of Demonetization on Stocks of Selected Sectors – An Event Study." The objective of this study is to measure the returns of the selected stocks, during pre and post demonetization,using Holding Period Return and BHAR as well as usingCAPM Model. Using ANOVA on the BHAR in the three windows, it was concluded that demonetisation had no impact on stock returns during the study period.

Thus, the past studies reveal a mixed response for the announcement of demonetization in the Indian Economy.

Objectives

- To measure the index returns from selected sectors on NSE for the pre and post demonetization period ;
- To establish relationship between Nifty 50 and selected sectors of NSE in India for the pre and post demonetization period; and
- To study the impact of demonetisation on sectoral indices of NSE.

Scope of the study

The purpose of this research is to study the impact of pre and post demonetization on selected sectors, namely, Information Technology, Real Estate, Auto mobiles, FMCG, Pharma and Banking sectors in NSE. The scope of the present study is limited to find out the averages of indices for the pre and post demonetization and to study the impact of demonetization on selected sectors in NSE. Correlation test was applied for establishing the relationship between Nifty 50 and the selected sectoral indices. The scope of the present study is limited to a period from 1st February 2014 to31st 2019on daily basis. OLS regression is applied for drawing meaningful conclusion.

Methodology

This study is empirical in nature and the data considered in this study was collected from secondary sources. One of the major stock index of Indian capital market is NSE was considered for the study. Data pertaining to indices were chosen from the NSE website. The study is covered for the period starting from 1st February 2014 to 31 July 2019 on daily basis. The indices of selected sectors as considered for this period in order to find out the returns from selected sectors in NSE Nifty in the pre and post demonetization period. OLS regression has applied in order to study the impact of demonetization on indices of selected sectors in NSE Nifty for the pre and post demonetization period.

Hypothesis

1. $H_{0:}$ There exists no relationship between NSE Nifty and selected sectors (Information Technology, Real Estate, Automobiles, FMCG, Pharma and Banking sectors) on NSE during pre and post demonetization period.

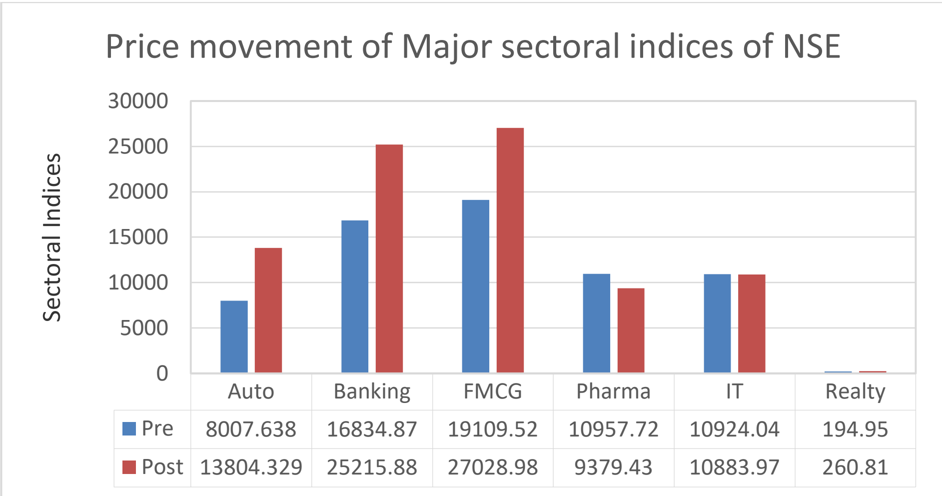
   $H_{a:}$ There exists relationship between NSE Nifty and selected sectors (Information Technology, Real Estate, Automobiles, FMCG, Pharma and Banking sectors) on NSE during pre and post demonetization period.

2. $H_{0:}$ The change in Nifty 50 is not explained by the change in selected sectors (Information Technology, Real Estate, Automobiles, FMCG, Pharma and Banking sectors) on NSE during pre and post demonetization period.
   $H_{a:}$ The change in Nifty 50 is not explained by the change in selected sectors (Information Technology, Real Estate, Automobiles, FMCG, Pharma and Banking sectors) on NSE during pre and post demonetization period.

Data Analysis

This part of the paper deals with data analysis and interpretation. To study the impact of demonetization on selected sectors in NSE, the researchers have applied various statistical tools and covered time period on daily basis. The study considered 5 selected sectors namely, automobiles, banking, FMCG,information technology, real estate and pharmaceutical sectors.The closing prices of selected sectors were used for determining the price movements on selected sectors.Correlation Model was used to analyzing the relationship between Nifty 50 and selected sectors of NSE (Information Technology, Real Estate, Auto mobiles, FMCG, Pharma and Banking sectors). OLS regression Model was used to study the impact of demonetization on stock prices of selected sectors in NSE Nifty during the pre and post demonetization period.The study period covered from 1[th]February 2014 to 30[th] July 2019. MS Excel is used in the data analysis. The results are tabulated below:

The price movement of Nifty Sectoral indices for the pre and post demonetisation has been presented below:



Above chart explains the average indices of 6 selected sectors of NSE (Automobiles, Banking, and FMCG, Pharma, IT and Real Estate) for the pre and post demonetization. From the table it can be concluded that among the selectedsectoral indices, Pharma was poorest hit on NSE and next place occupied by IT sector, on other hand Automobiles, Banking, FMCG and Realty were gained during the period.

Table for the Correlation Matrix for the pre and post demonetization period as follows

Table-1 : Sectoral Indices

Duration	Automobiles	Banking	FMCG	Pharma	IT	Realty
Pre Demonetization	0.1821	0.2543	0.0484	**-0.0097**	0.0784	**0.4681**
Post Demonetization	0.0896	**0.6837**	0.5805	0.4202	**0.0056**	0.1234

Above table shows the correlation between Nifty 50 and selected sectoral indices (Automobiles, Banking, FMCG, Pharma, IT and realty). The result shows that the highest correlation exists between Nifty 50 and realty sector(0.4681) and lowest correlation exists between Nifty 50 and Pharma (-0.0097) during pre-demonetization period, on other hand highest correlation established between Nifty 50 and Banking (0.6837) and lowest correlation established between Nifty 50 and IT sector (0.0056). It may be inferred from the correlation matrix that Nifty 50 is positively correlated with all the selected Sectoral indices except the Pharma sector where the correlation coefficient is negative. Thus, the hypothesis $H_0$is that "there exists no relationship between Nifty 50 and selected Sectoral indices (Automobiles, Banking, FMCG, IT, Pharma and Realty)" is rejected andthe alternative hypothesis H_a is that "there exists relationship between Nifty 50 and selected Sectoral indices (Automobiles, Banking, FMCG, IT, Pharma and Realty)"is accepted for the pre-demonetization period. During the post-demonetization period, Nifty 50 is positively correlated with all Sectoral indices.Hence, it can be concluded that the null hypothesis is rejected and alternative hypothesis is accepted for all selected sectoral indices.

Least Square Regression Analysis

The results of the impact of demonetization on Sectoral returns in NSE have been presented in the following tables.

Table-2 : CNX AUTO

Variable	Co-efficient	Standard error	t-statistic	P-value	Significance F
Pre-demonetization	0.2336	0.04855	4.8109	0.0000	0.0000
Post-demonetization	1.0369	0.4442	2.3343	0.0199	0.0199

Above table shows theresults of regression analysis of automobiles sector for the pre and post demonetization period. From the table-2, it can be inferred that the average return of auto sector before demonetization period is 0.2336 and after demonetization is 1.2705 (0.2236+ 1.0369). The results of regression coefficient exhibits that the Nifty 50, independent variable is statistically significant at 5% level as the p-value is less than 5%. It indicates that the average return in automobile sector has increased by 1.0369 that is by 103.69%. Thus, there was a significant impact. Nifty 50 can be used for predicting automobile sector as the same is statistically significant.

Table-3 : CNX BANK

Variable	Co-efficient	Standard error	t-statistic	P-value	Significance F
Pre-demonetization	0.3658	0.053533	6.8327	0.0000	0.0000
Post- demonetization	0.8547	0.03516	24.3080	0.0000	0.0000

Above table shows the results of regression analysis of banking sector for the pre and post demonetization period. From the table-3, it can be concluded that the average return of bank sector before demonetization period is 0.3658 and after demonetization is 1.2205 (0.3658+ 0.8547). The results of regression coefficient exhibits that the Nifty 50, independent variable is statistically significant at 5% level as the p-value is less than 5%. The coefficient value 0.8547 reveals the difference in returns during pre and post demonetization. It indicates that the average return in banking sector has increased by 0.8547 that is by 85.47%. The banking sector has been, thus, positively affected, there was a significant impact. Nifty 50 can be used for predicting banking sector as the same is statistically significant.

Table-4 : CNX FMCG

Variable	Co-efficient	Standard error	t-statistic	P-value	Significance F
Pre-demonetization	0.05963	0.04733	1.2599	0.2080	0.2080
Post- demonetization	0.7447	0.04026	18.4945	0.0000	0.0000

Above table shows the results of regression of FMCG sector for the pre and post demonetization period. From the table-4, it can be inferred that the average return of FMCG sector before demonetization period is 0.05963 and after demonetization is 0.8043 (0.05963+ 0.7447). The results of regression coefficient exhibits that the Nifty 50, independent variable is not statistically significant at 5% level as the p-value is greater than 5% (20.80%) during pre-demonetization period but independent variable is statistically significant at 5% level as the p-value is less than 5% during post demonetization. The coefficient value 0.7447 reveals the difference in returns during pre and post demonetization. It indicates that the average return in banking sector has increased by 0.7447 that is by 74.47%. The FMCG sector has been positively affected, there was a significant impact. Nifty 50 can be used for predicting banking sector as the same is statistically significant.

Table-5 : CNX PHARMA

Variable	Co-efficient	Standard error	t-statistic	P-value	Significance F
Pre-demonetization	-0.01264	0.05026	-0.2515	0.8015	0.8015
Post- demonetization	0.71084	0.05918	12.0121	0.0000	0.0000

Above table shows the results of regression of Pharma sector for the pre and post demonetization period. From the table-5, it can be inferred that the average return of Pharma sector before demonetization period is -0.01264 and after demonetization is 0.6982 (-0.01264+ 0.71084). The results of regression coefficient exhibits that the Nifty 50, independent variable is not statistically significant at 5% level as the p-value is greater than 5% (80.15%) during pre-demonetization period but independent variable is statistically significant at 5% level as the p-value is less than 5% during post demonetization. The coefficient value 0.71084 reveals the difference in returns during pre and post demonetization. It indicates that the average return in banking sector has increased by 0.71084 that is by 71.084%. The Pharma sector has been positively affected, there was a significant impact. Nifty 50 can be used for predicting banking sector as the same is statistically significant.

Table-6 : CNX IT

Variable	Co-efficient	Standard error	t-statistic	P-value	Significance F
Pre-demonetization	0.09482	0.04638	2.0443	0.0413	0.0413
Post- demonetization	0.2185	1.50062	0.1456	0.8843	0.8843

Above table shows the results of regression of IT sector for the pre and post demonetization period. From the table-6, it can be inferred that the average return of IT sector before demonetization period is 0.09482 and after demonetization is 0.3133 (0.09482+ 0.2185). The results of regression coefficient exhibits that the Nifty 50, independent variable is statistically significant at 5% level as the p-value is less than 5%during pre-demonetization period but independent variable is statistically not significant at 5% level as the p-value is greater than 5% (88.43%) during post demonetization. The coefficient value 0.2185 reveals the difference in returns during pre and post demonetization. It indicates that the average return in IT sector has increased by 0.2185 that is by 21.85% but independent variable is statistically not significant at 5% level. Hence, Nifty 50 cannot be used for predicting IT sectoras the same is statistically not significant.

Table-7 : CNX Realty

Variable	Co-efficient	Standard error	t-statistic	P-value	Significance F
Pre-demonetization	1.0787	0.07839	13.7609	0.0000	0.0000
Post- demonetization	0.2839	0.08799	3.2261	0.00132	0.00132

Above table shows the results of regression analysis of real estate sector for the pre and post demonetization period. From the table-7, it can be inferred that the average return of realty sector before demonetization period is 1.0787 and after demonetization is 1.3626 (1.0787+ 0.2839). The results of regression coefficient exhibits that the Nifty 50, independent variable is statistically significant at 5% level as the p-value is less than 5%. It indicates that the average return in realty sector has increased by 0.2839 that is by 28.39%. There was a significant impact. Nifty 50 can be used for predicting realty sector as the same is statistically significant.

The regression model used in data analysis reveals that the null hypothesis is rejected in the case of Sectoral indicessuch as automobiles, banking, IT and real estate and the $H_{a:}$ that the change in Nifty 50 is explained by the change in selected sectoral indices, automobiles, banking, IT and real estate is accepted as their F and P values are statistically significant at 5% level. While in the case of FMCG and Pharma sectors, the H_0 is accepted and the alternative hypothesis is rejected, the relationship between Nifty 50 & Pharma, Nifty 50 & FMCG are not statistically significant at 5% level as revealed by their F and P values during pre-demonetization period. On other hand, the null hypothesisis rejected in the case of sectoral indicessuch as automobiles, banking, FMCG, Pharma and real estate and the $H_{a:}$ that the change in Nifty 50 is explained by the change in selected sectoral indices, automobiles, banking,FMCG, Pharma and real estate is accepted as their F and P values are statistically significant at 5% level, while in the case of IT sector , the H_0 is accepted and the alternative hypothesis is rejected, the relationship between Nifty 50 & IT is not statistically significant at 5% level as revealed by their F and P values during post-demonetization period.

Conclusion

The study is focused to determine the impact of Demonetization on selected Sectoral indices of NSE. Ordinary Least Square regression model was used for analyzing data. The result reveals that there was a significant impact on selected Sectoral Indices. But the study is limited to six selected sectors. The study found that average returns on most sectors have shown positive values. Automobiles, banking, FMCG and Real Estate have recorded a rise in returns. Pharma and IT had declined in their average returns during the post-demonetization period. Many research articles have been published during the post demonetization period in order to analyse the impact of demonetization on different Sectoral indices and the studies were limited to 3-6 months and the results reveal that there was negative impact on sectoral indices. But the present study has considered 33 months before and after demonetization. Those studies revealed only the short run effect, considering 33 months in the present study helps in understanding the medium term effect of the impact of demonetization.

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Contemporary issues and challenges in the Indian Education System

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Abstract
Modern Business commerce Education cover diversified fields of education and research in different aspects of business environment. It includes Finance, Marketing, Accounting, Human Resource Management, Entrepreneurship Development, Commercial and Business Law etc. In order to attain Economic Growth of a region or a country, one needs professional Economists and Accountants advanced practical knowledge to enable to evaluate and analyze the complexities of the large scale business and other Financial institutions in one side and to face the stiff competition from the MNCs from the other side. Here the commercial experts who have trained in different aspects of business environment have to play a very important role. Keeping in view the above facts and demand of the time, prospects of Commerce Education seems very bright. To avail the advantage of Commerce, a lot of educational institutions have been opened to educate students in the field of Commerce with more knowledge on practical. The focus of the paper is on the current status, challenges and about different opportunities available in commerce education.

Introduction

To meet the growing needs of the business society, there is greater demand for sound development of commerce education. The relevance of commerce education has become more imperative, this means a marked change in the way commerce and management education is perceived in India. Through teaching, research, and service, the College of Commerce is dedicated to developing tomorrow's leaders, managers, and professionals. India‘s higher education system is the third largest in the world, after China and the United States. As on March 2018, the number of Universities had gone up to 523 universities – (43 Central, 265 State, 80 State Private, 130 Deemed to be Universities, five Institutions established under State Legislation) and 33,023 colleges in the Higher Education.

As a branch of knowledge, Commerce imparts experience of business world at large in all its manifestations. It prepares its learners for personally fruitful and socially desirable careers in the field of business. Chessman defined Commerce Education As - "Commerce education is that form of instruction which both directly and indirectly prepare the business man for his calling." Fredrik G. Nichols defined as - "Commerce education is a type of training which, while playing its part in the achievement of the general aims of education of any given level, has for its primary objective the preparation of people to enter upon a business career, or having entered upon such a career, to render more efficient service therein and to advance from their present levels of employment to higher levels. During the post independence era, commerce education has emerged as one of the most potential pursuits in the wake of industrialization. Most of the Education Commissions constituted in post independence India to explore higher education have undoubtedly held that the commerce education is primarily meant for providing the students in-depth knowledge of different functional areas of business so as to prepare people required by the community for the purpose of commerce, trade and industry.

Importance of Commerce Education

Commerce education in our country has been developed to support the growing manpower needs of business enterprises. The education imparted to the students of commerce intended to equip them with the specialized skills useful in different functional areas of trade, commerce and industry. Continuous supply of quality manpower is essential for the growth of the industry sector. This necessitated the skilled manpower to manage the process of industrial reconstruction and the rapidly growing trade and commerce. However, over the years, there has been a fundamental shift in the very approach of commerce education; from a professional to a theoretical education. With a quantum jump in business scenario, there is a need to redefine the commerce education in the changing scenario and strengthen it further. The Commerce education plays an essential role in today's dynamic business environment. The rapid trend of globalization and technological changes have made difficult for organizations to survive in the competitive world. As a result the importance of Commerce education has been increased many folds. Business executives need to update their skills due to sudden changes in the external environment. Due to the increasingly complex nature of organizations and businesses, there is a need that the business schools impart relevant, current, and cutting edge knowledge to the students. The School of commerce should play pivotal role in equipping our future dynamic managers with the emerging trends of Commerce skills to face the challenges of dynamic business world.

Research Methodology

The required data for the present study have been collected mainly from secondary sources. For the fulfillment of the above objectives, Government publications, research journals, periodicals, books & web site through internet have been used for data collection. This study provides impetus to identity the short comings in commerce education and devises corrective strategies which if implemented leads to growth of professionalization through commerce education. The objectives in the study are identified as:

1. To examine and evaluate the commerce education in present scenario.
2. To study the weaknesses of job oriented commerce education.
3. To know the job opportunities in commerce education.

Expansion of Central Educational Institutions: The initiatives undertaken by Ministry of Human Resource Development have given fillip to the expansion of access through establishment of central higher education institutions. There is at least one Central university of national character in each State, except Goa, at the request of the concerned State Government. All the new 13 Central universities, except the Central University of Jammu, have started their academic activities from temporary premises by end of 2017-18. The three erstwhile State universities converted to Central Universities were provided substantial funds by UGC to meet the requirements of expansion of infrastructure, programmes and filling up of faculty positions.

Problems of Commerce Education

- Craze for Medicine, Engineering, Management and IT courses.
- Unpopularity of commerce at competitive examinations:- the syllabi of commerce at competitive examinations is not attracting even the meritorious commerce students.
- Commerce graduates are not eligible for teacher training courses, such as B.Ed. in many States.
- Lack of knowledge about commerce at school level as commerce education is not introduced at school level in many States.
- No preference or reservation for commerce graduate either in employment or in admissions toprofessional courses like C.A, CWA, CS, M.B.A. etc.
- Poor teaching in many colleges forcing many students to go for tuitions, which means additional cost and effort.

- High student low teacher ratio.
- Lack of proper infrastructure: - it is sometimes remarked that many colleges are virtually academic slums.
- Instruction in regional media and inadequate or non availability of reading material in regional media.
- Inadequate teaching aids like commerce lab, CTV-Video films.
- Untrained and ill-equipped teachers.
- It is more content oriented rather than skill and practice oriented.

Job Opportunities in Commerce Education

The job prospects of commerce graduates are many. They have the ability to serve in walks of the society when taking into account the role played by Finance and accounts in day to day life of every person and company. Successful business often depends on strong employee skills and specialized staff who can help the management to run things effectively by analyzing problems and recommending solutions.

The various areas of job possibilities for a commerce graduate are

- Banking Institutions
- Financial companies and offices
- Firms providing financial outsourcing
- Companies engaged in the Insurance sector
- Private and public Audit firms
- Industrial Accountancy firms
- Offices in multipurpose companies
- Various Government undertakings
- Planning and Budget departments
- Ministerial affairs offices
- Schools and Colleges
- Hospitals (Accounting Staff)
- Hotels (Accounting Staff)
- Factories (Accounting Staff)
- Financial Teaching institutes

In fact students of commerce stream have job roles in any sector where finance plays a part which in today's world covers almost everything. Salary will never be a constraint for the right candidate provided he or she has chosen a credible company or work provider. Getting into an Audit firm and then slowly becoming an established Auditor is perhaps the best option for many. The job demands a high degree of skill initially but after experience the task can be a joy.

Re-designing of Commerce Education

The first step in re-designing of commerce course is that, there should be a survey of requirements of business and industry, in terms of nature of courses and number of graduates. This requires a close liaison and co-operation with industry and business to find out their requirements of men and skills. If the courses are designed as per the requirements and the students are trained on those lines, then, the courses become relevant and the product saleable, instead of preparing the courses in an all pervasive manner without any market in mind. The contents and delivery system must be tailored to meet the specific needs of the target groups for whom the courses are designed.

The various ALTERNATIVES available for re-orientation of commerce education are:

a) **Academic Oriented Courses** for giving liberal commerce education, for developing quality of mind, logical thinking, initiative, attitude to life and a general understanding of business.

b) **Vocational/Self Employment Oriented Courses** such as taxation, management accounting, financial analysis, cost accounting.

c) **Job Oriented Courses** such as computer accounting, salesmanship, advertising, secretarial practice etc for small jobs.

d) **Management Oriented Courses** The Institutes of Management in the country are catering to the demands of elitist managerial personnel of industry. We need a second level of personnel to cater to the requirements of small and tiny industry.

Suggestions

To make commerce education more effective & job oriented following are the suggestions.

1. The syllabus of commerce education must contain knowledge component skill component of practice component.
2. Build close relationship with trade commerce and industry or establish university Industry Hub.
3. Use of computer in commerce education should be compulsory as per the needs & requirement of Industry.
4. University-Industry/profession interaction for making the course relevant.
5. Training is essential for the teachers. Faculty members should update their knowledge.
6. Placement is the ultimate goal of any business education. To place the students in industries, colleges can arrange campus recruitment & placement.

Conclusion

A successful course in Commerce exposes the student to different business administration strategies and accounting principles. He will be envisaged to make full use of that expertise gained to build up a strong entrepreneurship and successfully fit into a company's financial backbone. Many industry experts believe that a good Commerce graduate will be well versed in all the horizontal and vertical aspects of company management and he is the key to a successful business along with the co-operation of his subordinates who should also be like him obviously. Free economy offer new challenges as well as opportunities to universities around the world commerce in general and of business education in particular. To operate successfully in borderless world, colleges have to maintain high standards, gain a multicultural & multidisciplinary perspective, ability to work in different work cultures, strategies planning development, up-to-date infrastructure facilities & acquiring the ability to internationalize their curriculum & course to ensure greater mobility for the staff across the borders. Our market is vast and their requirements are varied. Hence, we have to provide for varied courses and not one straight jacket. The changes are very fast and our courses also must keep pace with the changes. Therefore we have to adopt ourselves to the changing environment

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Study on Impact of Goods and Service Tax (GST) on Indian Economy

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Abstract
GST also known as the Goods and Services Tax is defined as the giant indirect tax structure designed to support and enhances the economic growth of a country. More than 150 countries have implemented GST so far. However, the idea of GST in India was mooted by Vajpayee government in 2000 and the constitutional amendment for the same was passed by the Loksabha on 6th May 2015 but is yet to be ratified by the Rajyasabha. However, there is a huge hue and cry against its implementation. It would be interesting to understand why this proposed GST regime may hamper the growth and development of the country.
Keywords: Goods and **service tax**; Indian economy

Introduction

GST stands for Goods and Services Tax levied by the Government in a move to replace all of the indirect taxes. In India, the idea of GST was contemplated in 2004 by the Task Force on implementation of the Fiscal Responsibility and Budget Management Act, 2003, named Kelkar Committee. The Kelkar Committee was convinced that a dual GST system shall be able to tax almost all the goods and services and the Indian economy shall be able to have wider market of tax base, improve revenue collection through levying and collection of indirect tax and more pragmatic approach of efficient resource allocation. Under the Goods and Service Tax mechanism, every person is be liable to pay tax on output and shall be entitled to enjoy credit on input tax paid and tax shall be only on the amount of value added . The principal aim of GST is to eliminate cascading effect i.e. tax on tax and it will lead to bringing about cost competitiveness of the products and services both at the national and international market. GST System is built on integration of different taxes and is likely to give full credit for input taxes. GST is a comprehensive model of levying and collection of indirect tax in India and it has replace taxes levied both by the Central and State Governments. GST be levied and collected at each stage of sale or purchase of goods or services based on input tax credit method. Under this system, GST-registered commercial houses shall be entitled to claim credit of the tax they paid on purchase of goods and services as a part of their day to day businesses. The historic GST or goods and services tax has become a reality. The new tax system was launched at a function in Central Hall of Parliament on 1 st July ,2017 (Friday midnight). GST, which embodies the principle of "one nation, one tax, one market" is aimed at unifying the country's $2 trillion economy and 1.3 billion people into a common market. Under GST, goods and services fall under five tax categories: 0 per cent, 5 per cent, 12 per cent, 18 per cent and 28 per cent. For corporates, the elimination of multiple taxes will improve the ease of doing business. And for consumers, the biggest advantage would be in terms of a reduction in the overall tax burden on goods. "Inflation will come down, tax avoidance will be difficult, India's GDP will be benefitted and extra resources will be used for welfare of poor and weaker section," Finance Minister Arun Jaitley said at GST launch event in Parliament. The Lok Sabha has finally Passed the Goods and Services Tax Bill and it is expected to have a significant impact on every industry and every consumer. Apart from filling the loopholes of the current system, it is also aimed at boosting the Indian economy. This will be done by simplifying and unifying the indirect taxes for all states throughout India.

Objectives of the Study

1. To study the concept of Goods and Services Tax (GST) and its impact on Indian Economy,
2. To understand how GST will work in India.
3. To knows the benefits of GST in India context.

Research Methodology

The study focuses on wide study of secondary data collected from various books, National & international Journals, published government reports, publications from various websites which focused on various aspects and important of Goods and Service tax.

Benefits of GST to the Indian Economy

- Removal of bundled indirect taxes such as VAT, CST, Service tax, CAD, SAD, and Excise.
- Less tax compliance and a simplified tax policy compared to current tax structure.
- Removal of cascading effect of taxes i.e. removes tax on tax.
- Reduction of manufacturing costs due to lower burden of taxes on the manufacturing sector. Hence prices of consumer goods will be likely to come down.
- Lower the burden on the common man i.e. public will have to shed less money to buy the same products that were costly earlier.
- Increased demand and consumption of goods.
- Increased demand will lead to increase supply. Hence, this will ultimately lead to rise in the production of goods.
- Control of black money circulation as the system normally followed by traders and shopkeepers will be put to a mandatory check.
- Boost to the Indian economy in the long run.

How will GST impact the Indian Economy?

- Reduces tax burden on producers and fosters growth through more production. The current taxation structure, pumped with myriad tax clauses, prevents manufacturers from producing to their optimum capacity and retards growth. GST will take care of this problem by providing tax credit to the manufacturers.
- Different tax barriers, such as check posts and toll plazas, lead to wastage of unpreserved items being transported. This penalty transforms into major costs due to higher needs of buffer stock and warehousing costs. A single taxation system will eliminate this roadblock.
- There will be more transparency in the system as the customers will know exactly how much taxes they are being charged and on what base.
- GST will add to the government revenues by extending the tax base.
- GST will provide credit for the taxes paid by producers in the goods or services chain. This is expected to encourage producers to buy raw material from different registered dealers and is hoped to bring in more vendors and suppliers under the purview of taxation.
- GST will remove the custom duties applicable on exports. The nation's competitiveness in foreign markets will increase on account of lower costs of transaction.

Conclusion

The proposed GST regime is a half-hearted attempt to rationalize indirect tax structure. More than 150 countries have implemented GST. The government of India should study the GST regime set up by various countries and also their fallouts before implementing it. At the same time, the government should make an attempt to insulate the vast poor population of India against the likely inflation due to implementation of GST. No doubt, GST will simplify existing indirect tax system and will help to remove inefficiencies created by the existing current heterogeneous taxation system only if there is a clear consensus over issues of threshold limit, revenue rate, and inclusion of petroleum products, electricity, liquor and real estate. Until the consensus is reached, the government should resist from implementing such regime.

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ISSN No : 0975-2501

Financing of Rural Women Entrepreneurs by RRBs in Karnataka

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Abstract
An attempt is made in this paper is to analyze the role of RRBs in development of women entrepreneurs in the state of Karnataka. The role of the RRBs in financial inclusion policy and practice presently is unclear and nebulous as new entities are being created particularly in the rural banking space. There appears to be a potential surge in the availability of financial services to medium scale enterprises and middle income groups which too have probably not received their fair quantum of services over the years. The introduction of differentiated banking and the licensing of small finance banks and payments banks raise the question how the activities of these entities with overlapping functions and clientele as RRBs would impact on the relevance and viability of the latter. Proposals for a further round of amalgamation of RRBs into state-level entities could also further distance them from their original mandate and clientele. The findings of the study clearly indicate the positive impact of RRBs credit on empowerment of women entrepreneurs in the state.
Keywords: RRBs, women entrepreneurs and rural banking.

Introduction

In India women as an independent target group account for about 495.74 million and represent 48.3 percent of the country's total population as per the 2001 census report. Women in the economically active age group 15-59 years who count for 289.40 million (58.4%) have different demand like those of education and training, employment, income generation and participation in the developmental process, decision making etc. With the advent of industrialization and modernization, women have assumed greater responsibility, both at home and in the world of work. This is reacted in the increasing work participation rate of women which was 19.7% in 1981 and rose to 25.7% in 2001. However, this is still low compared to male work participation rate, which was 52.6% in 1981 and 51.9 % in 2001. The number of women in the organized sector was 4.95 million on 31st March 2001, of whom 2.86 million were in the public sector and 2.09 million were in the private sector. The number rose to 5.120 million on 31.03.2006, and of these women, 3.003 million were in the public sector and 2.118 million were in the private sector. Several measures have been taken at regional, national and international level for the economic development and improvement in the status of women in India. The structural changes made in education and employment has led to empowerment of women in contemporary India (Singh, 2004:137).

The amendment to the RRB Act passed in April 2015 facilitates the raising the share capital of RRBs from the present Rs. 5 crore to Rs. 2,000 crore, infusing capital from other than the present owners to the extent of 49 percent against the present arrangement of the Centre, States and sponsor banks sharing in the ratio 50:15:35 respectively. These changes will pave way for their part privatization and pure commercialization, ignoring the very purpose of their birth and could help to further distance the rural poor from the access to institutional credit. RRB staff has proposed that instead a small further dose of capital support from government would have put the RRBs on a sound footing. In any event, going forward there could be a process of differentiation with the best placed RRBs attracting additional capital from private sources even as the other less successful ones await fresh capitalization or further round of amalgamation.

Regional Rural Banks have been playing a key role as an important vehicle of credit delivery in rural areas with the objective of credit dispersal to small, marginal farmers & socio economically weaker section of population for the development of agriculture, trade and industry. However, their commercial viability has been questioned due to their limited business flexibility, smaller size of loan and high risk in loans and advances.

Objectives of the Study

1. To examine the participation of women in business sector
2. To examine the financing of RRBs in development of women entrepreneurs in Karnataka.

RRBs and Women Entrepreneurs

The banking and developmental institutional set-up in our country is perhaps the largest in the world and well-knit with over 63000 branches of banks operating in the country apart from state level corporations with their own branch networks. For almost every segment of society, there are schemes tailored to meet their specific needs and perhaps have more concessions than what the society can permit. Banks and State Financial Corporation's (SFCs) operate the schemes assistance formulated and implemented by Small Industrial Development Bank of India (SIDBI) including those specially designed and targeted for women. Financial assistance schemes for women entrepreneurs have liberal features: reduced promoter's contribution, and training and escort services support. No collateral security against the loan is to be insisted upon. For availing the assistance, the women entrepreneur's business enterprise is defined by the Government of India as, "A small scale industrial unit, industry related service or business enterprise, managed by one or more women entrepreneurs in proprietary concerns, or in which she/they individually or jointly have a share capital of not less than 51 per cent as partners/shareholders/director of private limited company/member cooperative society".

Mahila Udyam Nidhi: The assistance by the Mahila Udayam Nidhi (MUN) is provided to women entrepreneurs to meet the gap in the equity for setting up new industrial projects in the small scale sector. All new industrial projects in the small scale sector as also service activities which are eligible as per SSI norms and set up by the women entrepreneurs qualify for assistance, provided the project cost does not exceed Rs.10 lakhs. Seed money assistance is provided in the form of a soft loan to meet the gap in the equity after taking into consideration promoter's contribution. The quantum of assistance by way of a soft loan carrying a nominal service charge of 1 per cent per annum has been increased from 15 per cent to 25 per cent of the project cost subject to a maximum of Rs.25 lakhs per project. No security, including collateral, should be insisted upon by banks. All qualified women professionals in management, accountancy, medicine, architecture, software engineering etc., can also get financial assistance from banks for setting up professional practices/consultancy ventures. A maximum assistance of Rs.20 lakhs is available, under this scheme wherein the cost of land and building should not exceed 50 per cent of the total outlay.

Mahila Vikas Nidhi: The credit needs of the rural poor are rather complex. It is difficult to adopt project lending approach as normally followed for organized sector projects. The dividing line between credit for consumption and production purposes is blurred. The need for credit arises more for meeting working capital requirement rather than for asset creation. In the circumstances, the informal arrangement for credit supply to poor through Self Help Group is fast emerging as a promising tool for job creation and income generation among the very poor. To encouraging women entrepreneurs to undertake income generating activities, SIDBI has set up a special fund viz, Mahila Vikas Nidhi. The basic objective of this fund is to bring about economic upliftment of women, especially the poor, by providing them avenues for taking up self/wage employment activities in the industrial sphere. Assistance by way of loan and gram mix is provided out of a fund to accredited voluntary organizations for taking up activities which would ensure that the needy women are provided with training and employment opportunities. The basis activity under the programme involves setting up to Training-cum-Production Centers (TPCs) by the assisted voluntary organizations where in women, after being trained in special trades and skills, would contributes to the production of goods which in turn help in keeping the centre in self-sustaining condition.

Women Entrepreneurship Education

Women entrepreneurship education provides the potential entrepreneurs with the knowledge, skills and motivation to encourage entrepreneurial success in a variety of settings. What makes women entrepreneurship education distinctive is its focus on realization of opportunity where management education is focused on the best way to operate existing hierarchies. Both approaches share an interest in achieving "Profit" in some form of opportunities can be realized in several ways. The most popular one is through opening a new organization through the starting of a new business. Another approach is to promote innovation or introduce new products or services or markets in existing firms. This approach is called corporate women entrepreneurship. Promoting a healthier entrepreneurial education, training and environment is important as it help aiding individuals, in that the local community, encouragement and support to individual efforts, thus increasing their chances for success. The content of training, analysis of potential entrepreneurs and the expertise of trainers play an important role in the success of women entrepreneurship training. High quality training interventions are earmarked by reduced failure rates and increased profits. A recent approach involves creating charitable organizations which are designed to be self-supporting in addition to doing their good works. This is usually called social entrepreneurship. The major benefit of women entrepreneurship education is that it decreases the chances of failure by stressing a consistent and proven set of practices. The principal objective of the entrepreneur development program is to train the entrepreneurs to become capable of developing and managing the new technology based ventures.

Today, the women entrepreneurship education gained its own importance as the people realized that it is one of the key tools which reduces the unemployment and provides the knowledge to face the challenged environment in the contemporary business. States can effectively utilize entrepreneurial *training* programs to reduce the plight of the chronically unemployed and create jobs and new wealth at the same time. Now, the state and central governments have established various training centers which impart the entrepreneur education to the people at all the levels like taluks, towns, district headquarters and metropolitan cities. The women entrepreneurs are much focused due weightage to them through a variety of state and bank schemes.

Disbursement of Loans to Priority Sectors by RRBs (Rs.in Crores)

Rural credit policy in India envisaged the provision of a range of credit services, including long-term and short-term loans to rural community. During the operation of three decade, the RRBs in India have recorded a significant growth in the disbursement of loans. Table-1 provides the loans issued to various groups apart from the short-term and term-loans in the priority sector.

Table – 1 Disbursement of Loans to Various Women Groups in the Priority Sectors by RRBs

Years	Rural Artisans	SSI	Retail Trade	SHG	Other Priority Sector
2012-13	238	138	1,421	350	819
2013-14	276	167	1,653	510	1,941
2014-15	316	210	1,967	858	1,290
2015-16	304	342	1,841	1,171	2,282
2016-17	320	342	1,984	1,406	2,222

2017-18	326	638	2,024	2,107	2,775
2018-19	552	670	2,370	2,388	3,662

Source; NABARD

It has been observed from the above table that the loans provided by the RRBs to various women groups have been increasing year after year. The loans to rural artisans have been increased from Rs.238 crores in 2012-13 to Rs.552 crores in 2018-19. The increase over the period was 2.3 times. Likewise, all the groups have been provided loans by the RRBs in an increasing amount.

Women Entrepreneurship Development Programmes

After the independence numerous institutions have taken notice in empowering the women by background up various infrastructure facilities for women to set up their own business units and become economically strong in the economy. These institutions were initially hidden since the women were not given equal opportunities and freedom when compared to men. Various schemes adopted by Government of Karnataka to improve the status of women are: Karnataka Mahila Abhivrudhi Yojana, Bhagyalakshmi Scheme, Taayi Bhagya, Sakshara Bharatha, Santhwana, Karnataka Mahila Abhivrudhi Yojane (KMAY), Working Woman's Hostels, Financial Assistance to Women Law Graduates, Special Cell For Eradication of Social Evils, Implementation of Protection of Women from Domestic Violence Act, 2005, Legal Literacy, Financial Assistance for the Remarriage of Destitute Widows and Marriages of Devadasis, Swadhara scheme for women in difficult circumstances, so on and so forth. Karnataka Industrial policy 2009-2014 has also given importance to the skill development by emphasizing on the entrepreneurship development among youth especially women.

State Resource Centre (SRC)

State resource centre was established at Woman's Development Corporation, Bangalore during1995-96 with the intention to evaluate the Government schemes implemented by Woman's Development Corporation and also to promote research on gender issues. It organizes gender and product development workshops, establishes a library, provides counseling centre for women, establishes a data bank for the Corporation and provides assistance to the scholars who want to conduct studies in woman development and also to bring out quarterly Women Development Corporation's Newsletter. Women Self Employment Counseling Centers are furthermore established at Bangalore, Mangalore (D. K. District), Belgaum, Chikmagalur, Davanagere, Chitradurga, Bangalore (Rural) and Mysore, Mandya, Tumkur, Dharwad, Gulbarga, Bellary and so on.

Women wing of State Trading Corporation (WSTC)

The State Trading Corporation of India Ltd. (STC) is a premier international trading house owned by the Government of India. Having been set up in 1956, the Corporation has developed vast expertise in handling bulk international trade. Though, dealing largely with the East European countries during the early years of its formation, today it trades with almost all the countries of the world. By virtue of infrastructure and experience possessed by the corporation, it plays an important role in arranging import of essential items into India and developing exports of a large number of items from India. It exports a large number of items ranging from agricultural commodities to manufactured products from India to all parts of the world. Because of corporations in depth knowledge about the Indian market, STC is able to supply quality products at most competitive prices and ensure that the goods reach the foreign buyer within the prescribed delivery schedule. It also imports bulk commodities for Indian consumer as per demand in the domestic market.

Table - 2 Recent Trends of Facilities for Women by Women Wing of WSTC

Year	Total clusters	SSI	Service entities	Productivity
2010	25	26	13	3
2011	28	28	15	5

2012	25	28	16	6
2013	24	24	18	4
2014	25	25	17	6
2015	29	15	28	15
2016	35	13	29	26
2017	44	43	24	35
2018	45	55	33	40
2019	55	62	46	44
Growth Rate	33.5	31.9	23.9	

Source: Synchronized Annual Reports of Women wing of WSTC. Bangalore.

The above table -2 indicates the recent trends of Women wing of 'State Trading Corporation' (STC) facilities for women during 2010 to 2019. During 2010 the total numbers of clusters were only 25 and it is increased in 2019 up to 55. Similarly SSI number was only 26 and rose to 62 and similarly service entities are increased from 13 to 46 in 2019. Productivity and the growth increased from 3% to 44 per hundred. The Growth rate is 33.5, 31.9 and 23.9 respectively.

Promotion of Women Entrepreneurship

Entrepreneurship has been the engine of economic growth and for promoting development among women in India. The social workers have to promote an entrepreneurial culture. They need to create awareness on entrepreneurship which will promote a climate which would value entrepreneurial behavior and raise community support for entrepreneurship and development of enterprises. Entrepreneurial awareness is the consciousness about the importance of the role entrepreneurs play in accelerating growth of the economy and in enriching the quality of life of the people. Such awareness will help women realize societal and environmental challenges and equip themselves to shape the future through entrepreneurship activities. Entrepreneurship is often driven by individual creativity and innovation.

An entrepreneur requires life skills such as self confidence, motivation to explore one's own talent, capability to match the one's capacity and innovation with the market need, interest to learn, experiment and achieve, innovation, a burning desire for financial independence, willingness to explore opportunities for growth and risk taking behavior. Development of such life skills is essential to start and manage entrepreneurship activities. One of the major functions of social work would be to link women with the entrepreneurship development programs for reduction of poverty. In the era of globalization and the threats to the economy of developing countries through Foreign Direct Investment, entrepreneurship is encouraged as a pro poor strategy, being an important feature of an informal economy of any country. Entrepreneurship assumes significance for its contribution to employment, poverty alleviation and economic development of women. RRBs have played an important role in women entrepreneurship in Karnataka.

Conclusion

On the basis of the above analysis and discussion it can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Women sector occupies nearly 45% of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. RRBs shall also be granted loans and advances liberally for undertaking economic activities by the women entrepreneurs.

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ISSN No : 0975-2501

Higher Education of Commerce and Management in India: Issues and Challenges

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Abstract
The paper is an attempt to highlight the issues and challenges of commerce and management education in India. Since last two decades a numbers of changes and developments have taken place in the social, economical and political area and as a consequence, India being a developing country is facing new challenges to cope with, which put high demand on the educational system of the country. At present India is in a juncture of evolution involving social, cultural and economic changes etc. On one hand, the number of employment opportunities are declining, whereas on the other hand Industry doesn't find commerce and management graduates up to the marks in terms of skills and knowledge but their number is increasing Thus, commerce and management education need to be holistic, targeted and customized with aim to remove the gap that exist between industry requirements and academic curriculum focusing on attitude, corporate awareness, grooming and developing managerial skills. Therefore, it is the need of hour to re-orient and redesigning the commerce and management education in such a way that it will be relevant for society. Therefore, the government should try to establish the new drifts to improve the educational system of the country.
Keywords: Commerce and Management Education, Higher Education, Business, and E-commerce.

INTRODUCTION

Pestalozzi – "Education is natural, harmonious and progressive development of man's innate powers." Education should be a three-fold process of imparting knowledge, developing skills, and inculcating proper attitudes and values towards life and society. It must enable the individual to develop the activity and skill to earn and carry on reasonable standard of living and it must also enable him to develop his creative potential to utmost so that he enrich his personality, intellectually, morally, physically and spiritually. At present, commerce and management education is suffering from terminal diseases and there is a tremendous sense of frustration not only in the minds of students, but also in the minds of commerce and management teachers about future of this education. Commerce and management graduates and colleges have grown in number in very significant way in the last 70-80 years. Every years thousands of students complete their graduation & post-graduation in Commerce and Management. Most of them are underemployed and many remain unemployed. Alvin Toffler in his famous book "Future Shock" says that, "To help avert future shock, we must create a super industrial educational system and to do this, we must search for our objectives, methods in the future rather than past. Education must shift into future tense." Quality-oriented need based commerce and management education is a vital input factor for all-round economic progress of developing countries. Basically, whether it is commerce and management or science, it aims at sharpening thinking power and increasing productive capabilities of the people in the country. The level of economic prosperity of any country is predominantly influenced by the level of human resource development, because human being is a resource which gives life to lifeless resources to bear fruits towards the economic development of the country. This is more so in the case of commerce and management education. The growing phenomenon of globalization, liberalization and privatization has been immensely influencing the Commerce and management education. The technological revolution has further provided new dimensions' E-banking, E-marketing, E-commerce, E-finance, E-investment, and governance has been gaining importance all over the world. At the same time, the outsourcing business, call Centre, small business operation, IT based services etc. are expanding very fast. These developments demands paradigm shift in teaching and learning process. The new skills and training are required to cope up with these changes. Modern Business commerce and management Education cover diversified fields of education and research in different aspects of business environment. It includes Finance, Marketing, Accounting, Human Resource Management, Entrepreneurship Development, Environmental accounting, Human Resource Accounting, New taxation and Management policies, Commercial and Business Law and etc. In order to attain Economic Growth of a region or a country, one needs professional Economists and Accountants either advanced practical knowledge to enable to evaluate and analyze the complexities of the large scale business and other. To avail the advantage of Commerce and management , a lot of educational institutions have been opened to educate students in the field of Commerce and management with more knowledge on practical. Since the Indian economy is one of the fastest growing economics among the third world countries, the need for talented professionals, who can contribute towards the growth of the economy, is the need of hour. "Commercial and Mangement education is fundamentally a programme of economic education that has to do with the acquirement, conservation and spending of wealth" (Paul S. Lomax 1928).

REVIEW OF LITERATURE

Rust and Oliver (1984) exhibited three dimensions of model for measurement of service quality universally across the service which is widely known as expectation model.

Paperman and Chandra (1983) observed that the learner should be sent to the business houses for on the job training to enhance the class room teaching and to get practical skills and expertise. Furthermore, the interning business will also be benefited by having a bright student for a limited period of time and helping to assess the suitability of the intern for full employment. **Mahajan and Shah (2000)** concluded that global competition and proliferation of business educational institutions across the world possess stiff challenges to the business schools in India to produce quality products that could cater to the needs of corporate world and hold out the expectation of different stakeholders of business education.

Khairoowala et. al. (2002) found it essential on the part of business educationists to clear to the need of the market by imparting business education in a realistic manner with a practical touch through better linkage between Universities and Industries. Further, it was stated that the required existence of commerce and management education in the next millennium will depend upon the changes that are made today, taking a broader view of near future.

Ahmad (2004) concluded that in addition to imparting academic knowledge, the student community must be prepared to meet the challenge confronted in real life and equipped to solve the problems confronting the business world from day to day; and it required restructuring of commerce syllabi at regular intervals. In addition to this, it was exhibited that in the age of specialization commerce and management education should not continue as a sort of general education making students jacks of all trades and master of none.

Gupta et. al (2003) examined that the Indian business schools have required to replicate the USbased organizational, pedagogical, curricula, industry-interface, and academic research models, but are struggling to initiate several adaptations because of the differences in the work culture system. Therefore, it would be fruitful to look into the challenges for enhancing the quality of business education in India.

Mishra (2005) highlighted the vital changes to commerce and management education and emphasized on e-learning, virtual class room and on line education during post-world war period. Further it was observed that education system of the country was not responding in responsible way while implementing curriculum of business education; and emphasized on the need of changing mind set of the teaching community.

Sangmi, Mohiuddin (2005) asserted that commerce and management education came into existence with the complexities of business, and this field of study has been undergoing through turbulent times throughout its evolution. Further, it was found that the challenges of globalization, liberalization, and privatization and information technology have put additional pressure on commerce and management educational institutions to innovate and change as per changing dynamics of the business environment.

THE CONCEPT OF HIGHER EDUCATION

Higher education, also called post-secondary education, third-level or tertiary education, is an optional final stage of formal learning that occurs after completion of secondary education. It is delivered at universities, academies, colleges, seminaries, conservatories, and institutes of technology, and through certain college-level institutions, including vocational schools, trade schools, and other career colleges that award degrees. Tertiary education at non-degree level is sometimes referred to as further education or continuing education as distinct from higher education.

Objectives of the Study

The present study has been conducted to pursue the following objectives:

1. To analyze the issues and challenges before commerce and management education in India and
2. To give viable suggestions for achieving excellence in commerce and Management education in India.

Research Methodology

Various articles were studied to understand the issues and challenges of higher education in India and personal observation and discussion with professors and students of commerce and management.

Issues and Challenges before Commerce and Management Education in India

Commerce and Management education is the backbone of the business and serial development of the nation and considered as one of the most popular career options in India; it covers wide area of business and economy. Commerce and Management education gives to the people for democratic living, good citizenship and proper utilization of resources. It provides skill oriented education to students and society. But quality of the education system in India has been lagging for quite some times now in comparison to the quantity.

Issues before Commerce and Management Education in India

a) Multiple Core Level Subjects: Commerce and management education is a sum total of variety of courses combined together. It basically heterogeneous in nature as it does not focus on one particular discipline and covered multiple subjects but without giving thorough and specialized knowledge.

b) Limited Exposure to any Particular Subject: The concept of specialization is not yet adopted in commerce and management education to its fullest extent. Though at post graduate level there are certain specialization however the course content and proportion of specialization does not match with the overall syllabus and total course structure.

c) Lack of Practical Pedagogical Method: The pedagogical and teaching method presently used emphasis more on lectures. There is absence of practical base and creative teaching methods. This effects relevance and utility of the knowledge offered to the students.

d) Lack of Training and Hands of Exposure: The present day business education emphasis more on conceptual knowledge without offering as phenomenon or activity actually functions. This becomes hurdles in developing a required popularity and acceptance of commerce and management education.

e) The Present Commerce and management education is not covered in Professional Educational Domain: Management Education as a new branch of learning is highly appreciated and acknowledge as professional education with higher industrial and business relevance. Unless and until commerce and management education is brought in professional education domain it cannot have a right positioning and acceptance in industrial and business sector.

f) Obsolete: The course is outdated and has lost relevance to the present circumstances. Even the content (syllabus) is not up-todate with latest scenario, availability of Efinance, etc., need to keep pace with the changing business environment with latest technology to every students. So many a time commerce and Manageement graduates are found lacking communication and decision making.

g) Loss of Cream: The cream of commerce and management education is being hijacked by professional courses, particularly by ICWA, ICA and ICS.

h) Traditional Outlook: The course is bogged down by traditional outlook with little emphasis on specialization.

i) Emphasis on Teaching than Learning: The course is over-burdened by theoretical orientation with little scope for imparting practical training.

j) End of the Road: The commerce and management graduates face 'end-of-the –road' situation with limited alternatives either to continue his/her studies or to look for the employment. He/she is at a competitive disadvantage in the examinations conducted by UPSC and KPSC. Job prospects for postgraduates are squeezed with the establishment of new colleges reaching a point of saturation and dwindling enrolment of students to B.Com. and B.B.A,. degree course.

k) Absence of a Body to promote Commerce and management education: In spite of a large number of commerce and management graduates and postgraduates, establishment of a strong body to promote and revive commerce and management education has never been thought of.

l) Lack of proper infrastructure: It is sometimes remarked that many colleges are virtually academic slums.

m) Commerce teacher is a jack of all trades: Perhaps he is the only person who is expected to teach all the subjects. Like commerce, banking, entrepreneurship, business management or some time economics as compulsory subject even if he or she may be interested in accountancy; and

n) Inadequate teaching aids like commerce lab, CTV-Video films..

o) Untrained and ill-equipped teachers.

p) It is more content oriented rather than skill and practice oriented.

q) High student low teacher ratio.

CHALLENGES BEFORE COMMERCE AND MANAGEMENT EDUCATION IN INDIA

a) Large scale expansion
b) Replacement of obsolete faculty
c) Curriculum redesign
d) To overcome the problems of resource crisis
e) Library and infrastructure up gradation
f) Industry-institute interaction
g) Management transformation
h) Stress on Quality above Quantity
i) Adoption of new education technology Indian education industry lacks both in quality and quantity when it comes to administrative staffs and faculty members.

This might pose severe threats regarding the availability of good faculty members; and the expansion of the educational institutes as announced by the Government of India would demand for more faculty members. If the shortage of talented and efficient faculty members continues, then quality of education will suffer immensely. Although the ways of education is witnessing a change, the old conventional situation of the education system has definitely not changed. Rigid curriculums and huge syllabus still characterize the educational scenario in India. Some of the greatest challenges are being posed by the online educational system towards the traditional way of learning.

Conclusion and Suggestions

Commerce and management education plays pivotal role in equipping our future dynamic managers with the emerging trends of Commerce skills to face the challenges of dynamic business world. Globalization and liberalization of our economy with privatization and technological revolution have posed the most unprecedented challenges before the commerce and management education. With trade and commerce assuming innovative dimensions in the context of growing international business, the curricula for commerce faculty should be adapted and re-structured to meet the future challenges of the economic, manufacturing and service sectors. The syllabus of commerce and management education must contain knowledge component skill component of practice component. Placement is the ultimate goal of any business education. To place the students in industries, colleges can arrange campus recruitment & placement. The educational policy makers need to think about this matter seriously. Thus, commerce and management education is facing numerous problems today. These problems have a direct bearing on the course objectives, course content and course conduct. These issues need serious attention and close scrutiny. It is high time for soul searching for an objective appraisal which will provide the basis for evolving a new strategy for giving a better deal to commerce and management education in the years to come. For the benefit of teachers and students at different level specific seminars and workshops should be conducted from time to time. There should be SWOT analysis of the institutions, initiation for interaction between industry and institute for placement and the curriculum for commerce and management education must be practical and skill oriented and syllabus should include more on drafting of reports and minutes, conducting case studies undertaking project work and field survey etc. Commerce and management education need to be holistic, targeted and customized with aim to remove the gap that exist between industry requirements and academic curriculum focusing on attitude, corporate awareness, grooming and developing managerial skills. Therefore, it is the need of hour to re-orient and re-designing the commerce and management education in such a way that it will be relevant for society.

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ISSN No : 0975-2501

New Paradigms in Retail Banking

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Abstract
Retail banking is the most visible face of banking for the public. Retail Banking refers to provision of banking products and services offered to individual customers, typically for non-entrepreneurial purposes. Retail banking involves offering of products both sides of the balance sheet e.g. Fixed, current /savings accounts on the liability side; and mortgages, loans (e.g., personal, housing, auto, and educational) on the asset side. Additionally, retail banking also involves offering of credit cards, depository services and other para-banking products and services viz. insurance products, capital market products etc. to individuals. Thus, retail banking services broadly corresponds to the banking services providing in the intermediate phase of evolution of banking. While retail banking offers phenomenal opportunities for growth, the challenges are equally daunting. The exacting regulatory requirements on the consumer protection front, risks from a slowing global economy and increasing customer expectations mean that banks must innovate to grow. This Article deals with various aspects of Retail Banking in India, mainly the Changes and latest Trends.
Keywords: Retail banking, Products and Services, Challenges, Latest Trends

Introduction

The concept of Retail Banking is not new to banks but is now viewed as an important and attractive market segment that offers opportunities for growth and profits. Retail Banking is a concept which allows households sector to meet their financial needs for various purposes through banking system. Retail banking encompasses retail lending and retail deposits. Retail banking and retail lending are often used as synonyms but in fact, the later is just the part of retail banking. In retail banking all the needs of individual customers are taken care of in a well-integrated manner. The main objective of retail banking is to provide low cost banking services across customer's life cycle, in line with their changing needs, by offering standardized products, simplifying sales process through provision of multiple delivery channels. The typical products offered inIndian retail banking segment are housing loans,consumption loans for purchase of durable, auto loans, credit cards and educational loans. From business perspective, retail banking contributes significantly to the bank's overall strategy of improving product mix, expanding revenue streams, enhancing profitability, ensuring better liquidity, and risk management. The higher growth of retail lending in emerging economies can be attributed to the rapid growth of personal wealth, favorable demographic profile, rapid development in information technology, the conducive macroeconomic environment, financial market reforms etc.

The next decade in banking will see both evolution and revolution. The industry has historically changed slowly — evolutionary, incremental change. While the changes envisioned are less, the pace of change is intensifying rapidly. Advancement in technology continue totransform the lives of banking customers. As a result direct channels such as mobile and the internet are becoming increasingly important in retail banking. The digital disruption and the ensuing change in customer behavior is causing paradigm shift in the way banking itself is thought about. The retail banking strategies of banks are undergoing a major transformation. Powerful forces are reshaping the banking industry. Customer expectations, technological capabilities, regulatory requirements, demographics and economics are creating an imperative to change. This article discusses about the emerging trend in Retail banking and the imperative need for the banks to respond dynamically and to adjust themselves in the emerging digital banking paradigm to drive more productive businesses and relationships.

Objectives:

- To know the recent trends in retail Banking.
- To study about the past, present and future trends in Banking.
- To study innovative technologies used in retail Banking.

Methodology:

In this paper, the research is based on secondary data taken from the different research reports. Journals and research papers. The research was based on the New Paradigms in Retail Banking In India.

Retail Banking

Retail Banking refers to provision of banking products and services offered to individual customers, typically for non-entrepreneurial purposes. On the liability side, banking has invariably always been 'retail' i.e. the banks have raised resources from a large number of retail depositors. In that sense when we talk about retail banking, our focus is on the asset side i.e. lending to the retail segment. Thus, on the whole, retail banking involves offering of products both sides of the balance sheet e.g. Fixed, current / savings accounts on the liability side; and mortgages, loans (e.g., personal, housing, auto, and educational) on the asset side. Additionally, retail banking also involves offering of credit cards, depository services and other para-banking services broadly corresponds to the banking services providing in the intermediate phase of evolution of banking. It is contextual to mention here that real economies in most of the developing countries have matured enough to demand products and services offered not only during the intermediate phase but also during the advanced phase and hence retail banking, embracing all products and services relating to consumption and speculative function of the economy, has become relevant in these jurisdictions.

Retail banking is the most visible face of banking for the public. These services are typically offered at the physical brick-and-mortar branches and at the ubiquitous ATMs. The delivery channel for retail banking is now no longer restricted to branches and ATMs but also spans telephone and the fastest growing channel i.e. internet. In fact, some retail banks in the west operate solely via the internet and do not have facilities to serve customers at physical outlets. Generally, however, the banks that focus purely on retail clientele are relatively few and retail banking activities are generally conducted by separate divisions within banks.

Typically, retail banking services begin with a target clientele which is the common masses and it slowly graduates through a stage which can be called as 'class retail banking.' The 'mass retail banking' is the stage in which the bank provides standardized banking products and services to its customers. In this phase the banks attempt to build a sufficiently broad customer base which can serve as a stable source of funding. The 'class retail banking' on the other hand, is the stage in which the bank offers customized products and services targeted at a niche customer segment, the high net worth individuals. Retail banking focused solely at a niche customer segment may also be termed as private banking.

Transformation of Retail Banking in India

The banking industry had undergone a lot of transformation over the last three decades. In the initial phase of evolution of banking, the government focused on productive sectors and hence bank credit had flown to thesesectors. But over time, due to the emergence of middle class having substantial purchasing power in India, the regulators have become more accommodating in allowing the banks to lend even for consumption purposes. The banks have become a virtual marketplace offering among others, various non-banking financial products and services to the customers. The highproportion of 79% of the population below 35 years of age, has offered to the Indian banking system, a ready market, for mobilization and deployment of their funds in the last one decade or so. Besides, the technological innovations relating to increasing use of credit / debit cards, ATMs, direct debits and phone banking, etc. has contributed to the growth of retail banking in India.

In addition, the decline in interest rates has also augmented the growth of retail credit by generating demand for such credit. Retail banking has also received a thrust from the policymakers' push for inclusive growth in the wake of the global financial crisis, towards achievement of universal financial inclusion. Retail banking business has also met the bank's quest for new sources of revenue and new channels for profit. Across theglobe, retaillending has been a spectacular innovation in the commercial banking sector in recent years.

Indiatoo experience a surge and a paradigm shift in retail banking. Retail banking received momentum nearly a decade ago when a few Indian Banks replicated the retail banking model of developed countries.In the course of time other banks also fell in line. Retail loan is estimated to have accounted for nearly one-fifth of all bank credit. The retail loan market hasdecisively got transformed from seller's market to a buyer's market. All these emphasize the momentum that retail lending is experiencing in the Indian economy in recent years. Retail Banking as a business model is adopted by all the banks in India on account of multiple comfort factors for the banks viz. acquisition of a huge customer base, multiple product offerings, better pricing and profitability.

The retail banking, where customer value is at the core operations, creating and nurturing long term relationships with the customer is the key to maximizing wallet share. The Indian government's ambitious vision for a digitally savvy Indian consumer, is emerging across urban as well as rural markets. As depicted, by 2020, the number of smart phone users to equal the number of active bank accounts in the country and cover 70-80 % of the eligible population. It is possible to envisage that almost alleligible customers will be on boarded on to the mobile phone-based digital payment and saving platform in next five years. A similar revolution is conceivable on the lending side.

Retail Banking Business Trend

Bank deposits on April 3, 2017 stood at Rs 91.5 trillion, which is 12.6 % over the deposit base of Rs 81.2 trillion as on April 4, 2014. As per the ICE360 Survey 2014,gross savings of the Indian household constitutes 29.27 % of the gross household income in the year 2013-14. Of the total gross savings, 51.8 % emanatedfrom rural areas comprising 179.5 million households with a share of 55.4 % of total income of Indian households. Rising levels of mean savings andincome witnessed in households with improved education status. Growth in total retail loans has picked up after slowing in 2009 to 2011. Whilecertain segment such as creditcard loans have remained stagnant, some other categories like housing loans havegrown steadily (Table- 1).

Table- 1: Growth in Retail Lending and Changing Mix (Rs Billion)

Year	Total Retail loan	Housing Loan	Consumer Durable loan	Vehicle loan	Educational loan	Credit card loan	Other Personal loan
2010	5588.9	3063.1	57.6	446.3	383.8	218.1	1420.0
2011	6701.3	3459.3	65.6	657.2	469.9	206.8	1842.6
2012	7501.5	3787.4	73.5	703.7	520.0	221.8	2195.1
2013	8712.9	4647.1	82.1	816.2	550.4	254.5	2362.6
2014	10171.0	5306.1	127.5	979.9	541.1	300.5	2915.9
2015	11663.4	6285.3	153.2	1246.1	633.2	304.6	3041.0
2016	13922.2	7467.8	177.5	1529.1	682.3	376.8	3688.7

(Source:RBI) Growth *in Retail Lending and Changing Mi*x

The bank credit ason March2016 stood at Rs 65.47 trillion up from Rs 60.03 trillion as of previous year. The growth in bank credit has been largely on the back of retail lending. Retail lending has risen from 5 %of bank advances in FY90 to 21.3% in FY16 and is expected to rise because of the growing economy, urbanization and favorable demography. As per data available ,the fastest growing segment was consumer durables at about 17 %,followed by vehicle loans at 14.7% and housing loans at 14.5%.Credit to industry , which accounts for bulk of bank lending , grew by 3.5 % while personal loans (home, auto and consumer loans among others) grew by over 13.5 % .By registering one of the highest growth rate in two years , reinforcing the belief that consumer sentiment is stronger than corporate investment outlook.

Indian savers have moreconfident in India today than thePrivate IndianProducer.According to Credit Information Bureau (India), retail NPAs have dipped to their historical lows with delinquencies on home loans and other retail loans showing as significant fall. The delinquency in home loans dropped to 0.5 % of total advances at the end of December 2014 , down from 1.06 % at the end of 2010.Defaults on the unsecured portfolios such as credit cards were also down to 1.19 % from a peak of 3.27 %, while defaults on the personal loans dropped to 1.01 % from a peak of 2.65 % of total advances earlier .Coupled with low delinquency rate in retail lending , the more demand for consumer products from on line channel which are fast picking up , will drive the retail lending sector at a faster pace . The digital revolution is upon us in its full glory.

Technology is advancing by the day. Affordable a smart phones and high bandwidth access will reach an unprecedented number of Indian consumers in the coming years. Digital credit is the next step towards a cash-lite economy. E-commerce firms such as Flip kart, Snap deal, Pay tm are aggressively looking to provide credit digitally to its vendors. The retail banking industry will be driven by increasing consumer demands combined with continued competition from outside the industry.

New Paradigm in Indian Retail Banking

Post crisis, the buying pattern of a banking consumer has changed. There is growing affinity towards simpler retail banking products, greater functionality, transparency and convenience. So much so, that the customer is willing to change the service provider for better quality service and efficient self-serving channels. The expectations of customers from Retail Banking are bound to increase. Some of the long-standing paradigms in banking and financial services may need to be revisited.

Innovative technologies changing the face of retail banking

India has leapfrogged into the era of innovation in banking by adopting the latest in technology. Today's digital age and hyper-connected environment requires banks to re-imagine their business continuously, and Indian banks are leading the pack when it comes to transforming from digital to truly digital. The year 2017 will be no different for the Indian banking sector; there will be growth fueled by innovative initiatives such as Unified Payments Interface (UPI) and technology. Our top picks for major technology trends that will reshape Indian banking are as follows:

Open banking is the new normal

Open banking—a connected ecosystem for financial and non-financial services with multiple underlying service providers—is the future of banking.

The launch of UPI by the National Payments Corporation of India (NPCI) has thrown open the gates for innovation in the open banking space. UPI will empower payment service providers to create state-of-the-art products/offerings without being limited by the underlying account relationships. Customers will be given the flexibility that they desire, and a unified interoperable interface will allow all service providers to innovate for better customer experiences.

Banking on the cloud first strategy

Progressive banks are already making strides in cloud adoption. Disruptive technologies that are changing the face of business—Big Data, blockchain, artificial intelligence (AI), IoT—will be leveraged using cloud computing. Indian banks are coming around to the idea that the business agility provided by cloud outweighs the concerns. Business models for emerging banks and fintech's will also be largely driven by the cloud-first strategy.

Blockchain and the race to production

As banks try to become more efficient and agile to meet the increasing demands of customers, blockchain will be one of the enablers for re-imagining processes. In 2017, banks will increasingly move some projects from pilot to production and leverage blockchain to automate inter-organizational processes. The recent Emirates NBD and ICICI Bank partnership to launch a blockchain pilot network for international remittances and trade finance is a precursor for advances in this technology.

Artificial Intelligence—From sci-fi to reality

Artificial intelligence (AI) has the potential to transform both front office and back office operations with its self-improving programs—at ICICI Bank, for example, software robots have been deployed in over 200 business process functions, reducing the response time to customers by up to 60%. AI has already proven itself in providing seamless differentiated customer experience on digital channels, and security measures with its integration within the banking infrastructure. Intelligent digital assistants are commonplace, and these self-learning programs keep getting better with every interaction.As 2017 progresses, banks will look to explore more proof of concepts to integrate conversational interfaces into their omni channel strategy.

More things to bank on mobiles

The year 2016 was the year of mobile-first strategy. Indian banks leveraged the increasing adoption of mobile to provide customized offerings on their apps. However, digital technologies are evolving at an unprecedented rate, and so is customer adoption. To keep pace, banks would be required to provide services on a gamut of connected devices and wearables. Apps, while still widely used, are not the only channel for customer interaction. Today we have smart virtual personal assistants on mobile phones that can engage with customers in a more interactive manner. Progressive service providers are taking a lead in enabling their services on these new interfaces—for example, Ola Cabs allows customers to use Siri for cab bookings. In 2017, you could expect Siri to help you move funds and open a new fixed deposit account with your bank. In fact, such services are already enabled by innovative banks globally.

Banking architecture simplification

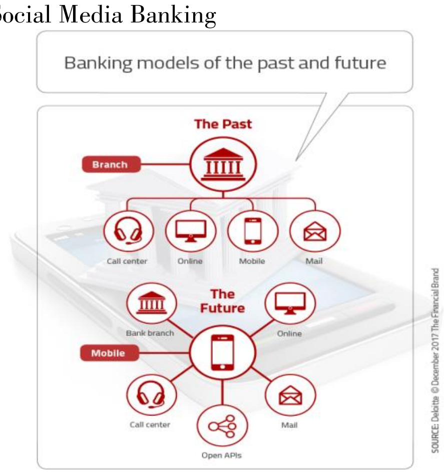
All these overlying technologies will be built on the bedrock of banking architectural simplification. The new year will see banks move to componentization instead of the traditional monolithic architecture. In other words, complex architecture will be broken up into smaller bite-sized pieces for ease of deployment and upgrade for specific functionalities. Banks will simplify architecture by implementing enterprise-class applications, which will be able to deliver capabilities required across business units and eliminate silos that currently exist.With initiatives like demonetization, the Indian government has made it clear that India will be yanked away from a cash-based economy. GST rollout will give further impetus to the Indian economy. In 2017, banks will not only have to keep up with the growing expectations of a billion connected customers, but they'll also have to make sure that they are leagues ahead of the emerging competition.

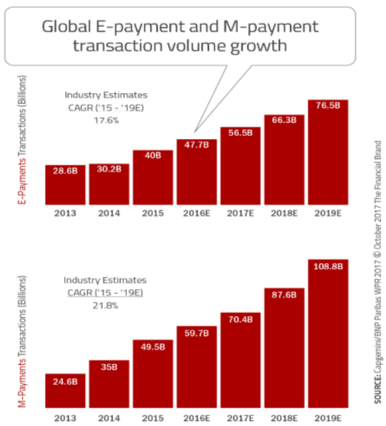
Current Paradigms	Emerging Paradigms
"Brick and Mortar" presence is core to building trust and confidence	"Click and Mortar" presence. Positive customer experience and excellent service quality builds trust and confidence

Multi-channel delivery-interfacing -inconsistent service experience	Omni-channel –integration -consistent service experience
Financial services are a serious business and needs direct contact and documentation	Financial services are a virtual product and can be offered remotely
E-Banking (Electronic banking)	M-Banking (Mobile banking)
"Mass" Banking	"Class" Banking
Meeting customer requirements	Assessing and meeting the customer needs through data analytics on real time basis
Get the customer to come to the bank (defined channels) for what they need	Be available wherever the customer is
Focus on the "stock" of deposit and loan balances	Focus on the "flow" of transactions and payments
All products – savings, credit, investments, payment services, should be offered by a single provider	Each provider may choose to effectively focus on certain products and services only
Bank Participants	Bank and Non-Bank Participants
Anytime/Anywhere banking	Everywhere banking

It is a challenge for the financial service industry toaccelerate their share in Retail banking by adopting customer focused strategies. As predicted by experts, two of the most omnipresent trends in Retail banking willbe services and an enhanced customer experience, and 2) the continued development of digital channels and associated digital services

Heightened use of Customer insight
Customer Analytics (Big data Analytics), Customer Insight and Customer experiences
Digital channels and associated digital services
Mobile Banking and Mobile payments /commerce
Mobile Banking Transactions
Social Media Banking





Conclusion

Retail Banking in India has fast emerged as one of the major drivers of the overall banking industry and has witnessed enormous growth in the recent past. The next decade in banking will see both evolution and revolution. Advancement in technology continue to transform the lives of retail banking customers and in coming years, seamless customer experience through multi-channel optimization of service delivery will become imperative. There will be shifting to anticipate customer expectations as well in advance and offer an interactive and consistent online banking experience coupled with high-quality branch banking service.

The number of customers who prefer to perform daily banking activities on an anytime/anywhere basis will be on increasing trend towards banks and banks will be looking for scenarios, options and intelligence to drive more productive businesses and relationships. Given the country's demography, the bulk of customers in retail banking business in coming years will be from among the upwardly mobile, tech savvy young, to win their attention and as also to improve operational efficiency, there will be a "big push" towards increased digitization, installing state-of–the–art technology and intensification of digital banking features and usage, digital payments, usage of data and analytics to drive engagement and an improved customer experience, competitive disruption, and increased branch/channel rationalization. Banks will also recognize that technology only is not sufficient to singularly drive revenue growth and real customer engagement.

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Human Resource Management in the New Economy in India

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Abstract
The entry of MNC's in India as resulted in the need for updating the HR practices to be on par with global companies across the world. Human resource management is central to the thinking and practice of managing in today's knowledge economy. All the human resource management need to revolve around the creations, sharing and utilization of the available resources which is central for healthy competition in the economy in India. This presentation is to strategically link the practice of HRM to knowledge management in a global environment. The Indian specialists are under a severe pressure to bring the structural changes in their HRM in organization to cope with best competition. The HRM role has become very much important than ever. This is an effort made to analyse human resource management in the new economy. Since the people working in an organization come from different cultural backgrounds managing such people becomes a daunting task for any organization. This presentation is a simple effort on my behalf to understand the various techniques employed by different organizations for handling their human resource. Since HRM plays a critical factor for an organization in order to achieve its socio economic goals.
Keywords : Human resource management , knowledge management ,competition , economy , practice .

Introduction

HRM mainly deals with managing people in the organization. Having an effective people management system in an organization , increases the productive of the organization and also its competition in the market.

An effective human resource management techniques includes providing training in a particular domain from the industry experts ,performance appraisals and skilled talented recruiting etc. Due to the new economy HRM plays an important role in the development of the organization. Since its aims at motivating the employees to provide productive work , to bring more coordination among the employees and also ensures continuous development of its employees and hence of the organization. HR is a human relations movement of the early 20th century.

Strategic initiates of the HRM includes skilled talented acquisitions, merging with other companies talent management, training, motivate and good labour relationships etc.. In majority of the company the trainings are provided in order to update the present trends in the market so that there organization can move forward and is updated with the upcoming trends in the latest technologies.

Managing people is not a easy task to achieve. Thus the HR focus on different innovative methods and work tenaciously in order to manage the people effectively .one such methods includes adopting new technology , providing more trainings and arranging soft skills sessions to its employees. So that the employees have a better coordination and motivated to work in the cooperate environment.

However the HR Management also as certain grey areas where it as definitely need to improve. This is due to lack of internal communication or undefined responsibility. The HR Management trying to overcome all these grey areas and hence provide a better work place for the people to work and indirectly is helping the organization to be more competitive in the market.

Review of literature

Paul R. Sparrow , Pawan S Budhwar : This presentation is based on the above authors view points regarding strategic human resource management of various cross – culture viewpoint between India and Britain. They mainly focus on managerial thinking in HRM.

Arsim Gjnovic : The author speaks about how changes in new economy has positively influenced HRM in an organization. As a result it has led to the creation of many new job and this influenced in the changing of role played by human resource management in an organization.

Mohan Thite

According to mohan mangers are faced with an endless choice in managing people and work. It is a act of managing HR. They need to "create actionable" situation while managing the HR. He has referred to a book called "Managing people in the new economy".

Objectives

- To Know the importance of HRM in an organization.
- To Study the history and growth of HRM.
- To Analyse the methodologies used in different organizations in the new economy.

Research Methodology

The study is based on both primary and secondary data. The primary data is collected with the help of questionnaire. For the study of 77 samples was drawn using Judgmental sampling.

Sample size

Respondents are considered from various company employees in Bangalore city.

Sources of data

The primary data was collected through questionnaire.

The secondary data was collected through various online sites and references.

Limitations of the study

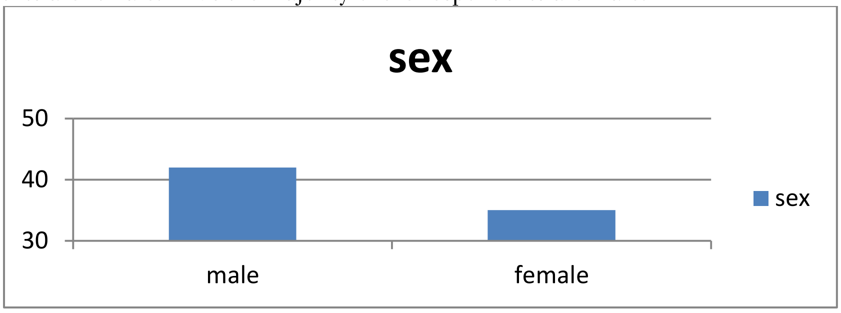
- The research was undertaken in a short time frame.
- The study is restricted only to the employees in the Bangalore.
- The data obtained in some cases may be biased.
- The validity of secondary data is minimal.

Findings :

Personal details of respondents :

Gender	No of people	Frequency
Male	42	54.54545
Female	35	45.45455

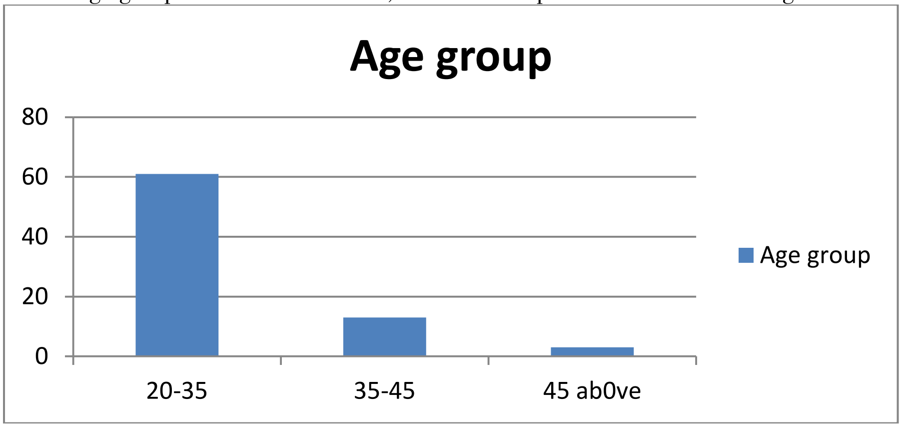
More than 50% of the respondents that is 54% (42 out of 77) are male & 45% (35 out of 77) of the respondents are female. Thus the majority of the respondents are male.



Showing the age of respondents:

Age group	No of people	Frequency
20-35	61	79.22078
35-45	13	16.88312
45 above	3	3.896104

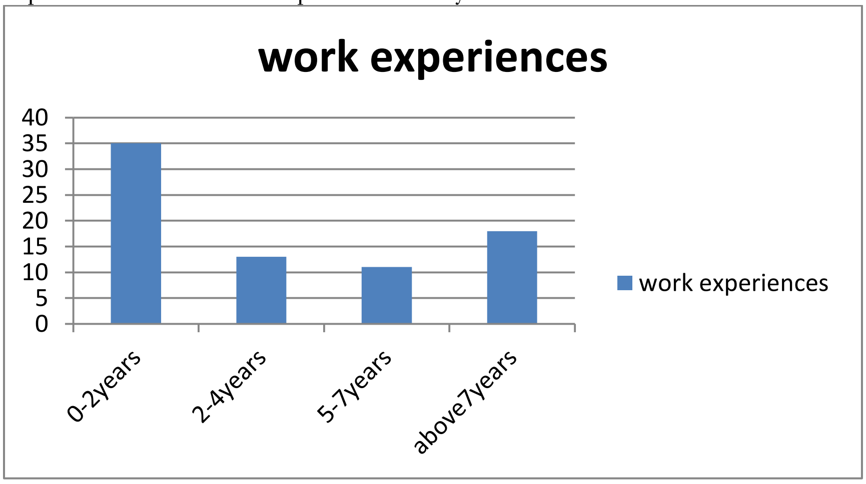
79% of the respondents(61 out of 77) are of the age group 20-35,16% of the respondents(13 out of 77) are of the age group 35-45 that is adults, 3% of the respondent are above the age of 45.



Work experience

Work Experiences	No of people	Frequency
0-2years	35	45.45455
2-4years	13	16.88312
5-7years	11	14.28571
above7years	18	23.37662

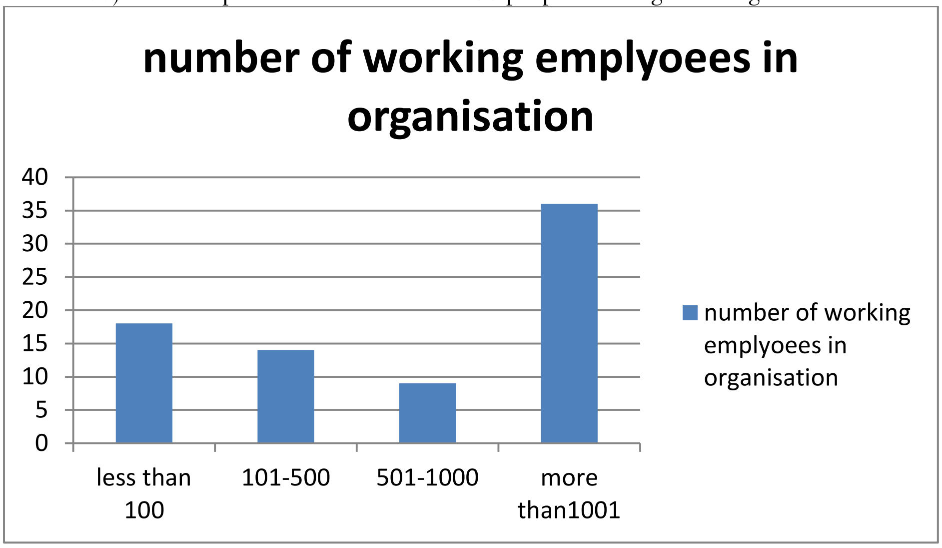
45% (35 out of 77) of the respondents are with work experience of 0-2 years that is fresher,23%(18 out of 77) of the respondents are with work experience of above 7 years, 16%(13 out of 77) of the respondents are with work experience of 2-4years.



Number of working employees in organization

number of working employees	no of people	Frequency
less than 100	18	23.37662
101-500	14	18.18182
501-1000	9	11.68831
more than1001	36	46.75325

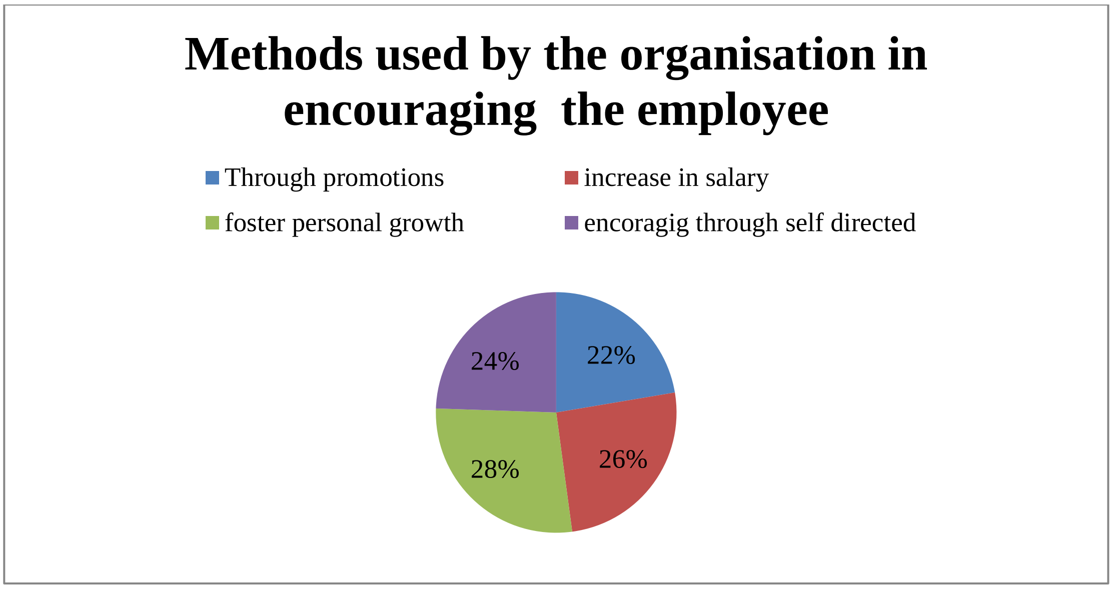
46%(36out of 77) of the respondents are more than 1001 people working in an organisation, 23%(18 out of 77) of the respondents are less than 100 people working in an organisation.



Methods used by the organization in encouraging the employees:

Methods	No of people	Frequency
Through promotions	21	27.27273
increase in salary	24	31.16883
foster personal growth	26	33.76623
Encouraging through self directed	23	29.87013

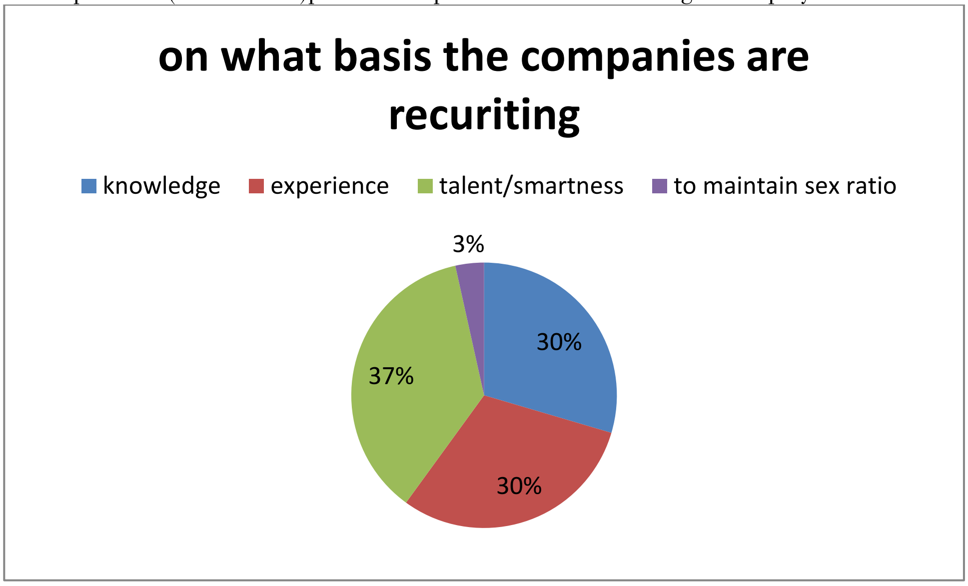
33% of the respondents (26 out of 77) uses foster personal growth in many organization to encourage employees,31% of the respondents (24 out of 77) says many organization uses increase in salary for encouragement of employees.



On what basis companies are recruiting:

Basis	**No of people**	**Frequency**
Knowledge	34	44.15584
Experience	35	45.45455
Talent/smartness	42	54.54545
To maintain sex ratio	4	5.194805

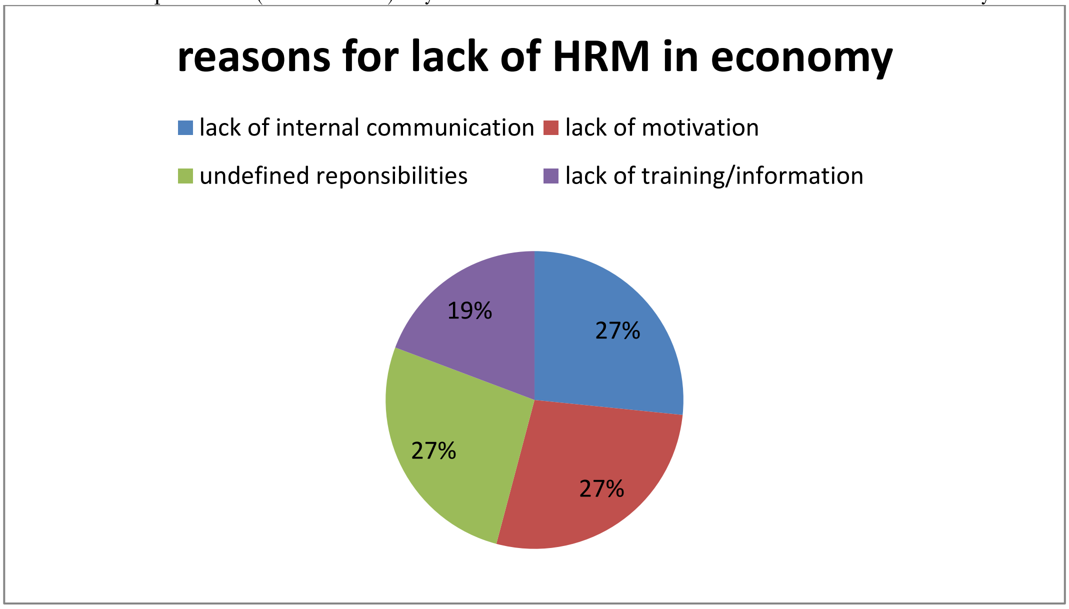
54% of the respondents(42 out of 77) prefer for more talent/smartness while recruiting,45% of the respondents(35 out of 77)prefer for experience while recruiting the employees.



Reasons for lack of HRM in economy:

Reasons	No of people	Frequency
lack of internal communication	29	37.66234
lack of motivation	30	38.96104
undefined responsibilities	29	37.66234
lack of training/information	21	27.27273

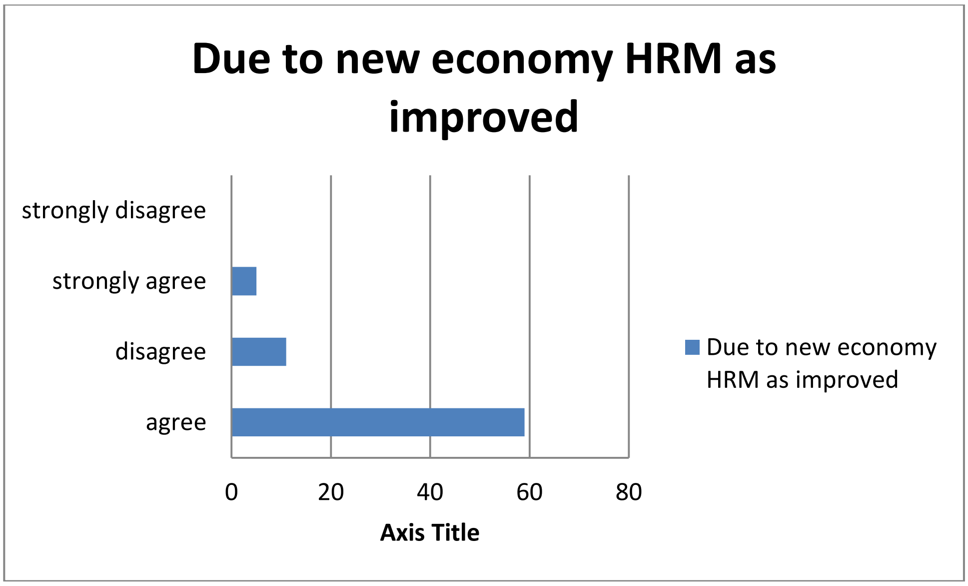
38% of the respondents (30 out of 77) says there is a lack of motivation in the HRM in economy.



Due to new economy HRM as improved :

76% of the respondents (59 out of 77) have agreed that due to new economy many organization have improved,14% of the respondents (11 out of 77) have disagreed that due to new economy many organization have improved.

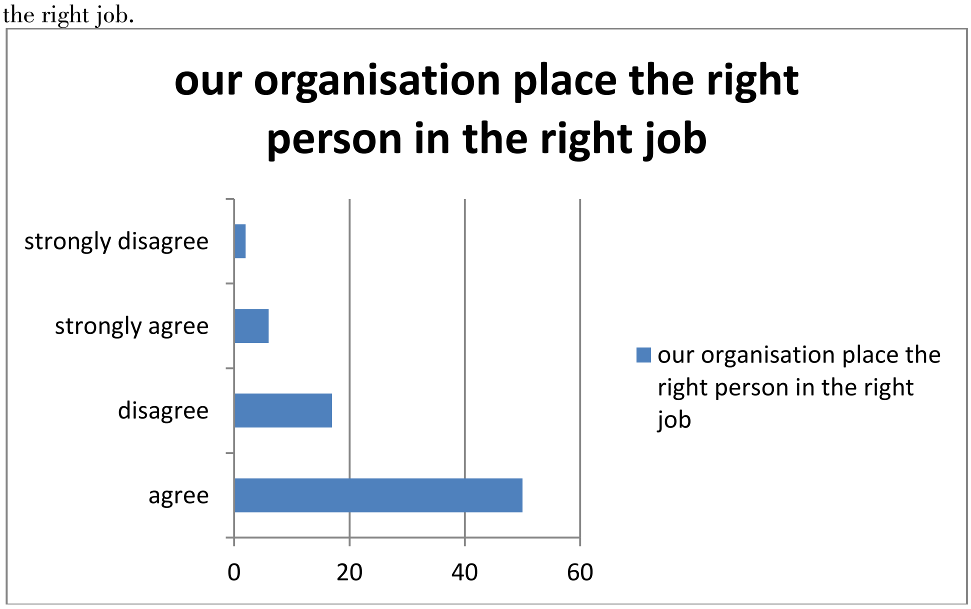
Economy as improved	**No of people**	**Frequency**
Agree	59	76.62338
Disagree	11	14.28571
Strongly agree	5	6.493506
Strongly disagree	0	0



Our organization place the right person in the right job:

Questions	No of people	Frequency
Agree	50	64.93506
Disagree	17	22.07792
Strongly disagree	6	7.792208
Strong agree	2	2.597403

64% of the respondents(50 out of 77) have agreed that many organization place the right person in the right job,22% of the respondents have disagreed that many organization place the right person in the right job.



Conclusion :

According to my research most of the people says foster personal growth is the method used by many organizations in human resource management. The reasons for the lack of human resource management in economy is on two basis one is on lack of internal communication, another one is on undefined responsibilities. Thus many of them agreed that due to new economy HRM as improved.

Reference :

- Paul R. Sparrow , Pawan S Budhwar : (1996) HRM in the New Economic Environment Management research news, vol.19 issue:4/5. Pp.30-34.
- Arsim Gjnovic : (2013) Perspective on HR as on a result of economic changes , European academic research,vol, I isuue 6/sep/2013.
- Mohan Thite: (2005) Managing people in the new economy, pdf slide1-6 in jan 2005.

A study on "Feasibility of CSR Initiatives in SMEs with reference to Peenya Industrial Area"

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Abstract
Small and Medium Enterprises (SMEs), contribute significantly to the GDP growth and the economic development of a country be it developing or developed. SMEs provide, significant employment avenues, platform for creativity and innovation that stimulates national income, as well as entrepreneurial opportunities and social stability. Being responsible citizens of India it is now necessary for us to figure out the importance of Corporate Social Responsibility with perspective of SMEs. The SMEs in India is accelerating and rapidly growing across the country. This paper aims to figure out the high importance of Corporate Social Responsibility by considering two aspects that is investment of SMEs towards CSR leads to the development of our own country, or it is necessary for them to keep them engage in CSR since they need to focus on their own progress in enhancing business opportunities. This paper focuses on implementation of the CSR agenda in SMEs and also presents the challenges and opportunities that SMEs have and actually on what they need to concentrate to anticipate regular yields or continuous profits to state themselves as a growing business enterprises.This paper brings out the high performance of involvement of government bodies, common public, corporate sectors with reference to the feasibility of CSR initiatives.
Keywords: Entrepreneurship, SMEs, National Income, Self Growth, CSR initiatives

INTRODUCTION

Corporate social responsibility (CSR) is also often referred to as business responsibility and an organization's action on environmental, ethical, social and economic issues.

A variety of terms are used, sometimes interchangeably, to refer to social responsibility: business ethics, corporate citizenship, corporate accountability, sustainability. Essentially, they all describe companies' efforts to address ethical practices, employee-friendly policies, environmental impact, governance, human rights, and community engagement within the core functions of the business.

According to research by the global nonprofit organization Business for Social Responsibility, corporations report publicly on their social responsibility activity to meet the demands of stakeholders and other interested individuals—such as employees, consumers, clients, suppliers, shareholders, lawmakers, and regulators—who are asking companies to be accountable not only for their own performance, but also for the effect of their products, the performance of their supply chain, and the well-being of their employees.

Social responsibility efforts have increased in recent decades, BSR suggests, in part because companies and their investors have gained greater awareness of the risks they may face when they do not address corporate social responsibility-related issues and the benefits that may be possible when they do.

Social responsibility initiatives can encompass policies, programs, or specific projects within companies and with external partners, and will vary by business, size, sector, and geography. It can encompass and may exceed traditional corporate philanthropy.

Businesses are increasingly becoming more proactive to create a positive impact on society by undertaking and managing CSR programs. In a dynamic business world, CSR can also be used as a strategy to gain competitive advantage over competitors, by creating a positive image of the company in the minds of their stakeholders.

CSR programs can be used for enhancing the credibility and visibility of companies in the society. Companies also undertake CSR programs, because of their self-awareness that they are both efficient and effective to create maximum social benefit at the minimum cost. Simon Zadek, 2001, describes the development of CSR broadly in terms of three generations:

1. The first generation of CSR showed that companies can be responsible in ways that do not detract from commercial success. The most prominent changes included adoption of a strategic approach to philanthropy, expansion of the geographic focus of corporate and evolving of measurement tools.
2. The second generation of CSR is focusing on CSR as an integral part of long term business strategy.
3. The third generation of CSR. That is still to come, is expected to make a significant contribution to address issues such as poverty, exclusion and environmental degradation. This will involve both partnerships with civil society and changes in public policy...

Feasibility of CSR is about the likelihood between flourishing businesses and tarnishing businesses' reputation. It avers these two competing influences as, "CSR practices and prosocial claims operate as both reputation-building activities and deterrents of future activism" (King, Brayden, & McDonnell, 2012, p. 2). This spells out two lines of arguments. First one is that companies who distinguish themselves from the rest of their peers in terms of contribution for the society may be subject on negative activism.

In the contrary, the second point argues that by giving the significance of the contribution for good to society, in fact, will help increasing companies' reputation, profits and so would be less exposed and / or vulnerable to activist' target to damage the business. It is indisputable, an enterprise may be subject of heavily criticism to ruin their reputation, but this must not end business's prosaically of engagement on CSR.

As per the Third All-India Census of Small Scale Industries conducted in 2004, the number of SMEs has increased from about 80,000 units in the 1940's to about 10.52 million units by 2004. The total employment by SMEs is about 25 million. They constitute 90% of the industrial units in the country and also contribute to about 35% of India's exports (Pandey, 2007). SME sector is a thriving sector of India's economy contributing in the form of innovation, employment and entrepreneurial activities. World over, the SME sector is seen as an emerging sector not only in terms of the economic impact they have on an economy of any country but also the social impact it create on the local societies in which they operate.

Small and Medium enterprises make up more than 90% of the businesses worldwide and account for 50 to 60 % of employment. European Union estimates for 2003 indicate that more than 20 million SME's account for over 80 million jobs. In the United States 99.7 percent of all firms fall into the "small business" category accounting for half the nation's job and contribute more than 50% of non farm GDP, (Vives, 2005). Almost half of the European SMEs are, to different degrees, involved in socially responsible activities, (Perrini, 2006). The CORE Bill 145 (2002) has introduced following requirements on the companies operating in UK: A. Mandatory Reporting: Companies with a turnover greater than 5 million pounds would be required to produce and publish reports on their economic, environmental and societal impact. B. Stakeholders Dialogue: Companies would have to consul affected stakeholders before launching major projects. C. Directors: Directors would be required to better consider the impact of their business on the environment and society. There are also views against this bill as it will create additional burden on the small and upcoming businesses.

SMEs and sustainable development SMEs are the lifeblood of most economies. On average, they represent over 90% of enterprises and account for 50-60% of employment at a national level (Luetkenhorst (2004)). Luetkenhorst (2004) argues that SMEs are particularly important in supporting economic growth and livelihoods in developing countries, because they (inter alia): • tend to use more labour-intensive production processes than large enterprises, boosting employment and leading to more equitable income distribution;

- provide livelihood opportunities through simple, value-adding processing activities in agriculturally-based economies;
- nurture entrepreneurship; and
- support the building up of systemic productive capacities and the creation of resilient economic systems, through linkages between small and large enterprises.

Evidence from elsewhere on the relationship between the relative size of the SME sector, economic growth and poverty is more equivocal. Using a sample of 76 countries, Beck et al. (2003) find a strong association between the importance of SMEs and GDP per capita growth, but the data does not support the hypothesis that SMEs exert a causal impact on growth. Neither do they find any positive evidence that a larger SME sector reduces poverty. Beyond hard economics, whether SMEs are inherently more socially beneficial than larger companies is a matter of opinion. They are perhaps more likely to contribute to social capital in the localities of their operations, as they are more likely to be embedded in their communities.3 But they may also be less likely to be subject to rigorous inspections in relation to labour or environmental standards. In either case, there will be exceptions, and it may be that these arguments run more closely along the dividing line between the formal and informal economy than according to size alone.

Some theories can be used to explain why companies in general and SMEs in particular adopt CSR. First, the CSR literature often contains references to institutional isomorphisms (Massoud, 2010). Institutional forces typically refer to the three institutional isomorphisms described by DiMaggio and Powell (1983): coercive, mimetic, and normative. They are frequently used in organizational analysis to explain the process in which organizations are influenced by their institutional environment to adopt certain practices, structures, values, and norms. Spence et al. (2000) applied institutional theory to SME CSR and found that the institutional environment influenced the environmental behavior of Dutch and British SMEs. For example, the Dutch government had instituted licensing and permitting requirements for small firms. Trade associations also assisted Dutch firms in environmental issues by serving as advisors and providers of information.

OBJECTIVES OF THE STUDY

1. To know the viability of CSR by SME,
2. To bring out the high performance of involvement of government bodies, common public and corporate sectors with reference to feasibility of CSR initiatives.
3. To figure out the ;implementation of the CSR agenda in SMEs
4. To present the challenges and opportunities that SMEs have.

LITERATURE REVIEW

High importance of CSR in the progress of SMEs

Recognition: By conducting CRS event an industrial unit will be familiar among the crowd. This is a type of advertisement as well and by that it will adversely improve the profit of the business. So it is very much necessary for SMEs to take active participation in implementing CSR programmes.

Reputation: Any SMEs if they have engaged in CSR activities like eco friendly technologies, environment awareness programmes, and social outreach activities to reach the common public, then the output result will be optimistic so that they can gain well reputation in the society

Remarkable growth: conducting CSR activities with perspective to service motto will always help business to achieve the remarkable growth. For instance: construction of public toilets, investing in maintenance of public parks, etc,

Tax benefits: In order to bring CSR in SMEs government can take initiatives by providing tax benefits like increase in the limit of exemptions for such SMEs who have take active involvement in CSR.

Expansion of business: SMEs can always anticipate towards the expansion of their business line with the help of CSR initiatives

Sustainable development: As it says meeting the needs of present generation without compromising with the needs of future generation one can always anticipate sustainable development by implementing effective CSR activities.

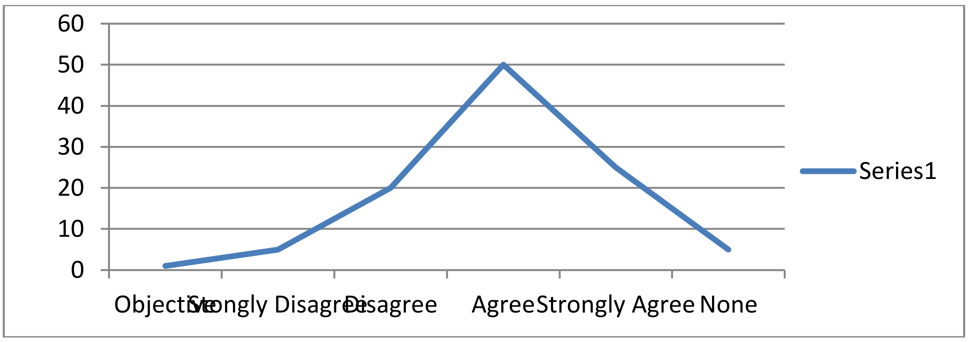
Sl. No.	Author	Topic of study	Year
1	Anna Blomback & Caroline Wigren	Challenging the importance of size as determinant for CSR activities.	2009
2	Murillo & Lozano	SMEs and CSR – An approach to CSR	2006
3	Preuss & Perschke	Social responsibility in medium sized businesses	2010
4	Ghobadian, Gallear & Hopkins	TQM and CSR Nexus	2007
5.	Mc Williams A & Siegel D	CSR – A theory of the firm perspective	2001

DATA COLLECTION AND ANALYSIS

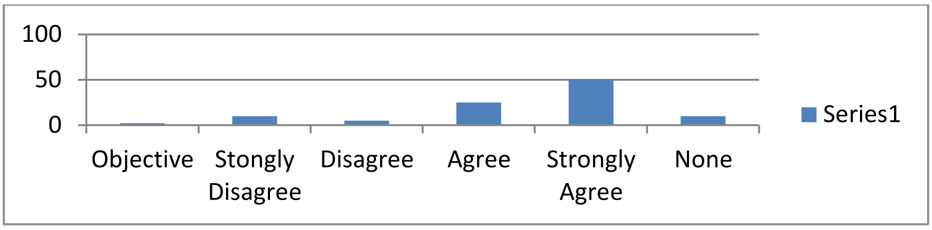
Objective	Strongly Disagree	Disagree	Agree	Strongly Agree	None
1	5	20	50	25	**5**
2	10	5	25	50	**10**
3	10	5	50	20	**5**
4	5	25	50	20	**10**

GRAPHICAL REPRESENTATION

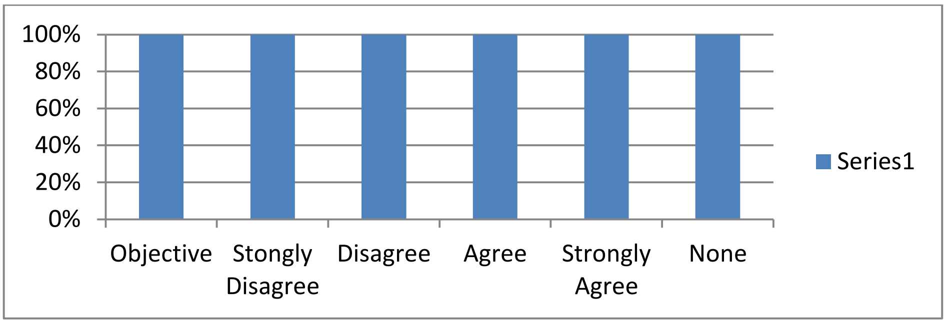
OBJECTIVE -01



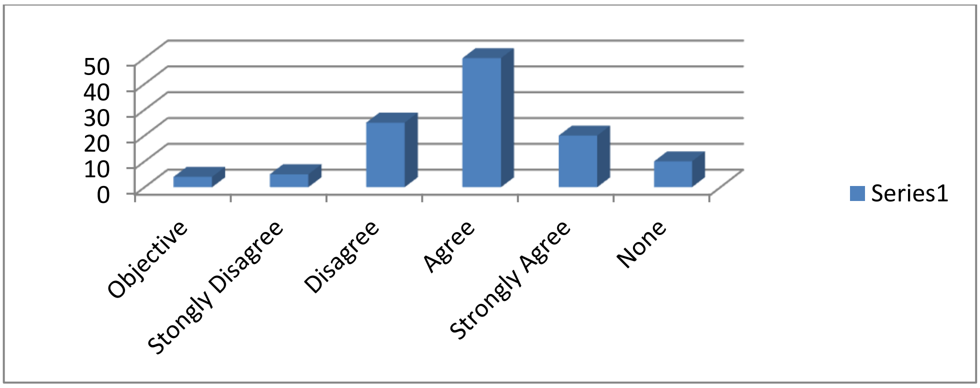
OBJECTIVE -02



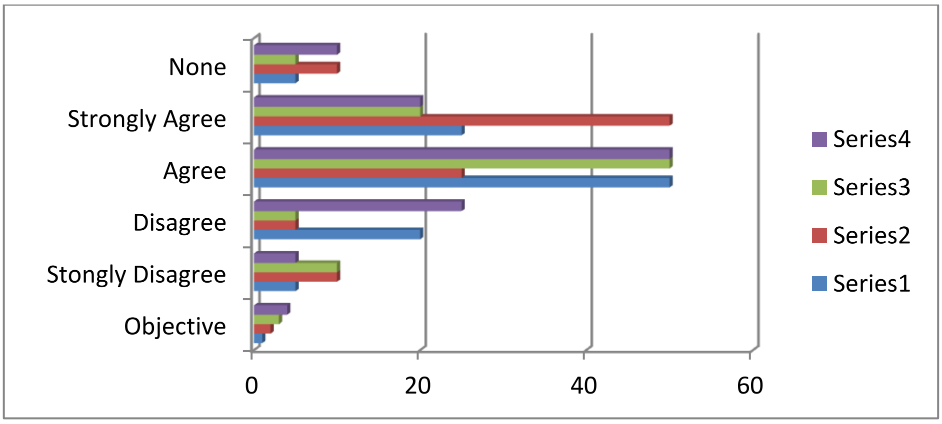
OBJECTIVE-03



OBJECTIVE-04



OVERALL GRAPHICAL PRESENTS



FINDINGS

- Peenya industrial area is one of the biggest industrial area in Asian continent
- Peenya industrial area have played vital role in providing employment opportunities.
- As small scale industries in the area contributed to GDP growth has enough capability to conduct and contribute towards CSR.
- Since, there are some of the industries adopted advanced technology in the area can come up with the solution for the issues in the society.

SUGGESTIONS

- Government must take initiatives by providing extra percentage of subsidies for CSR initiatives taken by SME, s surviving the sustainable development
- Corporate bodies must take care of taking initiatives for the implementation of CSR
- In return to government SME, s must begin with their small initiatives to conduct CSR activities.

LIMITATIONS OF THE STUDY

As we already mentioned in our findings that Peenya industrial area is the biggest industry in Asian continent, due to the time limitations we were not able to cover the entire area, and we found difficulties in collection of data by our respondents it was due to the negligence attitudes of some of the respondents and some of them refused to answer despite of several visits. We also found difficulties in differentiating between SMEs & Large scale industries since it consists both small and large scale industries.

CONCLUSION

As per our research study it can be concluded that SME,s must take CSR initiatives

As per the government legislature of the companies act 2013 all types of companies must contribute 2% of the profit for CSR activities as well as all SME,s are getting huge benefits from the government like subsidies, tax exemptions etc.,. in returns to government SME,s must come forward to take initiatives by contributing some percentage of profits for CSR activity in the society where it will be help full for the people of society as well as increase the sustainable industrial growth in the country with reference to above cited statement the government can bring more plans to develop small scale industries with perspective to the enhancement of opportunities to the young minds of India.

REFERENCES:

- Primary Data
- Internet Browsing

An Evaluation of Management of Non Performing Assets in Priority Sector Advances of Public Sector Banks in Karnataka

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Introduction

The Banking industry is a key sector of the economy that has achieved transformed spotlight subsequent to financial sector reforms and the entrance of private sector banks. This sector is the foundation of current economic development. The crucial function of banks is to lend funds as loans to various sectors such as agriculture, industry, personal and housing etc., and to obtain deposits. Receiving deposit involves no risk, since it is the banker who owes an obligation to reimburse the deposit, whenever it is demanded. On the other hand lending always involves much risk because there is no certainty of repayment. In recent times the banks have become very cautious in extending loans, the reason being rising non-performing assets. Non-performing assets had been the single largest cause of frustration of the banking sector of India. Amongst the various desirable characteristics of a well-functioning financial system, the upholding of a few non-performing assets (NPA) is a vital one.

NPAs has emerged from the time when more than a decade as an hurtful threats to the banking sector in our country sending disappointing signals on the sustainability and insurability of the affected banks. NPAs point out the credit risk of the banks. Operational effectiveness of the banks is pretentious by the quality of advances which in turn has an impact on the profitability, liquidity and solvency position of the banks.

In India public sector banks have contributed significantly by providing competent services and low cost earnings of funds in general and weaker sections of society in meticulous as a priority sector lending in our economy. One of the important objectives of nationalization of major commercial banks in the country was to finance the needs of the neglected and weaker sections of the society. In the pre – nationalisation era, commercial banks extended financial assistance to only such proposals, which were safe and remunerative from their point of view. They did not consider lending to small borrowers, self - employed entrepreneurs and other such categories as bankable propositions. After nationalisation, the entire concept of lending by commercial banks has undergone a sea change, the neglected sectors are now redesigned as 'Priority Sectors' and commercial banks have been asked to meet the authentic and increasing needs of these priority sectors on a precedence basis.

Banks have been viewed in the country's preparation process as agents of social transform. The performance of banks has been praiseworthy during the last two decades in respect to fulfilling the objectives of nationalization, and they provided a powerful instrument in implementing the policies and programmes of the government directed towards achieving socio economic growth of the country. However, there has been steady erosion of profitability of Indian public sector banks in recent years. Declining profitability of banks has now become a subject of public debate. The ever-growing socio-developmental obligations cast on the shoulders. A more worrying fact is that banks that have been considered unwell are in the public sector.

To accelerate the pace of extending credit to priority sector, specially to small borrowers and weaker sections of the society in the rural as well as urban areas, banks have been directed by the Reserve Bank of India and the Government of India to augment their lending's to these areas such an extent that they may become at least one-third of their total advances. Besides, the commercial banks are also hypothetical to advance 60 percent of the deposits mobilized in the rural and semi-urban areas, for the reimbursement of economic activities in these areas. Thus, it has been after nationalization that commercial banks have diverted their policies and procedures to help the abandoned and weaker sections of the society, especially in the rural, unbanked and immature areas.

Over the past two decades, banking policies and programmes have required to attain certain national objectives by reorienting the banking system towards a better social purpose. As a result, the system has under-gone a structural transformation in both quantitative and qualitative terms. The massive and speedy expansion of banking activities in the country has not been without constraints. Ever since nationalization in 1969, fulfilling of social obligation of the economy and rendering assistance to the people existing below the poverty line have been given the priority among the bank objectives, while earning profit has become almost inferior. Therefore, banks are facing two challenges –to improve their profitability on the one hand and to fulfill the social obligations by serving the society on the other. Concern in also being debated that if the present trend of declining bank profitability is continued; the financial viability of banks may be in the increasing quantum of non-performing assets. It may be pragmatic that effective asset management is one of the important goals of banks and economic institutions as well.

The banking industry has undergone a sea change after the first phase of economic liberalization in 1991 and hence credit administration (Poongavanam, 2011). A healthy banking system is essential for any economy striving to achieve growth and remain stable in competitive global business surroundings (Prasad and Veena, 2011). A muscular financial system can help achieve efficient allocation of resources across time and space by plummeting inefficiencies arising out of market frictions and other socioeconomic factors. Amongst the various desirable characteristics of a well-functioning financial system, the maintenance of a few non-performing assets (NPA) is an important one (Rao, 2013). NPA usually refers to non-performing assets and the lenders consider it as those assets that are not fetching payback to them. The word is not new to the bankers. It is regular but masquerading loan asset (Tiwari and Sontakke, 2013).

The primary function of banks is to loan funds as loans to various sectors such as agriculture, commerce, personal loans, housing loans etc., in recent times the banks have become very cautious in extending loans, the reasons being mounting NPAs. NPAs beyond a certain level are indeed cause for anxiety for everyone involved because credit is essential for economic growth and NPAs affect the smooth flood of credit (Rajeev and Mahesh, 2010). The Reserve Bank of India states that, compared to other Asian countries and the US, the gross NPAs figures in India seem more alarming than the net NPA figure (Prasad and Veena, 2011). The buildup of huge NPAs in banks has unspecified great importance. The depth of the problem of terrible debts was first realized only in early 1990s.

Against this background, a modest attempt is made in this study to examine the causes for the declining of bank profitability, discuss the location of non-performing assets and suggest a few measures for making these assets more active to look up profitability.

Review of Empirical Studies

Prof. Satish R Pharate (2013) has conducted the study on "NPA Management By Public & Private Sector Banks in India" has observed that the banking sector in India has undergone a significant transformation following the financial sector reforms since 1992. With the entry of new private banks, the Indian banking sector has become more comparative and dynamic. The reduction in non-performing assets of private banks led to an improvement in their productivity, efficiency and profitability during 2011-12, 2012-13 and 2013-14, which reflects the positive impact of banking sector reforms. The analysis points out that despite an increase in gross and net NPAs in absolute terms, all the banks groups witnessed a fall in their NPAs in percentage terms. The private sector banks showed an appreciable improvement in their asset quality, reflected by the ratio of Gross NPAs to gross advances during the reference period. A sector wise analysis of NPAs reveals that the percentage share of priority sector in total NPAs of all bank groups (except of private sector banks) went up during the reference period.

Dr. Sushama Yadav (2014) has conducted a study on "NPAs: Rising Trends and Preventive Measures in Indian Banking Sectors" in this study she observed that Banking system plays a very significant role in the financial existence of the nation. The strength of the economy is closely related to the reliability of its banking system. The problem of NPAs can be achieved only with appropriate credit appraisal and risk management mechanism. It is required that the banking system is to be equipped with prudential norms to reduce if not completely to keep away from the problem of NPAs. It is better to avoid NPAs at the budding stage of credit consideration by putting in place of precise and proper credit appraisal mechanisms. So, it is very necessary for bank to keep the level of NPA as low as possible. Because NPA is one kind of barrier in the success of bank and affects the performance of banks negatively so, for that the management of NPA in bank is necessary.

Narula and Singla (2014) evaluate the non – performing assets of Punjab National Bank and its impact on profitability & to see the relation between total advances, Net Profits, Gross & Net NPA. The study uses the annual reports of Punjab National Bank for the period of six years from 2006-07 to 2011-12. These papers conclude that there is a positive relation between Net Profits and NPA of PNB. It is because of the mismanagement on the side of bank.

Arora and Ostwal (2014) conducted study on "Unearthing the Epidemic of Non-Performing Assets: A Study of Public and Private Sector Banks" which deals with the concept of Non-performing assets and analyze the classification of loan assets of public and private sector banks. It also explores the comparison of loan assets of Public sector and private sector banks. The study concluded that private sectors improving due to decline in NPAs ratio compare to Public sector banks due to recovery management done in NPAs and suggest that there is need to check the NPAs of public sector banks so that Indian banking system becomes efficient.

Harish Shetty & S. N. Sandesha (2016) have conducted a study on "A Comparative Study on Non Performing Asset Management of Selected Public Sector Bank And Private Sector Bank" and have observed that Indian banking industry plays a vital role in the socio economic development of the country. This role is played by banks by extending credit to various deficit sectors for their growth and development. This credit creation process leads to credit risk which will lead to non performing asset. While the primary function of banks is to lend funds as loans to various sectors such as agriculture, industry, personal loans, housing loans etc., in recent times the banks have become very cautious in extending loans. Non-performing Asset is an important parameter in the analysis of financial performance of a bank as it results in decreasing margin and higher provisioning requirements for doubtful debts. NPA is a virus affecting banking sector. It affects liquidity and profitability, in addition posing threat on quality of asset and survival of banks. The motive of present study is to assess the non – performing assets of State Bank of India and Karnataka Bank and its impact on profitability and to see the relation between total advances, Net Profits, GROSS & NET NPA. The study uses the annual reports of the Banks for the period of five years from 2009- 10 to 2013-14. The data has been analyzed by using tables and coefficient of correlation. The decline of NPA is essential to improve the profitability of banks. Advances provided by banks need to be done pre-sanctioning evaluation and post-disbursement control to constrain rising non-performing assets in the Indian Banking sector. While analyzing the impact of NPA level on SBI we derived the conclusion that there is a positive relation between Net Profits and NPA. It simply means that as profits increase NPA also increase. It is because of the mismanagement on the side of bank.

Mayur Raoa and Ankita Patelb (2015) in the study entitled "A Study On Non Performing Assets Management With Reference To Public Sector Banks, Private Sector Banks And Foreign Banks In India" have opined that Non Performing Assets (NPAs) are one of the major areas of concern for the Indian banking industry. Non-Performing Assets are like a double edged sword. They do not generate any income, whereas, the bank is required to make provisions such as assets. (Olekar and Talawar, 2012). NPAs do not just reflect badly in a bank"s account books, they adversely impact the national economy. There are many research conducted on the topic of Non- Performing Assets (NPA) Management, concerning particular bank, comparative study of public and private banks etc. This paper considers the aggregate data of public sector, private sector and foreign banks and attempts to compare analyze and interpret the NPA management from the year 2009 -2013. On the conceptual side, it gives an overview of NPA, Types of NPA, causes and on the calculation side, it covers various NPA related ratios, use of Least square method for estimating Gross NPAs in the year 2014, and also application of ANOVA test to judge the presence of any significant difference between ratio of Gross NPA to Gross Advances. The findings reveals the percentage of Gross NPA to Gross advances is increasing for public banks, ratio of Loss Advances to Gross Advances are higher in foreign banks, the Estimated Gross NPA for 2014 is also more in public banks as compared to private and foreign banks and from the ANOVA test, it is concluded Ratio of Gross NPA to Gross Advances for public sector, private Sector and foreign Banks does not have significant difference between 2009 to 2013.

C.S.Balasubramaniam (2014) in the study of "Non Performing Assets and Profitability of Commercial Banks in India: Assessment and Emerging Issues" opined that The Indian banking system has undergone significant transformation following financial sector reforms as laid out by Shri M.Narasimham Committee in 1991. It is adopting international best practices with a vision to strengthen the banking sector and its operations in the economy. Several prudential and provisioning norms have been introduced, and these are expecting the banks to usher overall efficiency, bring down Non Performing Assets (NPA), to improve the profitability and overall financial health in the banks, in general. In the background of these developments, this research paper attempts to analyze the trend of the NPA of the banks in recent decade since 2000. This paper assumes significance with the recent proposal by RBI to introduce Basel III norms in the banking sector from January 2013. Basel III framework of guidelines formulated by Bank for International Settlements (BIS) in consultation with central banks operating in a number of countries all over the world expect the participating banks in their respective economies to be following healthy financial and operational management policies.

Research Gap

The review of the above studies relating to priority and non-priority sector advances as well as non-performing assets reveals that they have either focused on macro view of outstanding advances or on some issues related to the specific category of the weaker sections and other categories at the micro level. None of the studies have been taken an integrated perspective of the concept of NPAs based on outstanding as well as incremental credit. So far, researchers regarding the problem of NPAs in Canara Bank in Mandya District have conducted no studies. In order to fill that research gap the present study is undertaken. Moreover, banking being an important and integral part of economic development, there is much need for continuous research on the various aspects pursued by the banks.

Scope of the Study

This study is mainly confined to Mandya District in the state of Karnataka. The main focuses of the study is on the problem of NPAs in Canara Bank only and also see how the effective measures has enabled the banks to raise their profitability. The study also focused on growth and performance of Canara Bank in Mandya District.

Objectives of the Study

The present study is based on the following objectives.

1. To analyse the growth and performance of Priority Sector Advances in India in general and in Karnataka in particular.
2. To evaluate the management of non-performing assets in Public Sector Banks.
3. To study the NPA in Canara Bank in Mandya District.
4. To examine the impact of priority sectors credit of Canara Bank on the NPA in Mandya district
5. To make suggestions for improving the performance of Canara Bank in reducing the NPA in particular and commercial banks in general.

Hypotheses

The following hypotheses have been framed in the study

1. Priority Sector Advances in the public sector banks have been increased rapidly in order to meet the needs of the neglected sectors in the society.
2. The performance of Canara Bank in Mandya district is remarkable in advancing the loans to every nook and corner of the district.
3. The priority sector advances have direct bearing on increasing quantum of non-performing assets of Canara Bank.

Research Methodology

This study is mainly based on secondary source of data viz., published data about the priority sector lending and NPAs of the commercial banks. Besides published material, study is also based on discussions with various people such as officials and non- officials of the Lead Bank Office, and Canara Bank officials. Simple statistical techniques have been used to analyze the data wherever necessary.

This study is descriptive and analytical in nature. Here an attempt has been made to examine the relationship between Net profit and Net NPA of Canara Bank. The study is completely based on secondary source of information. The information is collected from various official websites and annual reports of the banks. The data has been analyzed by using tables and coefficient of correlation. Table is used to compare total advances, gross NPA, net NPA & profits of Canara Bank.

Limitation and Period of Study

The limitation of the study, which is based on secondary source of data, the prompt attempt was made to study in collection of secondary data on NPAs of Canara Bank in the district. Study confined to impact of NPAs on profitability of Canara Bank in Mandya District. Data has been collected for the period of 1995-96 to 2005-06 from the commercial banks and Lead Bank and also Canara Bank branches. The period between 2000-01 to 2014-15 has been considered the limitation of the study.

Area and Period of Study

The study is confined to Mandya district of Karnataka State. In Karnataka State, Mandya district has been among the front running district with concerned to priority sector lending. The district provides an ideal region to undertake the study in view of the diverse culture, climate encompassing the maidan region. For the purpose of study it is decided to consider a five-year period from 2000-01 to 2014-15 as a suitable period for the study. Accordingly, 2015 has been reckoned as the reference period.

Major Findings of the Study

- Commercial banks lending to priority sectors in Karnataka state in general and Mandya district in particular has shown outstanding progress since nationalization. The quantitative results in this field have been very impressive.
- The growth in priority sector financing has been widely spread over all the Taluk's of the district as it is found that the relative share of priority sector advances in total bank credit has grown in all Taluk's of the district. This indicates that the disparities/imbalances between the Taluks are getting reduced.
- The setting up of the Asset Reconstruction Company India Limited (ARCIL) provided a major boost to bank's efforts to recover dues.
- In the year 2005-06, nearly 29 branches and one administrative unit got ISO certification taking number of ISO certified branches to 805 and administrative units to 14.
- Canara Bank was the first bank in India to distinctly articulate and adopt the code of "Good Banking", our banks citizen charter for healthy practice in customer-banker relationship.
- The bank has a wide range of activities such as Corporate Cash Management Services, Rural Development and Self-employment Training Institutes etc. It has over 1000 quality circle active at various levels.
- The bank functions as a Financial Super Market with its seven subsidiaries offering a wide range of diverse service.
- Canara Banks in Mandya are not provided loans and advances for non-economic viability activities. This could enable to get maximum profit. As result of this NPAs have been reduced.
- Canara Bank has taken good steps with concerned to repayment of the loans. This could enable to reduce the NPAs.
- There is actual correlation between Priority Sector NPAs and Non priority Sector NPAs in contribution of Total NPAs of Canara bank in Mandya district during the study period.

Suggestions

1. In order to quicken the turnaround process of the weak banks, carrying a large portion of non-performing advances, it is necessary to devise means to augment their income. It is perceived that the transfer of NPAs to a separate agency, Asset Reconstruction Company (ARC) would ensure a steady flow of income on such assets and that ARC would solely concentrate its efforts on recovery of dues and thus would be in a better position to recover the loans than the banks themselves.
2. The existing NPAs, which are dragging down the bank are due to certain historical factors and if these problem assets are removed to ARC, the bank should eventually return bank to profit earning.
3. In the light of the gravity of the NPA issues confronting the banks particularly the weak ones, the ARC mechanism can be given a trial expeditiously in a limited way and based on its success, can be extended on a large scale.

4. Infrastructure in Debt Recovery Tribunals (DRTs), to be augmented and DRTs should be given more powers to expedite recovery of bank's dues more particularly for disposal of mortgaged immovable properties.
5. There is a need to activate the economic and industrial activity, to check further degeneration of the loan portfolio in banks.
6. Banks should find out the original reasons/purposes of the loan required by the borrower.
7. Appropriate SWOT analysis should be done before disbursement of the advance.
8. Banks should ensure that there is no diversion of funds disbursed to the borrower.

Conclusion

To quote excerpts from the Narasimham Committee Report 1998: "NPAs constitute a real economic cause to the nation in that they reflect the application of scarce capital and credit funds to unproductive uses. The money locked up in NPAs is not available for productive use and to the extent that banks seek, to make provisions for NPAs or to writ them off, it is a charge on their profit. To be able to do so, banks have to charge their productive and diligent customers a higher rate of interest. It thus becomes a tax on efficiency. It is the customer who uses credit efficiency that subsidies the inefficiency represented by NPAs. This also raises the transaction costs in the system thus denying the diligent credit customers the benefits of lower rates, which would help them to be more efficient and competitive. NPAs, in short is not just a problem for the banks. They are bad for the economy". For example if we are able to contain NPAs to around four percent of the total advances, then the PLR of the bank could be brought down to say about, 10% which would provide the customer, the necessary competitive edge, over his counterparts overseas.

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ISSN No : 0975-2501

An Empirical Analysis of Profit Making of Enterprises in Mysore: A Comparative Analysis

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Abstract
One of the objectives of the firm is to make profit. Profit plays predominant role in driving enterprises. At the same time there are many factors associated with profit making of enterprises. In the present study, an effort has been made to empirically analyze the profit making of enterprises in Mysore; one of the prominent entrepreneurial hub of Karnataka. The primary data collected from enterprises in Mysore have been used for analysis. It has been found from the study that in absolute terms, profit making is significantly high for small scale enterprises which have availed institutional finance. The labour efficiency in terms of profit is also significantly high for small scale enterprises which also availed institutional finance. The investment efficiency in terms of profit is significantly high for micro and service oriented enterprises. The profit per unit of cost and profit per unit of revenue is significantly high for service enterprises which have also availed institutional finance. Therefore, the probability of making profit is relatively more for the service enterprises which have availed institutional finance. Accordingly, institutional finance has been played predominant role in promoting enterprises and making profit. Hence, there is need for providing institutional finance to enterprises to make profit particularly for service and small scale enterprises.
Keywords: Enterprises, Profit, Service Sector, Institutional Finance and Gender

Introduction:

The development history reveals that industrial development is a major component of economic development. Never the less, the industrial prosperity depends on the capabilities of entrepreneurs. The entrepreneurs do perform the responsibilities as the innovators, producers, employees, market makers, risk takers, decision makers and the pioneer of economic development. In this regard, it is proved that without entrepreneurial activities the industrialization is not possible (Kulakarni, 1999). At the same time motivation for entrepreneur is also plays vital role to start up the entrepreneurial business. In the short run, as per the theory of profit, one of the objectives of the firm is to make profit. Therefore profit is the driving force for entrepreneurial activities. Accordingly, in the present paper an attempt has made to analyze the differential features of profit making in Mysore district.

Review of Literature:

There has been a positive relationship between entrepreneurial development and economic development (Peter & Peter, 2009). Institutions play predominant role in entrepreneurial development (Georgios, Chortareas D; Claudia, Girardone; Alexia, Ventouri, 2013), (Siong, Azman-Saini, & Mansor, 2013), (Emanuele, Massimiliano, Marco, & David, 2013), (Dara, Szyliowicz; Tiffany, Galvin, 2010). Government and public policies significantly intervene in promotion of entrepreneurship and entrepreneurial development (Douglas & Dan, 2013), (Michael, 2011). Returns to entrepreneurial activities depend on the ability of entrepreneurs (Banjo & Doren, 2013). Equally, availability of financial support is important for sustainable entrepreneurial and entrepreneurship development and also for economic development and poverty eradication (Georgios, E. Chortareas; Claudia, Girardone; Alexia, Ventouri, 2013), (Muhammadsuhaimee, Roslan, & Nor Azam, 2013). Multiple factors contributes for entrepreneurship development and institutional finance is most important one among them (Gamal & Galt, 2011), (Alex, 2010), (Carmen, 2013), (Mark, Mark, & Jane, 2013), (Ping & E. Burton, 2007). Therefore, institutional finance, Nature of firm's activity, size of the firm and gender play immense role in determination of profit of the firm.

Table 1: Comparisons of Profit (In Rupees, per Month)

Sl. No.	Description	Variables	Average	Std. Error	F	Sig	t	Sig
1	Nature of Activity	Manufacturing	482109	72325	0.044	0.834	-0.974	0.332
		Service	578424	67404				
2	Type of Enterprise	Micro	129568	8713	187.45	0.000	-12.068	0.000***
		Small	930966	65834				
3	Status of Finance	Availed Finance	640803	66952	48.526	0.000	4.021	0.000***
		Not Availed	309194	48115				
4	Gender	Male	558621	64295	5.213	0.024	0.867	0.388
		Female	473557	74077				

Source: Field Survey Data, Computed by Researcher. | Note: *** Significant at one percent level.

The average profit of enterprises has been analyzed with the help of F and t-tests. The comparisons made between manufacturing sector and service sector, between micro and small units, between the enterprises availed loan and not availed loan, between male and female entrepreneurs. It has been found from the F-test that equal variance assumed between manufacturing sector and service sector. Equal variance not assumed between micro and small units. Equal variance not assumed between the enterprises availed loan and not availed loan. Equal variance not assumed between male and female entrepreneurs.

It has been identified from t-tests that the average profit of enterprises was not significantly high in service sector, compared to manufacturing sector. The average profit of small enterprises was significantly high compared to micro enterprises. The average profit of enterprises availed loan was significantly high compared to enterprises not availed loan. The average profit of enterprises owned by male entrepreneurs was not significantly high compared to enterprises owned by female entrepreneurs. Therefore, profit of enterprises was relatively more in being small enterprises and enterprises availed loan.

Table 2: Comparisons of Profit per Labour (In Rupees, per Month)

Sl. No.	Description	Variables	Average	Std. Error	F	Sig	t	Sig
1	Nature of Activity	Manufacturing	20369	2386	0.704	0.403	-0.569	0.571
		Service	22143	2010				
2	Type of Enterprise	Micro	6557	214	70.454	0.000	-18.845	0.000***
		Small	35955	1545				
3	Status of Finance	Availed Finance	23537	20452	16.229	0.000	2.337	0.021**
		Not Availed	16694	2095				
4	Gender	Male	21829	1993	1.948	0.165	0.519	0.604
		Female	20109	2447				

Source: Field Survey Data, Computed by Researcher. | Note: *** Significant at one percent level. ** Significant at five percent level.

The average profit per labour in enterprises has been analyzed with the help of F and t-tests. The comparisons made between manufacturing sector and service sector, between micro and small units, between the enterprises availed loan and not availed loan, between male and female entrepreneurs. It has been found from the F-test that equal variance assumed between manufacturing sector and service sector. Equal variance not assumed between micro and small units. Equal variance not assumed between the enterprises availed loan and not availed loan. Equal variance assumed between male and female entrepreneurs.

It has been identified from t-tests that the average profit per labour in enterprises was not significantly high in service sector, compared to manufacturing sector. The average profit per labour in small enterprises was significantly high compared to micro enterprises. The average profit per labour in enterprises availed loan was significantly high compared to enterprises not availed loan. The average profit per labour in enterprises owned by male entrepreneurs was not significantly high compared to enterprises owned by female entrepreneurs. Therefore, profit per labour in enterprises was relatively more in being small enterprises and enterprises availed loan.

Table 3: Comparisons of Profit as Percentage of Investment (In Percentage)

Sl. No.	Description	Variables	Average	Std. Error	F	Sig	T	Sig
1	Nature of Activity	Manufacturing	13.33	1.69	115.75	0.000	-5.620	0.000***
		Service	46.59	5.67				
2	Type of Enterprise	Micro	54.1	4.96	117.77	0.000	9.72	0.000***
		Small	5.82	0.26				
3	Status of Finance	Availed Finance	29.47	4.089	0.028	0.867	-0.207	0.837
		Not Availed	30.94	5.743				
4	Gender	Male	33.05	4.498	6.588	0.012	1.513	0.133
		Female	23.78	4.162				

Source: Field Survey Data, Computed by Researcher. | Note: *** Significant at one percent level.

The average profit as percentage of investment in enterprises has been analysed with the help of F and t-tests. The comparisons made between manufacturing sector and service sector, between micro and small units, between the enterprises availed loan and not availed loan, between male and female entrepreneurs. It has been found from the F-test that equal variance not assumed between manufacturing sector and service sector. Equal variance not assumed between micro and small units. Equal variance assumed between the enterprises availed loan and not availed loan. Equal variance not assumed between male and female entrepreneurs.

It has been identified from t-tests that the average profit as percentage of investment in enterprises was significantly high in service sector, compared to manufacturing sector. The average profit as percentage of investment in micro enterprises was significantly high compared to small enterprises. The average profit as percentage of investment in enterprises availed loan was not significantly high compared to enterprises not availed loan. The average profit as percentage of investment in enterprises owned by male entrepreneurs was not significantly high compared to enterprises owned by female entrepreneurs. Therefore, profit as percentage of investment in enterprises was relatively more in service activity and being micro enterprise.

Table 4: Comparisons of Profit as Percentage of Total Cost (In Percentage)

Sl. No.	Description	Variables	Average	Std. Error	F	Sig	T	Sig
1	Nature of Activity	Manufacturing	15.67	0.212	40.779	0.000	-16.510	0.000***
		Service	24.43	0.487				
2	Type of Enterprise	Micro	20.25	0.698	0.013	0.910	0.414	0.679
		Small	19.85	0.667				

3	Status of Finance	Availed Finance	21.04	0.601	6.425	0.013	3.183	0.003***
		Not Availed	18.07	0.711				
4	Gender	Male	20.45	0.622	5.020	0.027	1.256	0.212
		Female	19.25	0.726				

Source: Field Survey Data, Computed by Researcher. | Note: *** Significant at one percent level.

The average profit as percentage of total cost of enterprises has been analysed with the help of F and t-tests. The comparisons made between manufacturing sector and service sector, between micro and small units, between the enterprises availed loan and not availed loan, between male and female entrepreneurs. It has been found from the F-test that equal variance not assumed between manufacturing sector and service sector. Equal variance assumed between micro and small units. Equal variance not assumed between the enterprises availed loan and not availed loan. Equal variance not assumed between male and female entrepreneurs.

It has been identified from t-tests that the average profit as percentage of total cost of enterprises was significantly high in service sector, compared to manufacturing sector. The average profit as percentage of total cost of micro enterprises was not significantly high compared to small enterprises. The average profit as percentage of total cost of enterprises availed loan was significantly high compared to enterprises not availed loan. The average profit as percentage of total cost of enterprises owned by male entrepreneurs was not significantly high compared to enterprises owned by female entrepreneurs. Therefore, profit as percentage of total cost of enterprises was relatively more in service activity and enterprises availed loan.

Table 5: Comparisons of Profit as Percentage of Total Revenue (In Percentage)

Sl. No.	Description	Variables	Average	Std. Error	F	Sig	t	Sig
1	Nature of Activity	Manufacturing	13.53	0.158	30.002	0.000	-17.024	0.000***
		Service	19.56	0.317				
2	Type of Enterprise	Micro	16.68	0.471	0.213	0.646	0.406	0.686
		Small	16.41	0.460				
3	Status of Finance	Availed Finance	17.22	0.405	4.353	0.039	3.153	0.002***
		Not Availed	15.19	0.502				
4	Gender	Male	16.81	0.423	4.083	0.046	1.193	0.236
		Female	16.02	0.500				

Source: Field Survey Data, Computed by Researcher. | Note: *** Significant at one percent level.

The average profit as percentage of total revenue of enterprises has been analysed with the help of F and t-tests. The comparisons made between manufacturing sector and service sector, between micro and small units, between the enterprises availed loan and not availed loan, between male and female entrepreneurs. It has been found from the F-test that equal variance not assumed between manufacturing sector and service sector. Equal variance assumed between micro and small units. Equal variance not assumed between the enterprises availed loan and not availed loan. Equal variance not assumed between male and female entrepreneurs.

It has been identified from t-tests that the average profit as percentage of total revenue of enterprises was significantly high in service sector, compared to manufacturing sector. The average profit as percentage of total revenue of micro enterprises was not significantly high compared to small enterprises. The average profit as percentage of total revenue of enterprises availed loan was significantly high compared to enterprises not availed loan. The average profit as percentage of total revenue of enterprises owned by male entrepreneurs was not significantly high compared to enterprises owned by female entrepreneurs. Therefore, profit as percentage of total revenue of enterprises was relatively more in service activity and enterprises availed loan.

Conclusion:

The study has analyzed profit making different enterprises in Mysore. It has been found from the study that in absolute terms, profit making is significantly high for small scale enterprises which have availed institutional finance. The labour efficiency in terms of profit is also significantly high for small scale enterprises which also availed institutional finance. The investment efficiency in terms of profit is significantly high for micro and service oriented enterprises. The profit per unit of cost and profit per unit of revenue is significantly high for service enterprises which have also availed institutional finance. Therefore, the probability of making profit is relatively more for the service enterprises which have availed institutional finance. Accordingly, institutional finance has been played predominant role in promoting enterprises and making profit. Hence, there is need for providing institutional finance to enterprises to make profit particularly for service and small scale enterprises.

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Impact of Privatization on Indian Higher Education

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Abstract
Privatization of higher education was initiated in 1991 with the initiation of the Liberalization, Privatization and Globalization (LPG) Policy. Gradually over the last twenty years the policy has worked its way to bring about the targeted change with the constant support of the government. Across the country more and more private unaided courses are flourishing. Government has been supporting this agenda vigorously.

Privatization will catapult the state of Indian education at par with global standards. With the support of Information Technology it can increase its reach too far of corners not only in India but the world. The teachers insist that the government should keep on supporting the backward class otherwise the society will undergo a sea change and the class divide will increase.

INTRODUCTION

After independence, the education policy of India concentrated on the development of Higher Education in India. UGC was formed to be the guide for the Universities in various states of India, so that the basic structure of the University education could have uniformity not only at the micro level but also at the macro level of functioning. Unfortunately education was placed on the concurrent list, which over the years has played havoc. It has been observed that both the central government and the state government at times have used this provision to their advantage in terms of disowning much expenditure. Nevertheless Higher Education did reach the masses including the economically weaker sections and women. In recent years India could encash on the I.T. boom is one of the indicator of the policy's success After 1991 there were changes in policies of the Government of India. The government accepted and adopted the concept of LPG, bringing financing of Higher Education under the hammer. The implementation of the 6th pay commission for the college / university teachers brought to the forefront many problems

The intentions of the government were clear, to cut down its expenditure on Higher Education. UGC also set rolling to implement the same agenda. The setting of NAAC and linking future aid to universities and colleges on the basis of assessment and accreditation was a clear signal.

In 2000 the Government of India formed the Task Force on Higher Education, headed by the industrialist Anil Ambani. The message that they have forwarded is totally opposite to the UNESCO, first conference on Higher Education in 1998, where 182 countries included India participated. The UNESCO's resolution states, "The development of Higher Education should be one of the highest National Priorities". Whereas the Ambani report states that, "university education is a 'non-merit' good, not necessary for everybody." On the basis of this report the government has proposed to introduce and pass a bill called 'Private University Bill – 2003', permitting the setting up of Self Financing Universities (SFU's). The SFU's can run courses in emerging areas of Science and Technology by making available additional funds for them.

Distribution of Higher Education Institutes in India

Type of institution	Contribution
University &University	757+
Central Universities	45
State Universities	290
State Private Universities	122
Deemed Universities	128
Institutes of National Importance	61

The objectives of this research paper are enunciated below:

- To study the significance of privatization in the higher education arena
- To study the aims and objectives of private institutions in the country and their impact on India's physical climate of education.
- To study the policies employed by self financed private bodies in the higher educational field.
- To study the impact of the effect of privatization in the educational scenario in India.
- To study the relationship of privatization with the over-all development of the country
- To study the statistical advancements in the higher education sector in India

Lesser augmentation in student registration :

Four million to seventeen million in one decade, it has seen a slower pace than the number of colleges which have grown more than two times in the same period of time, creating a contradictory condition of excess capacity in the country. The gross enrollment ratio (GER) is estimated to be less than twenty percent.

Colossal extension private colleges :

There has been the addition of around twenty thousand colleges in one decade (that has increased from approximately 12,806 in 2000-01 to around 33,023 in 2010-11) which comes out to be a growth of more than one hundred and fifty percent. The number of the universities granting the degree more than doubled from 256 to 564. This was chiefly attributed to private institutions and deemed-universities. The college climate now focuses more on expansion.

Three-year degree programs and engineering courses:

The student gentry in India continues to be to be segregated in academics into two basic parts–engineering and the three year degree Every sixth student in India is registered is an engineering and 3 year degrees. Every sixth student in India is registered in engineering or any technology program degrees. Every sixth student in India is registered in engineering or any technology program, Engineering and three year degrees. Every sixth student in India is registered in engineering or any technology program. Moreover, more than two-third of students in India are enrolled in three-year degrees for under graduation. In regard with the growing social and economic arena of India, it is almost certain to go in for the privatization of education. The change in Indian philosophy in the economic and political background has led to the claim of private institutes so as to meet the test of open economy and the demand for qualitative manpower, research and development

Result:

India has quite a large system of higher education with more than 10,500colleges and nearly fifty five lakh of students who are being taught by more than three lack of teachers. And yet the percentage of the University and College attending scholar populace in the significant age group of sixteen to twenty three is depressing six percent. This issue, therefore, needs critical examination. The so called 'mushroom growth' of the universities and colleges leads to inability to provide access to education even at par with most other developing countries in the world.

Moreover, the lack of plenty funds in education is the most critical issue. While the overall investment in education as a proportion of the gross domestic product (GDP) has escalated from 1.2 percent in the fifty's to 3.7 percent in the nnineties it is still below the norm of 6 percent as stated in the National Policy on Educaiton. University Education has particularly been hit hard by this. Most higher education institutions all over the country are somehow facing acute financial crisis.

Consequently, the twin issue of access and equity has a need to be handled by following different metnodologies of the Universities and colleges leads to inability to provide access to education even at par with most other developing countries in the world. Consequently, the twin issue of access and equity has a need to be handled by following different methodologies. It is necessary to ensure continuous inflow of financial backing needed for carrying out relevant programs and acitivities. But then there arises the problem of reserve crisis. It si imperative here that the higher education system seeks contribution by both the Government as well as private sector and self voluntary bodies. Some private funding thus appears usual for making up the insufficiency due to inadequre funding by State.

Discussion:

The need of the hour is that the University system should be resorted to a long-term resource planning. The state should not hold for grants and give an opening to privatization. The Punnayya Committee that has been founded by the University Grants Commission and the Swaminathan Panel of the AICTE has made some wide ranging suggestions in this view. Internal measures may comprise proper utilization of fundings, general economy in expenditures of any kind, rationlisation of fee composition for different courses.

Some of the key challenges :

- Multiple complex rules and regulations
- Curtailing operational working of private institutes by regulations
- Limitations in foreign institution collaborations
- The demand and the supply gap
- Maintaining quality of education

Conclusion

A clear cut policy of the government of Inida regarding the introduction of privatization of higher educational scenario is growing day by day. We wonder if there is one at all. At any rate the move seems to lack in clearness. However, one thing is obvious from the occasional official, announcements that there is a need for supplementing Government measures by the efforts of the non-government organization and the institutions themselves to generate resources for theses purposes. This in a way does amount to a call for the partial privitisation.

The following are to be noted :

- Consequential commercialization of education
- Obstacles in merit based entrance
- Drop in academic standards
- Encroachment in institutes
- Autonomy policy
- Service conditions of faculty
- Quality maintenance

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KNOWLEDGE
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