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The Board believes that education is an ongoing process of revelation and re-interpretation that leads to a rapturous growth of the individual. The Board has expanded its network of colleges encompassing wide range of disciplines like Arts, Science, Commerce, Management, Education, Pharmacy, Engineering and Law. Today the Board manages 25 educational Institutions with approximately forty thousand students.

H. & G. H. Mansukhani Institute of Management is the first Post Graduate Management Institute under the Board, which is approved by AICTE and affiliated to Mumbai University, was established in the year 2005, under the aegis of HSNC Board. This is the first Management Institute in the neighborhood area between Thane to Karjat, catering to the knowledge desires of students in these areas by conducting MMS course.

MIM looks forward to the holistic development of an individual. Every activity and event in the Institute is carried out with a view to develop professionals who will lead the society towards a better future. The campus is alive, throughout the year with a number of activities such as Seminars, Workshops, Guest Lectures, Sports, Industrial Visits and Intercollegiate Festivals arranged by the students under the able guidance of the faculties. Not only are the students keen on excelling in their academics but also these young minds are. We at MIM strive to build 'Creativity, Confidence and Leadership' within our students and shape them in such a way that they stand out in every endeavor that they undertake.

About the Conference

The sustainability of Development has multiple dimensions. Sub-prime crisis in US and Debt crisis in Euro zone has taught the world the value of financial discipline - one vital aspect of Sustainable Development. This calls for changes in the management styles of all the functional areas.

The aim of this conference was to provide a platform to scholars, educationists and experts from the corporate to engage themselves to evolve strategies of growth with environmental preservation, redressing inequalities, achieving a more dynamic and stable world economy.

MIM would like to thank all the authors, reviewers and the committee members for their valuable contributions for making this conference a success.

Director's Message

H & G H Mansukhani Institute of Management was established in 2005, under the aegis of Hyderabad (Sindh) National Collegiate Board. The Board believes that education is an ongoing process of revelation and re-interpretation that leads to a rapturous growth of the individual. The Board has expanded its network of colleges encompassing wide range of disciplines like Management, Arts, Science, Commerce, Education, Pharmacy, Engineering and Law. Today the Board manages 25 educational Institutions with approximately forty thousand students.

H & G H Mansukhani Institute of Management is approved by AICTE & affiliated to the University of Mumbai. Named after the visionary brothers Gynan Prasarak Diwan Hashmatrai Himmathmal Mansukhani & Vidya Prasark Gangaram Himmathmal Mansukhani, the Institute aims to nurture students by providing a conducive environment, based on value based education, highly competitive in nature. Our students are groomed to reflect, appreciate and confront conventional wisdom in order to forge new horizons. It is our endeavor to not only give young lives the right direction but also to enrich every aspect of their personalities to become contributing and responsible citizens. Our dream is to ignite minds, develop latent potential and to create leaders who will leave a mark in the world.

H & G H Mansukhani Institute of Management looks forward to the holistic development of an individual. Every activity and event in the Institute is carried out with a view to develop professionals who will lead the world towards a better and elegant future.

The conference aspires to capture the essence of sustainability in business. It aims to bring into picture unique practices, thoughts, ideas and strategies which may be useful to a multiple of stakeholders. The conference focuses on paper presentations on trends in management related to sustainable development. The conference intends to bring academicians, researchers and practicing managers to come together and provide exposure to new endeavors and horizons made in meeting management challenges for tomorrow.

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A Study Of Growth Of Electronic Commerce (Ecommerce) In India

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Introduction

The rapid growth of information technology has affected the business landscape significantly and its dominance over human society is clearly visible. Businessmen and business organizations are increasingly using information technology for improving the quality of customer services and also for better marketing of their products (eg: - Flipkart, Snapdeal, Amazon etc.). Thus the technology has converted the traditional visible business into an invisible, paperless, wireless business termed as e-banking, e-services and e-retailing and so on. The transformation is a result of liberalization, economic reforms and rapid strides in the field of IT and education in technology orientation and new business opportunities growing in the developing countries. Today the cutting edge or the core competition for every business is electronic commerce (e-commerce), because it provides a new marketplace, more opportunities to sell and market the products, having a competitive advantage and creating a potential fast track growth in the field of commerce.

Emergence of E-commerce and related business

The growth of internet has led to emergence of ecommerce and related business. The following are few examples of ecommerce.

a) E-Banking

The concept of E-Banking existed even in 1920s but it started gaining momentum in 1960s. In India E-banking is a recent feature. The traditional model for growth has been through branch banking. The rationale for banks introducing ATMs and tele-banking and now the internet banking was to deliver their products at a lower price than traditional branch networks that are loaded with expensive staff.

The following can be used to carry out various banking transactions like cash payments, transfer of funds, payment of utility bills, dividends etc.

- Automated Teller machines
- Electronic funds transfer (EFT).
- Electronic clearing system (ECS)
- Electronic Data Interchange (EDI)
- Shared Payment Network system
- Debit Cards/Credit Cards.
- Telephone banking.
- Mobile Banking.
- Internet Banking.

Naukri

Naukri.com is an Indian job portal operating in India founded in March 1997 by Sanjiv

Bikchandani. It publishes a monthly report called Naukri JobSpeak. The site was established in 1997 by Info Edge (India). Info Edge is a listed company on the Bombay Stock Exchange and National Stock Exchange. It went public in November 2006. As of March 31, 2011 Naukri.com had a database of about 25 million registered job seekers and over 80,000 live job listings from Corporate Customers. During the Fiscal year 2010-11 Naukri.com serviced approximately 42,000 Corporate Customers, an average of about 11,000 resumes were added while about 130,000 were modified daily in the Naukri.com database in Fiscal year 2010-11.

b) Quikr

Quikr is one of the India's largest online and mobile classifieds portals based in Mumbai, India. Quikr was launched on 12 July 2008 and is currently present in 900 cities across India. Quikr provides the local community with a platform to help them buy, sell, rent and find something and address needs across many categories. These categories numbering over 12 and sub-categories over 140 range from Mobiles, real estate, cars, services, jobs, entertainment, furniture, electronics etc. The company is backed by Matrix Partners India, Omidyar Network and Norwest Venture Partners and invested in by eBay Inc. Quikr was formerly known as Kijiji.in.

c) Flipkart

Flipkart is an electronic commerce company founded in 2007, by Sachin Bansal and Binny Bansal. It operates exclusively in India, where it is headquartered in Bangalore, Karnataka. It is registered in Singapore, and owned by a Singapore-based holding company. Flipkart has launched its own product range under the name "DigiFlip", offering camera bags, pen-drives, headphones, computer accessories, etc. Flipkart also recently launched its own range of personal healthcare and home appliances under the brand "Citron". The brand offers 60 day replacement guarantee and On-site repair support under its warranty terms. Legally, Flipkart is not an Indian company since it is registered in Singapore and majority of its shareholders are foreigners. Because foreign companies are not allowed to do multi-brand e-retailing in India, Flipkart sell goods in India through a company called WS Retail. Other third-party sellers or companies can also sell goods through the Flipkart platform. Initially,

the founders had spent ₹4, 00,000 only for making website to set up the business. Flipkart has later raised funding from venture capital funds Accel India (US\$1 million in 2009) and Tiger Global (US\$10 million in 2010 and US\$20 million in June 2011). On 24 August 2012, Flipkart announced the completion of its 4th round of \$150 million funding from MIH (part of Naspers Group) and ICONIQ Capital. The company announced, on 10 July 2013, that it has raised an additional \$200 million from existing investors including Tiger Global, Naspers, Accel Partners and Iconiq Capital. Flipkart's reported sales were ₹40 million in FY 2008–2009, ₹200 million in FY 2009–2010 and ₹750 million for FY 2010–2011. On average, Flipkart sells nearly 10 products per minute and is aiming at generating a revenue of ₹50 billion (US\$0.81 billion) by 2015. In July 2013, Flipkart raised USD 160 million from private equity investors. In October 2013, it was reported that Flipkart had raised an additional \$160 million from new investors Dragoneer Investment Group, Morgan Stanley Wealth Management, Sofina SA and Vulcan Inc. with participation from existing investor Tiger Global. On 26 May 2014, Flipkart announced that it has raised \$210 million from Yuri Milner's DST Global and its existing investors Tiger Global, Naspers and Iconiq Capital. In early July 2014, it was also highly speculated that Flipkart was in negotiations to raise at least \$500 million, for a likely listing in the US for 2016. On 29 July 2014, Flipkart announced that it raised \$1 billion from Tiger Global Management LLC, Accel Partners, and Morgan Stanley Investment Management and a new investor Singapore sovereign-wealth fund GIC. On 6 October 2014, Flipkart sold products worth INR 650 Crore in 10 hours in a special one-day event - "The Big Billion Day", claiming they had created e-commerce history, but their hard-won reputation for good customer service suffered because of technical problems, and angry reactions on social media from buyers disappointed with the pricing and availability of products.

d) Snapdeal

Snapdeal.com is an online marketplace, headquartered in New Delhi, India. The company was started by Kunal Bahl, a Wharton graduate as part of the dual degree M&T Engineering and Business program at Penn, and Rohit Bansal, an alumnus of IIT Delhi in February 2010. Snapdeal.com was started in February 2010 as a daily deals platform inspired by Groupon.com but expanded in September 2011 to become an e-commerce company via a marketplace model after watching Flipkart's success in the local market. With 20 million registered users, Snapdeal is one of the first and largest online marketplaces in India offering

an assortment of 4 million+ products across diverse categories from over 20,000 sellers, shipping to 4,000 towns and cities in India. Snapdeal has received 6 rounds of funding:

- Round 1: In January 2011, Snapdeal received a funding of \$12 million from Nexus Venture Partners and Indo-US Venture Partners.
- Round 2: In July 2011, the company raised a further \$45 million from Bessemer Venture Partners, along with existing investors Nexus Venture Partners and Indo-US Venture Partners.
- Round 3: Snapdeal then raised a 3rd round of funding worth \$50 million from eBay and received participation from existing investors – i.e. Bessemer Venture Partners, Nexus Venture and IndoUS Venture Partners.
- Round 4: Snapdeal received its 4th round of funding of \$133 million on Feb-2014. The 4th round of funding was led by eBay with all the current institutional investors, including Kalaari Capital, Nexus Venture Partners, Bessemer Venture Partners, Intel Capital and Saama Capital all participating.
- Round 5: Snapdeal received its 5th round of funding of \$105 million in May-2014. The 5th round included investments by Blackrock, Temasek Holdings, PremjiInvest and others. The round valued SnapDeal at \$1,000,000,000.
- Round 6: Snapdeal received its 6th round of funding in Oct-2014 from Softbank with investments worth \$627 million in fresh capital. This makes SoftBank the largest investor in Snapdeal.

e) Amazon

Amazon.com, Inc. is an American international electronic commerce company with headquarters in Seattle, Washington, United States. It is the largest Internet based company in the United States. Amazon.com started as an online bookstore, but soon diversified, selling DVDs, VHSs, CDs, video and MP3 downloads/streaming, software, video games, electronics, apparel, furniture, food, toys, and jewelry. The company also produces consumer electronics—notably, Amazon Kindle e-book readers, Kindle Fire tablets, Fire TV and Fire Phone — and is a major provider of cloud computing services. Amazon has

separate retail websites for United States, United Kingdom & Ireland, France, Canada, Germany, Italy, Spain, Australia, Brazil, Japan, China, India and Mexico, with sites for Sri Lanka and South East Asian countries coming soon. Amazon also offers international shipping to certain other countries for some of its products. Jeff Bezos incorporated the company as "Cadabra" on July 5, 1994 and the site went online as Amazon.com in 1995. Bezos changed the name cadabra.com to amazon.com.

In the first two months of business, Amazon sold to all 50 states and over 45 countries. Within two months, Amazon's sales were up to \$20,000/week. While the largest brick and mortar bookstores and mail order catalogs might offer 200,000 titles, an online bookstore could "carry" several times more, since they had an almost unlimited virtual (not actual) warehouse: those of the actual product makers/suppliers. In 1996, it was reincorporated in Delaware. Amazon issued its initial public offering of stock on May 15, 1997, trading under the NASDAQ stock exchange symbol AMZN, at a price of US\$18.00 per share.

The main reasons for the development of E-Commerce happens to be the landmark judgement which came into force when the Indian Parliament passed the Information Technology Act, 2000 to boost e-commerce and e-governance and also brought in rules and regulations to control fraudulent practices within the purview of cyber law. Moreover many public services especially Indian railway created its own website portal IRCTC.com. This is the country's largest e-commerce site and sells 4.7 lakh tickets a day on an average and generates a daily business of Rs. 50 crore making it the largest e-commerce portal in Asia Pacific. With the development of Facebook, Whatsapp and other social and messaging sites the business opportunities have grown multifold. The best examples happen to be HUL, Electrolux, Amul controlling more than 20000 stockists all over India catering to millions of retailers. Retailing has been the buzzword all over India, even Foreign investors are investing in the retail business i.e. we are moving from bullock cart to Walmart. Even in time to come, there is a fear and apprehension among the teaching community that the physical university may vanish, benches and teachers may not be required, because education shall move to virtual world and from pen to pen drive.

Growth Story

E-commerce is probably the best thing that has happened to Indian middle class and emerging small businesses. As a business model, it appeals to the 'value minded' Indian mindset which is about getting best value for money spent. The success of Flipkart and Snapdeal has shown that e-

commerce is here to stay.



E-commerce offers great potential and opportunities for business besides providing access to new market. It has substantially reduced the cost and provided a turnaround strategy – shape the entire business structure.

The advance version of information and communication technology used for development of e-commerce application has enabled companies to adopt e-commerce strategies as a part of planning to create a competitive advantage to face global competition.

In India most of the e-commerce transactions are limited to B2B (Wal-Mart), B2C (Naukri.com) and C2C (OLX.com) models of business.

Challenges in the growth and development of E-Commerce in India

In India though e-commerce offers significant opportunities for development of business, at the same time it represents various challenges in its implementation. Therefore though it is termed as a magic stick in the hands of magician where people believe that the stone is being turned into diamond in a matter of time but it becomes a herculean task in a poorly developed infrastructure, invalidated legal system and technologically illiterate customers for conducting e-business. Moreover, Indian customers being 80% females are hesitant, anxious, and inapt to shop online. The other challenges are infrastructural, economic, social, organizational and computer illiteracy. The main challenges can be enumerated as under:

- **Poor Knowledge and Awareness:** When it comes to ratio of internet consumers, scenario is not so admirable one. Majority of Indian rural population are unaware of internet and it uses. Surprisingly, most of internet savvies or urban population is also suffering from poor knowledge on online business and its functionalities. Very few are aware of the online

corruption and fraud and thus darkness still exists. A reliable survey reveals that 50% of Indian online users are unaware of the solution of online security.

- **Online Transaction:** Most of Indian customers do not possess plastic money, credit card, debit card and net banking system, which is one of the prime reasons to curtail the growth of ecommerce. Nevertheless, in recent years, some of the nationalized banks have started to issue debit cards to all its account holders. This is undoubtedly a positive sign for Indian online entrepreneurs.
- **Cash on Delivery:** Cash on Delivery (COD) has evolved out of less penetration of credit card in India. Most of Indian E-commerce companies are offering COD as one of mode of payment for the buyers. 30%-50% of buyers are also taking advantage of this mode of payment while making purchase of any product and service over internet. COD has been introduced to counter the payment security issues of online transaction, but this mode has been proving to be loss and expensive to the companies. It is seen that majority of the customers denied to make the payment at the time of delivery of the product. Hence, companies tend to lose the sale along with product transit fees. In order to curb the problem of COD, online companies should take some judicial steps; otherwise basic logic behind the ecommerce business will be at risk.
- **Online Security:** In case of start up and small business, Business owners are ignoring the importance of authentic software due to budget constraints. They are even failing to take the initial steps to secure and protect their online business through installation of authentic protection services like antivirus and firewall protection, which indeed a crucial step for successful online business players. In India, maximum number of business entrepreneurs used unauthorized software in their server, which usually does not come with upgraded online security. Such pirated software leaves room for virus, malwares and Trojan attacks and it is highly risky task to make online transactions in the systems, which may disclose or leak sensitive details of credit cards and online banking of the users. These kinds of droopiness should be banned in Indian ecommerce sectors. Affiliation to SSL certificate should be imposed as a mandatory action for every owner.
- **Logistics and Shipment Services:** In India, logistics and courier services required lots of improvement. While, perfect and strong logistics service is one of the key reasons behind the success of any online company, India is lagging far behind in this sector as most of the

town and small villages are still not covered under serviceable area of many of the courier and logistic companies. Ecommerce is hampered in a big way owing to the limited services offered by the courier service companies.

- **Tax Structure:** Tax rate system of Indian market is another factor for lesser growth rate of ecommerce in India in comparison to other developed countries like USA and UK. In those countries, tax rate is uniform for all sectors whereas tax structure of India varies from sector to sector. This factor creates accounting problems for the Indian online business companies.
- **Fear factor:** Fear of making online payment is a universal psychological factor of Indian customers. With the spread of knowledge on online transactions and its reliability, some percentages of customers have overlooked this fear and they are fearlessly engaging themselves in online shopping. But still, majority of customers are not aware of online transactions and its security. They often reluctant to disclose their credit card and bank details and preferred to stay away from online world of shopping.
- **‘Touch and Feel’ factors:** Indian customers are more comfortable in buying products physically. They tend to choose the product by touching the product directly. Thereby, Indian buyers are more inclined to do ticketing and booking online in Travel sectors, books and electronics. Companies dealing with products like apparel, handicrafts, jewelry have to face challenges to sell their products as the buyers want to see and touch before they buy these stuffs.

Conclusion

In India ecommerce industry is on the verge of exponential growth as many business organizations have realized the advantages of ecommerce. Though ecommerce offers huge opportunity to generate business and revenue, there are certain technical, legal, social and psychological constraints which are impeding its growth. However, Government of India is taking number of measures to boost ecommerce in the country. As far as future of ecommerce in India is concerned, it does look bright as more and more customers and companies are shifting to electronic media. Therefore, Ecommerce can be termed as a rising sun in the horizon.

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Hawala Episode in MVAT and Income Tax Act

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Abstract

The Maharashtra Sales Tax department have recently conducted the raids and found tax evasion of Rs. 1,000 crore, involving 2059 hawala dealers and 37,000 beneficiaries. Out of this an amount, Rs. 400 crore had already been collected and the process to collect the remaining amount is geared up.

Three years ago the Sales Tax Department had formed a special cell called Economic Intelligence Unit. This unit has found out the cases of dealers claiming false credits, hiding turnover, and even hawala transfers.

The meaning of Hawala is making bogus invoices to allow a dealer to claim tax credits. In this chain, the hawala operator, posing as the 'seller', exists only on paper and gets a financial cut in return.

Keywords: Sales Tax Evasion; Sales Tax Department; Hawala Dealers; Computerisation in Sales Tax Department; Economic Intelligence Unit; www.mahavat.gov.in; Income Tax Department.

Introduction

The recent hawala operation under Maharashtra Value Added Tax revealed that Hawala dealers are registered dealers. These dealers do not carry on real business, but they provide false bills signed by them. For their financial benefits they issue 'C' forms and other required documents required under the act. Such dealers, not only show that the goods mentioned in such bills are resold by them but also they do not bother about the facts that they are being liable to pay the tax by providing bogus bills or 'C' forms. It can be said that sale of BOGUS bills and 'C' forms is their only business.

Such dealers never deal in goods but merely issues bogus sales bills, accept payments by cheques or bank transfer (RTGS) and pay back the cash to beneficiary after deducting their commission. The department found no possibility of recovery of taxes from such hawala dealers. The department of MVAT found the only way out is to chase them and to take confession from them by recording their statements on affidavit regarding facts of the case, acquire information about their Sales Bills, delivery business. With the help of these details, the dealers who have taken the benefits of such hawala transactions (who has used hawala dealer to evade sales tax) can be brought under the tax net and made liable to pay the tax, through getting proper evidence, speedy and tactful investigation.

Bombay High Court in *Mahalaxmi Cotton Ginning Pressing and Oil Industries v The State of Maharashtra & Others* (2012) 51 VST 1 (Bom.) (HC) (SLP dismissed by the Supreme Court) dealing with set off under section 48(5) and 51(7) of the Maharashtra Value Added Tax Act, 2002. Issue before the court was when dealer collects the taxes and does not deposit it in the Government Treasury, can the purchased be entitled to set off of the said taxes. Validity of the provision was challenged. Upholding the validity of the provision the court held that .Section 48(5) uses the expression “actually paid” in to the Government treasury. The words “actually paid” must receive their ordinary and natural meaning. There is no reason for the court to depart from the plain and ordinary meaning of these words when used in the context of section 48(5). To accept the contention that “actually paid...in the Government Treasury” should be read to mean the tax that ought to have been deposited but has not been deposited in the treasury would amount to rewriting the legislative provision. In the said judgement, a statement was made on behalf of the Sales Tax authorities that nearly 35,000 notices have been issued to hawala beneficiaries involving a quantum of nearly 1,000 crores rupees. The statement and affidavit was made before the Court that the State Government shall pursue action against selling dealers who have collected tax from purchasing dealers but have not deposited the same into the Government treasury. Statement was made before the Court that in cases of hawala transactions, recovery action and or prosecution would be initiated against such suppliers. The Sales Tax department is bound by the assurance given before the Court. As per the information on the website of Sales Tax authorities, i.e. ‘Mahavat’ www.mahavat.gov, a list of 2,162 alleged non genuine dealers who had issued false bills without delivery of goods as on April 2014 is put up. List of non-filers of CST is 93, 276, and that of VAT is 69,473 as on 15-07-2014.

Based on available information and information received from Sales Tax authorities, income-tax officials have issued notices to various assesses, a number of assessments have been completed, some under process and some may receive notice in due course. Assuming each of the alleged 35,000 beneficiaries must have dealt in two assessment years there would be at least 70,000 scrutiny assessments.

Objectives of the Study

- The primary goal of this study is to examine the nature of Hawala Transactions that took place under MVAT and Income Tax Act.
- The secondary objectives are
 - To study the need for statutory restrictions on Hawala Transactions in the Country.
 - To create awareness amongst various stakeholders about the Hawala Transactions.

Limitations

This is a conceptual study. It is supported more by facts than by numerical data. The study is further limited to the discussion of the need to restrict such hawala transactions in the Indian Economy.

Hypothesis

H 1: Hawala episode in MVAT had caused the great loss of revenue of the state and the country as a whole.

Methodology

This study is based on secondary data's. The information has been collected from Acts, books, journals, magazines, newspaper and websites.

Statement And Significance

Statement & Significance of the Problem under Study:

The official website of Maharashtra Government for Maharashtra Value Added Tax (Sales Tax) Department www.mahavat.govt.in flashed the List of Suspicious Dealers (Hawala Dealers) who have issued bogus bills, without actual delivery of goods. This list is frequently being updated by the MVAT Department to add the fresh names of such more and more suspicious dealers. Ofcourse there are some few deletions from the list being found genuine. Such instances of deletions are however very few. But till today, there are about 2,059 names mentioned in the latest list of Suspicious Dealers. Out of these suspicious dealers some are notified as the 'confirmed hawala dealers

Broadly there could be four types of dealers from whom the assessee might have purchased the goods;

- Those registered dealers whose registration are cancelled either prospectively or retrospectively, on the said dealers admitting that they have not done genuine business but issued only invoice.
- There could be genuine dealers but not deposited the tax collected to Government and now being unable to pay may file affidavit stating that they are hawala bill providers.
- There may be some dealers who have done the actual sales and also issued bogus bills. Now they may say that I have issued only hawala bills.

- Only bill providers

Prima facie onus to prove genuineness of purchases is on assessee.

Initial burden is on the assessee to prove the genuineness of purchases but at the same time it is the **Duty of the AO to issue a show cause notice calling upon the assessee to furnish explanation before disallowing the claim.**

It is an inherent part of section 143(3), that where the AO is not inclined to accept the return submitted by the assessee and if he wants to modify the assessment from the return, a show-cause notice is required to be given to the assessee. It is mandatory for an AO to issue a show cause notice, before disallowing the expenses. **Obligation of the assessee-Specific request in writing before the AO to:**

- Summon the supplier
- Give an opportunity to examine him on oath
- Inspect his books of account
- Verify his proofs
- Examine his banker
- Cross check with his AO
- Cross check with the STO
- Cross check with other Govt agencies

Hon'ble Supreme Court in the case of **Tin Box Co. v. CIT (2001) 249 ITR 216 (SC)**

"an assessment made without giving the assessee an opportunity of setting out his case was liable to be set aside". The assessee is entitled to cross-examine the person who was examined by the A.O. Cross –examination is the sine qua non of due process of taking evidence and no adverse inference can be drawn against a party unless the party is put on notice of the case made out against him. He must be supplied the contents of all such evidence both oral and documentary, so that he can prepare to meet the case against him. This necessary also postulates that he should cross –examine the witness hostile to him.

Though the proceedings under the Income-tax Act are not governed by the strict rules of evidence, the department is bound to afford an opportunity to controvert and cross examine the evidence on which the department places its reliance. Opportunity of cross examination must be given. The consequence of breach of natural justice is that either the addition is void or matter may have to be to be remanded to lower authorities.

Display of information on website of VAT authorities cannot be the sole ground for rejecting the claim of assessee

Just on the Information from Sales Tax Department and on the statement of any party and without actually verification and putting on record and without giving an opportunity of cross examination, the purchases from such suspected parties cannot be disallowed by the I.T. Department, i.e. the crux of the matter is that the third party information or evidence should not be the sole basis for conclusion of a matter.

Once sales of the assessee are accepted whether purchase can be doubted?

It is not case of the Revenue that the assessee is not maintaining books of account. The purchases are recorded in the books of account. Payments are made by cheque to the immediate purchasers. They accepted and confirmed the sale. To hold otherwise, there should be some evidence in the possession of the Revenue. Suspicion, however strong, cannot take the place of evidence and that alone cannot be the criteria for deciding the matter.

Addition to be restricted to rate of Gross Profit or the entire purchases to be disallowed

Only profits embodied on sale proceeds can be taxed

Remedies Available

Appeal.

-Appeal can be filed.

-One must be very cautious. E.g. Officer must have made only addition to GP. If assessee files an appeal there could be possibility of enhancement of Income. The CIT

- has powers to enhancement.
- Assessee must prepare a detailed statement of facts. Statement of facts and grounds of appeal are the most important documents when the appeals are filed before the Tribunal and High Court.
- Certain wrong observations or facts in the assessment order have to be objected to in the statement of facts.
- If AO has not given a reasonable opportunity, a specific ground must be taken,
- Evidences used against assessee without proper opportunity or without giving copy of the same – specific grounds to be taken

- Grounds should also state how addition is not justified, alternative claim, natural justice, reassessment etc. must be taken

2 Compounding of offences

The assessee may approach for compounding the offence, under section 279(2).

3 Is it advisable for the assessee to move an application u/s 273A.

Yes, in an appropriate case.

S.279(IA). A person shall not be proceeded against for an offence under section 276C or section 277 in relation to the assessment for an assessment year in respect of which the penalty imposed or imposable on him under clause (iii) of sub section (1) of section 271 has been reduced or waived by an order under section 273A.

Once the commissioner waives even part of penalty, there cannot be prosecution. However, if waiver petition is rejected, only remedy is to file writ petition before the High Court. One may have to draft the petition in such a way that at least some portion of penalty is waived.

Advisable to approach Settlement commission under Chapter XIXB.

- As per section 245D(4), the final order is required to be passed within eighteen months from the end of month in which the application has been made. This ensures finality of assessment with in eighteen months
- Order of the settlement commission is final.
- The commission has power u/s 245H(1), to waive or reduce penalties imposable under the Income-tax Act. Generally, the Commission is very liberal in waiving penalties.
- The Commission has powers under section 245H(1) to grant immunity from prosecution
- Grants capitalisation of income offered.
- In most of the bogus purchases cases, GP has been accepted.
- This Finance Act 2014, extended the scope with effect from 1-10-2014. "Case" includes assessment, reassessment, revision under section 263, revision under section 264, and set aside order by Tribunal.

Therefore, in cases where reassessment is pending and appeal is set aside by the Tribunal, where order under section 263 setting aside the order, or under order set aside under section 264, one can approach the settlement Commission. This is a welcome provision.

A number of assesseees have approached the settlement commission where matters are admitted and

final orders have been passed accepting the gross profit on the alleged bogus purchases.

Writ petition

One has to be very cautious before approaching the Court. However, in an appropriate case it may be advisable to file a writ petition to challenge reassessment, recovery, not furnishing the information, early hearing of appeal or where there is gross violation of national justice, etc.

Statement that the assessee stated that bogus bills are obtained and cash was withdrawn for getting various Govt contract. Can the assessee be penalised or prosecuted?

In India, the main law concerning bribery is a 1988 legislation called the Prevention of Corruption Act, 1988. According to this law, bribe taking by a public servant and bribe giving are equally wrong and, in the event of conviction, both are punishable by anywhere between 6 months to 5 years imprisonment and they shall also be liable to fine. For the most part, the act of giving and taking a bribe are treated at par under this law.

As section 12 of this Act states, —Whoever abets any offence [pertaining to bribery], whether or not that offence is committed in consequence of the abetment, shall be punishable with imprisonment for a term which shall be not less than 6 months but which may extend up to five years and shall also be liable to fine. It may be added here that the giving of a bribe is treated by lawyers as abetment to the crime of bribery, and so bribe giving is covered under this section.

Panalal v. State of Maharashtra, 1979 SC 1191- the bribe giver is in the position of accomplice and unless there is corroboration it is not safe to rely upon the evidence of the bribe giver. According to the learned counsel, giving bribe to a public servant is abetment punishable under Section 12 of PC Act and 109 of the IPC.

Right of Information Act.

When statements of parties or if assessee are not provided, the assessee can approach the Assessing Officer under the Right of Information Act. Assessee can also ask details of status of alleged bogus dealers from the Sales Tax authorities, and assessment status under the Income-tax Act.

Following Check lists may help for better representation

- Request the AO to give the copies of documents which he intends to use against the assessee.

- Make an application for copies of statement of parties and assessee if the statement was taken in the course of survey etc.
- If the notice is received U/s 148-
- File return under protest
 - Ask for recorded reasons
- Objections to reassessment
- After receipt of the order rejecting the objection, consult the lawyer whether it is worth approaching High Court by way of writ or contests by filing an appeal etc.
- File quantity details
- Comparison of GP assessee's own case or similar trader or manufacturer
- Ask cross examination of the alleged hawala dealer
- Get the confirmation or affidavit from the broker
- File detailed reply on facts
- If statement was given on wrong presumption of law or facts–File retraction within reasonable time.
- Before filing reply, see the implications under general law and other laws.
- Make application under RTI to get the information of the alleged hawala supplier and details of his assessment under Sales Tax
- File certificate from banks
- Try to substantiate the claim before the lower authorities by facts and law
- Try to produce all evidences before the AO/CIT (A) or Tribunal. Tribunal is the final fact finding authority. Only question of law can be challenged in the High Court. Hence, proper representation before ITAT is very important.

SUMMARY

In short we can say that if the assessee or dealer takes the below mentioned precautions the complexity and the trouble of the department can be avoided.

Precautions an assessee should take while dealing with new suppliers to avoid disallowance of claim for purchases.

It depends upon the nature of business and facts. One may consider the followings

- Deal with the parties who are genuine.
- Verify from website whether their names are registered or in the defaulters list
- Pay by account payee cheques
- Maintain the records as required by law

- Yea end outstanding balance is payable try to get the confirmation. If it is Pvt. Ltd. company make search in registrar of Companies
 - If it is Firm register of firm to find out whether registered or not
 - Get the confirmation from the broker
 - One can have agreement with broker
 - Know your customer
 - Use of technology-Entire purchase delivery and production is recorded
-

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Growth And Challenges In Service Sector In India

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Abstract:

Service sector constitutes more than 70 percent of the GDP in many developed economics. According to the 1999 Statistical Yearbook (United Nations, 1999) service sector employment is than 80% in United States and more than 70 percent in Canada, Japan, France, Israel, and Australia. There is no doubt that the service sector is far the largest sector in Indian Economy. The service sector contributes 57% G.D.P of Indian Nation. India is growing pool of competent professionals. Various management Institutes are grooming up professional in the field of Marketing, Banking, Insurance Hospitality, Logistics , Media and so on. Empirical part this study show various services like Export, FDI, Free Trade Agreement, Professionals, Hotel, Transport, Electricity Gas and Water supply. Service Sector is likely to gain considerably due to FDI. Now a days FDI is allowed cent percent in few sectors like Export, Consultancy, Advertising, Tourism and many more. India is emerging country in service, being second largest fastest growth behind China. But at the same time In India Service Sector is facing number of challenges like Customer retention, Untrained personnel, Outsourcing, Restrict geographical reach, Employee retention. The researcher has tried to made to make clear about growth and challenges. The Researcher has reviewed literature, Journals, Periodicals.

Key words: Service Sector, G.D.P., F.D.I. Employment, Growth inducement.

Introduction

The tertiary sector, also known as the services sector, is one of the three main sectors of an economy, the other two being the primary and the secondary sectors. Economics tend to follow a development pattern that takes them from heavy reliance on primary sector to secondary sector and finally towards a more service based structure.

Services are defined as ‘intangible goods’ and may involve transport, communication, banking, insurance, trade, retail, real estate and government. The services sector includes provision of services to business as well as to final consumers. In this sector, people use time and knowledge assets to create products. The output produced includes, content (information), service, attention to consumer, advice and consultancy. All of these are termed as ‘intangible goods’.

The sector can be grouped into three broad segments namely, the public sector, the private corporate sector and the household sector. The first two are generally referred to as the organized part of the economy, as the accounts of all the business transactions of these sectors are recorded in specified documents. The remaining part of the economy, that is the household or unorganized sector, constitutes all unincorporated enterprises including all kinds of proprietorship and partnerships run by individuals.

The national accounts classification of the services sector incorporates trade, hotels, and restaurants, transport, storage, and communication, financing, insurance, real estate, and business services and community, social, and personal services. In the world trade organization (WTO) list of services and the reserve bank of India (RBI) classification, construction is also included.

Although the services sector has a very important role to play in the country's economic development, the data base in this sector is highly disorganized. This is because of the absence of a well organized system for maintaining regular and proper statistical records for the sector because it is dominated by a large number of unorganized units.

Review of Literature

Globalization implies a comprehensive and self-evident process working towards establishing a worldwide aggregative whole of an economic structure into which all economies of the world must integrate today or tomorrow. This includes services which in most economies are the single largest contributor to economic growth and employment (Hufbauer & Warren, 1999).

The importance of service sector is defined from the stand point of the demand for the output of this sector likely to go as an input of the other sectors to produce a given level of output. Therefore, the assessment of the importance of service sector is constrained by the growth perspective of an economy or GDP in general.

Objectives of the Study

- To Understand the importance of service sector in Indian Economy.
- To Study the Contribution of service sector to GDP.

- To Understand the various Challenges faced by service sector.

Limitations of the study

For the study, only secondary data is used. Conclusions are drawn on the basis of secondary data.

The significance of the service sector to the Indian economy can be analysed as follows:

Contribution to GDP:

The sectoral composition of India's GDP has changed in favour of the services sector. In 1950-51, the services sector's contribution to the GDP was 33.3 per cent. This figure rose to 50 per cent in 2001 and 58.02 per cent in 2011. In comparison, in the USA, the share of this sector is 78.4 per cent of the GDP and in china, it is 41.7 percent of the GDP, between 2001 and 2011, has been the highest in case of India, among 15 major countries of the world. In other words, India's economic growth during that period was largely driven by the services sector.

Trade, hotels, and restaurants: 18.0 per cent

Financing, insurance, real estate, and business services: 16.6 per cent

Community, social and personal services: 14.0 per cent

Construction, a recent inclusion in the sector: 8.2 per cent

Growth Rate:

The services sector is the fastest growing sector of the economy at present. The growth rate of this sector in India has been consistent, and also higher than the world growth rate of the sector.

Annual growth rate of the services sector in India

Year	Annual Growth Rate (Percent)
2001	7.5
2010	9.4
2011	7.4
CAGR 2001-2011	9.2

In 2012-13, there has been a slowdown in growth rate of the services sector to 6.6 per cent.

Employment:

The contribution of the service sector in terms of employment has been growing, especially since 1991. In 1950-51, the contribution of this sector towards employment generation was about 17 per

cent of total employment. This rose to around 20 per cent in 1990-91

The following table indicated in the contribution of different sectors to employment generation between 1993-94 and 2009-10.

Sectoral Share Of Employment (As Percentage Of Total Employment)

Sector	1993-94	2009-10
Agriculture	64.75	53.02
Industry (Excluding Construction)	12.43	11.9
Services	19.7	25.3
Construction	3.12	9.6

Exports:

The growth of the services sector in India has significantly contributed to high export earnings. India's share of services exports in the world exports of services, which increased from 0.6 per cent in 1990 to 1.0 in 2000 and further to 3.3 per cent in 2011, has been increasing faster than India's share of merchandise exports in world exports. Since 1996, the growth of world services exports, except for the year 2009. India's services export growth has been faster than that of merchandise exports. While export of services grew at a CAGR of 23.6 per cent during 2001-02 to 2011-12, merchandise exports grew at a CAGR of 21.4 per cent during the same period. However, growth in services exports became erratic after the global economic crisis starting 2007-08. In 2011-12, services exports at US\$ 142.3 Billion showed a lower growth of 14.2 per cent as against 29.08 per cent in the preceding year.

WTO and Service Sector:

WTO and Service sector: in the Uruguay round, for the first time, trade in services was brought under negotiations. The general agreement on trade in services (GATS) is the first multilateral agreement on trade in services and its objective is to liberalize trade in all services. India, as a signatory to the WTO, is actively engaged in taking full opportunities for free movement of services across borders and opening up the services sector to domestic private and foreign competition. Besides software and BPOs, in which India has already made an impact in the world market, there are other areas with good potential for exports. These are super specially hospitals, satellite mapping, printing and publishing, accounting and auditing services.

Entrepreneurial skills:

The services sector has significant capacity to promote entrepreneurial skills. There are a number of technically qualified professionals who have very successfully exploited their entrepreneurial skills in the IT, ITES and software and retail. The less sophisticated areas of services sector have great potential to promote enterprise as many of these businesses can be setup up with low capital investment. Area like retail, personalized health and personal care services and restaurants have provided opportunities to a large number of small entrepreneurs.

Regional development:

service sector units are more decentralized and spread all over the country. With the growth of the economy, such units have reached far corners of the country helping development of backward regions. Besides, transport, communication and banking service provided by the sector has also helped bring about regional development.

From the above discussion it can be seen the services sector is contributing quite significantly to the high growth phase of the economy. It has successfully supported the growth of the primary and the secondary sectors too.

The Service Sector is facing a number of challenges mainly on account the unique characteristics. Following are the challenges:

Challenge of Intangibility:

The intangibility characteristic of service sector creates challenges such as Pre-Purchase evaluation is not possible. Demonstration of service is difficult. Training to employees is also a difficult task.

Challenge of Inseparability:

Services cannot be easily separated from the service provider. It has certain limitations like Restricts geographic reach. Physical presence of the customer and service provider is essential.

Challenge of Inconsistency:

Service performance may vary from one person to another within the same organization. This characteristic of services creates certain problem such as lack of quality control, standardization, Technology unsupported, lack of Motivation to employees.

Problem of Perishability:

Services are highly perishable. Therefore, there is mismatch between demand and supply. This the problem like charging high prices, No complimentary services, peak hours.

Challenge of Managing High Demand:

At time, a service firm may get very high demand, especially during the peak timings. Therefore, there is need to manage demand and capacity like modifications, Incentives.

Challenges of Customer Retention:

Service providers face the challenges of customer retention. Customers may switch over the competitors. Therefore, a service firm needs to undertake customer satisfaction surveys, and make changes in marketing mix, including introduction of new and innovative services.

Challenges of Managing workforce Diversity:

Diversity among employees is an asset because it brings to the organization a range of skills and talents. At the same time, individual difference pose a challenge to managers. Managers must be sensitive to individual differences and manage them effectively.

Challenges of Employees' Retention:

Now a days, there is growing attrition among service sector employees. Especially in software, advertising, consultancy, media etc. Certain amount of employee turnover is good for the organization because it gives chances to talented outsider to join the organization. However, employee turnover is bad for the organization as it increases selection and train cost.

Conclusions and findings:

This paper has attempted to make an assessment of the global importance of service which accounts the value added originating from service sector in total value added produced, needed directly and indirectly to produce gross output in the economy. In this regard, the already well developed input-output technique has been used.

From the above it can be seen that the service sector is having many challenges, still its contributing quite significantly to the high growth phase of the economy. It has successfully supported the growth of primary and the secondary sectors too.

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A Study On Technology As A Tool To Enhance Customer Experience In Retail **With Special Reference To Mumbai**

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Abstract

Retailing is evolving into a global, hi-tech business; and India is no exception for that. Technology has revolutionized and redefined the way retailers can go about in their business. And today, technology plays a very important role to increase the efficiency and deliver a seamless customer experience to the shoppers. The retail technology space today is filled with hundreds of new innovations and smart retailing supported by hi-tech mobile devices which enhances the operating efficiency and effectiveness. In Indian retailing, technology is now being considered as an important tool in building and maintaining relationships through enhancing the shopping experiences by providing convenience, better service, speed, and value to the customers. In order to understand and explore the different types of technologies, the researcher has taken up this study to understand how technology as a whole enhances the customer experience in retail industry. A survey using interview schedule was conducted using both primary and secondary data. The study reveals the key trends that the Indian retailers will need to take note of while enhancing their customer experience.

Keywords:technology, customer, retail, experience

Introduction

Consumerism in India is witnessing unprecedented growth. This, in turn, is reflected in India's retail market, which in 2013, was estimated at US\$520 billion and is expected to grow at a CAGR of 13% to reach around US\$950 billion by 2018. Organized retail penetration, currently estimated at 7.5%, is expected to clock a 19-20% p.a. growth to reach 10% by 2018. Globally, India is among the top 10 retail markets. In 2013, the Indian retail sector was estimated at US\$520 billion and was among the largest employers in the country. (RAI report, September 2013).

Factors driving growth in the Indian retail industry:

Regulatory factors- Liberalization of FDI policies in retail coupled with the expected roll-out of the Goods and Service Tax.

Supply side factors- Rapid real estate and infrastructural development, easy availability of credit,

innovative physical and online channels, increased service orientation.

Demand side factors- Rising disposable income, increasing urbanization, highly aware and affluent young population, growing number of working women and changing consumer preferences.

Technology in Indian Retailing

Until few years back, technology implementation for Indian retailers was focused only on loyalty marketing that too on CRM. With increased competition from global and local players, many retailers are now rethinking their strategies, when it comes to technology solutions. Competing and winning in a value driven market requires retailers to develop a comprehensive strategy which involves understanding customer perceptions on retail attributes, which can be possible only with new-age technology solutions. This has therefore led to significant increase in technology investments by retailers.

India is in a digital age where Technology enables retailers to deliver a much more personalized experience to its consumers and also helps them improve their own retail space and environment. Every retailer is at a different point in the journey to realizing the vision of being truly seamless. In today's sophisticated multichannel retail environment the question is no longer if new technology is necessary to create and maintain consumer relationships but how far technology can propel brands and retailers to stay one step ahead of their competitors.

Today's customers expect to be able to connect with the retailer digitally because they live digitally connected, with the increased use of the Internet and digital media by consumers, online shopping or ecommerce has gradually become a viable substitute for brick-and-mortar experience.

Objectives of the study

1. To understand and analyze how technology can enhance the customer experience in retail.
2. To identify the different technologies that is used in Indian retail industry.
3. To suggest technologies that can give retailing a boost.

Methodology

Research Design – Descriptive - In terms of descriptive research, personal interviews with retail managers were conducted to understand the use of technology in improving the customer experience.

Sample Population and data collection - The study was conducted in Mumbai. Mumbai was

considered suitable because it is the financial capital with huge retail stores and malls. The target population for the study was retailers of various malls in western suburban of Mumbai. New technologies were collected through secondary data like Industry Reports, Press reviews, Company Reports and website.

Sample Unit and sample size- A total sample size of 40 retail managers was studied.

Sampling technique- Respondents were selected based on a convenient sampling technique.

Limitations of the Study- The study is confined to the selected area and hence no generalization can be made. The accuracy depends upon the respondents' information.

Findings

Profile of respondents

The survey respondents represented prominent retailing organizations present in Mumbai. These retailers manage multiple formats and brief representation of the same is given below:

1. Respondents covered operate across following formats

Hypermarkets	16%	Department stores	14%	Supermarkets	25%
Speciality formats	14%	EBOs	16%	Others	15%

2. Respondent's opinion about the retail innovation in technology

Level of importance	No. of respondents	Percentage
Not important	3	8%
Somewhat important	11	27%
Extremely important	26	65%
Total	40	

65% respondents feel that Innovation plays a key role in the retail sector.

3. Respondent's opinion about Relevance of technology to address challenges faced by retailer

Opinion	No. of respondents	Percentage
Very Relevant	37	92%
Not Relevant	3	8%
Total	40	

92% of survey respondents felt that technology can address challenges faced in the retail sector.

4. Hardware and software tools that are used in Indian retailing

4.1 Customer interfacing system/ POS system-Bar-coding and scanners are used to pre-store data

and to calculate the cost and generate the total bill for a client, payments are made through credit and debit card which enables a fast and easy payment process for customers and internet which removed the need of the customer to physically visit the store.

4.2 Operating support system-ERP system are used in integrating all the function from warehousing to distribution, front and back office store systems and merchandising. CRM systems helped the retailers with real access to consumer data. It also allowed the retailers to study the purchased behavior of consumers in detail and grow the value of individual consumers to their business.

4.3 Strategic decision support system-Store site location are used to study the demographics and buying pattern of residents of an area and which are used to compare various possible sites for opening up new stores. Software packages are helping retailers not only in the location decisions but also in decisions regarding store sizing and floor space. Visual merchandising tool are used to evaluate the impact of stacking options and planogram are used in modeling a retail store design and finally e-commerce. Usage of GIS in retail in India is in nascent stage. But still it is used by few retailers to monitor their trade areas, assess the impact of competition, and choose new store locations strategically. Case of smaller regional player that are taking the lead in making things easy for the customer with a little help from technology that is already available. Retailers such as Chitale Bandhu Mithaiwale, with 11 stores in Pune and a revenue cost of close Rs. 200 crore were the early adopters of technology. Chitale Bandhu stores use Radio frequency tag to reduce the billing time and manage the inventory.

5. Retail technologies that can give retailing a boost

5.1 Virtual Shopping – In order to make the shopping ease, buyers can choose their desired items by simply touching the LCD screen. The LCD screens are like shelves and while checkout after shopping, the customer have all their ordered stuff packed in bags waiting for them. This eliminates the many steps of customer's shopping experience – such as pushing a shopping cart full of products, crowded aisles and long waiting in the cashier terminals for checkout – making it more pleasant. Virtual screens help the buyers scan items of their choice with their smart phones, and the selected items are delivered to their homes upon their arrival.

5.2 Real-time engagement –It can be a great tool for a retailer's cross-sell efforts by influencing customer's purchase decision while she is still in the store. Recently, Peter England – India's largest

shirts brand – launched a real-time engagement campaign with Capillary, sending recommendations to customers in-store via SMS based on their current purchase and past transactions. During the campaign period, about 15 percent of customers used the cross sells effectively. At the end of the campaign, the stores recorded 4 percent increase in sales due to the campaign promotions.

5.3 Virtual fashion mirrors- It allows customers to select from an “endless aisle” of apparel and try it on without removing a single layer of clothing. Shoppers can quickly coordinate outfits by mixing and matching an array of garments and accessories from retailer’s online and in-store inventories. Multi-touch surfaces in store windows put consumers’ images into the ad, making the shopping experience more personal by having them interact directly with it.

5.4 Location-Based Shopping Technology- The moment a customer is in the vicinity of your store and has the Shop kick app running (even in the background), Shopkick invites him/her into the outlet, displays your latest and hottest products on-screen, awards points for just walking in or shopping, and even redeem these for rewards – all this with just a few taps on the phone screen.

5.5 Near Field Communication or NFC is another form of LBS which is changing the way brands communicate with their customers. NFC’s have the potential to impact every stage of the purchase cycle. For example, customers can tap their phone on an outdoor ad to get information on a big sale at their favorite store. Once in the store, they can tap the phone on the tag attached to a product to download the product’s specifications along with a discount coupon.

5.6 Cloud Computing- Cloud technologies is perhaps the biggest turning point the retail industry has faced in recent times. Easy IT infrastructure, low capital expenditure, faster scaling up and powerful customer data have all come together to make cloud technology a dream come true for retailers. Cloud technology is also instrumental in creating a holistic customer experience across all mediums since it can integrate and be available in real time across all the stores of a retailer, online, call centres, social media, etc.

5.7 Mobile Wallet - Mobile Wallet or M-Wallet is another technology that is making waves. With new players entering the segment such as Apple Passbook and Google Wallet, this definitely has a lot of potential in the market. The biggest advantage that the mobile wallets have over NFCs is that they work on all feature mobile phones, not just on smart phones. These allow users to connect to their loyalty memberships as well as to their credit cards, making the entire shopping experience

hassle-free and seamless for them.

5.8 Clienteling- It is the practice of providing one-to-one personalized service, offers and communication to customers in a retail environment. Tablets and smartphones have proved to be an excellent medium to implement clienteling solutions and empower the sales staff with knowledge of the enterprise on the selling floor at the point of decision. At many retail stores, the sales staff can access a customer's entire purchase history by simply entering her information and assist them in their shopping as per their preferences.

5.9 Customer Lifecycle Management Tools- one of the leading pizza delivery chain uses Capillary's patented customer life cycle management tool to categorize its customer base into more than 17,000 clusters, based on the behavioral indicators of buyers such as their preferred day and time for ordering pizza – weekday or weekend, lunch or dinner, etc. – and utilize this data to trigger marketing campaigns. For example, if a certain customer type orders vegetarian pizzas for two in afternoons on the weekends, she will get an offer on a weekend at 11 am, encouraging her to also order a vegetarian starter along with the pizza and get rewarded. The entire system is fully automated and requires minimal involvement from the retailer.

5.10. Radio Frequency Identification Devices (RFIDs) are essentially glorified barcodes – tiny microchips with an antenna attached which retailers can use remotely to manage inventory and stop theft. They can also be used to trigger promotional messages when you pick up a product in store.

5.11. Electronic data interchange- EDI is the computer to computer exchange of business documents in a structured format, which means that the data transmission use a standard format to communicate the data.

5.12. An advanced replenishment and Plannogramming system-ARS is a reordering system by ensuring availability by keeping inventory low. Plannogramming system has the ability to review sales and margin on space on the shelf linked to replenishment system to bring inventory down.

Suggestions

1. With the rapid change in consumer lifestyle, the ubiquity of mobiles phones and always-on broadband connectivity, real-time engagement is fast becoming the medium of choice for retailers.

So retailers has to implement instant real time engagement at their stores.

2. Gesture-driven technologies have to be used because they have a wide-range of prospects for the future of retailing.

3.Cloud computing can integrate the data collection process from various customer touch-points such as POS, micro-sites, mobile devices, tablets and social platforms and use them to deliver content to the customers.

Conclusion

The future of retailing is interactive, virtual, and intuitive, customized and on- demand. Although the pace of technological change sometimes seems intimidating, the brands that develops a responsive organization which respects, understands and engages the on-demand customer will progress and succeed in the future digital retailing world. This comprehensive retailer strategy requires integration of the latest “smart” technology, advanced intuitive customer insight, stimulating interactive marketing, a cohesive multi-channel marketing network and an accelerated supply chain to bond with the demanding and selective customer. The customer will have more choice, control and power than ever before. The retailers that create an authentic, personal, interactive and responsive connection with them will flourish.

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Employee Retention For Sustainable Development

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Abstract

Worldwide, retention of skilled employees has been of serious concern to managers in the face of ever increasing high rate of employee turnover. Today's business environment has become very competitive thus making skilled employees the major differentiating factor for most organisations. This article endeavours to stress the importance of employee retention and the role of employee retention in promoting sustainable development at Organisations. The article gives a brief introduction to employee retention, its importance for the growth of an Organisation.

Recent studies have shown that retention of highly skilled employees has become a difficult task for managers as this category of employees are being attracted by more than one organisation at a time with various kinds of incentives. Against this background, organisations will continue to lose valuable employees to competitor organisations until managers are able to identify and apply appropriate retention strategies that will help in reducing the frequent turnover of key employees. Thus this article would render a good piece of information about employee retention and the rewards that an Organisation would reap by retaining its only differentiating assets. A brief introduction along employee retention strategies usually implemented by Organisations is included in this article. The role of employee retention in promoting sustainable development at Organisations is evidenced by the critical analysis of employee retention strategies implemented at Organisations and how their retention strategies pave way for sustainable development. Finally a model is constructed to depict the role of employee retention strategy in promoting sustainable development at Organisations.

Key Words: Employee, Employee Retention, Sustainable Development, Organisations

Introduction

Employee Retention involves taking measures to encourage employees to remain in the organization for the maximum period of time. Corporate is facing a lot of problems in employee retention these days. Hiring knowledgeable people for the job is essential for an employer. But retention is even more important than hiring. There is no dearth of opportunities for a talented person. There are many organizations which are looking for such employees. If a person is not satisfied by the job he's doing, he may switch over to some other more suitable job. In today's environment it becomes very important for organizations to retain their employees. The top organizations are on the top because they value their employees and they know how to keep them glued to the organization. Employees stay and leave organizations for some reasons. The reason may be personal or professional. These reasons should be understood by the employer and should be taken care of. The organizations are becoming aware of these reasons and adopting many strategies for employee retention.

Sustainable development has been defined in many ways, but the most frequently quoted definition is from Our Common Future, also known the Brundtland Report:[1]"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts, The concept of needs, in particular the essential needs of the world's poor, to which overriding priority should be given;

and The idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs."

All definitions of sustainable development require that we see the world as a system—a system that connects space; and a system that connects time. When you think of the world as a system over space, you grow to understand that air pollution from North America affects air quality in Asia, and that pesticides sprayed in Argentina could harm fish stocks off the coast of Australia. And when you think of the world as a system over time, you start to realize that the decisions our grandparents made about how to farm the land continue to affect agricultural practice today; and the economic policies we endorse today will have an impact on urban poverty when our children are adults.

Objectives

The aim of this paper is, first, to analyse the Importance Of Employee Retention, reasons why employees leave the organisations and the various employee retention strategies adopted by the organizations for sustainable Development. Second, the paper attempts to show the relationship between Employee Retention and Sustainable Development..

Importance of Employee Retention

Now that so much is being done by organizations to retain its employees, why is retention so important? Is it just to reduce the turnover costs? Well, the answer is a definite no. It's not only the cost incurred by a company that emphasizes the need of retaining employees but also the need to retain talented employees from getting poached. The process of employee retention will benefit an organization in the following ways:

- **The Cost of Turnover:** The cost of employee turnover adds hundreds of thousands of money to a company's expenses. While it is difficult to fully calculate the cost of turnover (including hiring costs, training costs and productivity loss), industry experts often quote 25% of the average employee salary as a conservative estimate.
- **Loss of Company Knowledge:** When an employee leaves, he takes with him valuable knowledge about the company, customers, current projects and past history (sometimes to competitors). Often much time and money has been spent on the employee in expectation of a future return. When the employee leaves, the investment is not realized.
- **Interruption of Customer Service:** Customers and clients do business with a company in part because of the people. Relationships are developed that encourage continued sponsorship of the business. When an employee leaves, the relationships that employee built for the company are severed, which could lead to potential customer loss.
- **Turnover leads to more turnovers:** When an employee terminates, the effect is felt throughout the organization. Co-workers are often required to pick up the slack. The unspoken negativity often intensifies for the remaining staff.
- **Goodwill of the company:** The goodwill of a company is maintained when the attrition rates are low. Higher retention rates motivate potential employees to join the organization.
- **Regaining efficiency:** If an employee resigns, then good amount of time is lost in hiring a new employee and then training him/her and this goes to the loss of the company directly which many a times goes unnoticed. And even after this you cannot assure us of the same efficiency from the new employee

What Makes Employee Leave?

- Employees do not leave an organization without any significant reason. There are certain

circumstances that lead to their leaving the organization. The most common reasons can be:

- Job is not what the employee expected to be: Sometimes the job responsibilities don't come out to be same as expected by the candidates. Unexpected job responsibilities lead to job dissatisfaction.
- Job and person mismatch: A candidate may be fit to do a certain type of job which matches his personality. If he is given a job which mismatches his personality, then he won't be able to perform it well and will try to find out reasons to leave the job.
- No growth opportunities: No or less learning and growth opportunities in the current job will make candidate's job and career stagnant.
- Lack of appreciation: If the work is not appreciated by the supervisor, the employee feels demotivated and loses interest in job.
- Lack of trust and support in coworkers, seniors and management: Trust is the most important factor that is required for an individual to stay in the job. Non-supportive coworkers, seniors and management can make office environment unfriendly and difficult to work in.
- Stress from overwork and work life imbalance: Job stress can lead to work life imbalance which ultimately many times lead to employee leaving the organization.
- Compensation: Better compensation packages being offered by other companies may attract employees towards themselves.
- New job offer: An attractive job offer which an employee thinks is good for him with respect to job responsibility, compensation, growth and learning etc. can lead an employee to leave the organization

Employee Retention Strategies

The basic practices which should be kept in mind in the employee retention strategies are:

- Hire the right people in the first place.
- Empower the employees: Give the employees the authority to get things done.
- Make employees realize that they are the most valuable asset of the organization.
- Have faith in them, trust them and respect them.
- Provide them information and knowledge.
- Keep providing them feedback on their performance.
- Recognize and appreciate their achievements.
- Keep their morale high.
- Create an environment where the employees want to work and have fun.

These practices can be categorized in 3 levels: Low, medium and high level.

I. Low Level Employee Retention Strategies

- Appreciating and recognizing a well done job
- Personalized well done and thank-you cards from supervisors
- Congratulations e-cards or cards sent to spouses/families

- Voicemails or messages from top management
- Periodic days off for good performance
- Rewards (gift, certificates, monetary and non monetary rewards)
- Recognizing professional as well as personal significant events:
- Wedding gifts
- Anniversary gifts
- New born baby gifts
- Scholarships for employee's children
- Get well cards/flowers
- Birthday cards, celebrations and gifts
- Providing benefits
 - Home insurance plans
 - Legal insurance
 - Travel insurance
 - Disability programs
- Providing perks: It includes coupons, discounts, rebates, etc
 - a. Discounts in cinema halls, museums, restaurants, etc.
 - b. Retail store discounts
 - c. Computer peripherals purchase discounts
- Providing workplace conveniences
- On-site ATM
- On-site facilities for which cost is paid by employees
 - laundry facility for bachelors
 - Shipping services
- Assistance with tax calculations and submission of forms
- Financial planning assistance
- Casual dress policies
- Facilities for expectant mothers
 - Parking
 - Parenting guide
 - Lactation rooms Flexi timings
- Fun at work
- Holiday parties and holiday gift certificates
- Occasional parties like diwali, holi, dushera, etc
- Organize get together for watching football, hockey, cricket matches

- Organize picnics and trips for movies etc
- Sports outings like cricket match etc
- Indoor games
- Occasional stress relievers
 1. “Casual dress” day
 2. “Green is the color” day
 3. Handwriting analysis
 4. Tattoo, mehendi, hair braiding stalls on weekends
 5. Mini cricket in office
 6. Ice cream Fridays
 7. Holi-Day breakfast
- Employee support in tough time or personal crisis
- Personal loans for emergencies
- Childcare and eldercare services

II. Medium Level Strategies For Employee Retention

1. Appreciating and recognizing a well done job
2. Special bonus for successfully completing firm-sponsored certifications
3. Benefit programs for family support
4. Child adoption benefits
5. Flexible benefits
6. Dependents care assistance
7. Medical care reimbursement
8. Providing conveniences at workplace
9. Gymnasiums
10. Athletic membership program
11. Providing training and development and personal growth opportunities

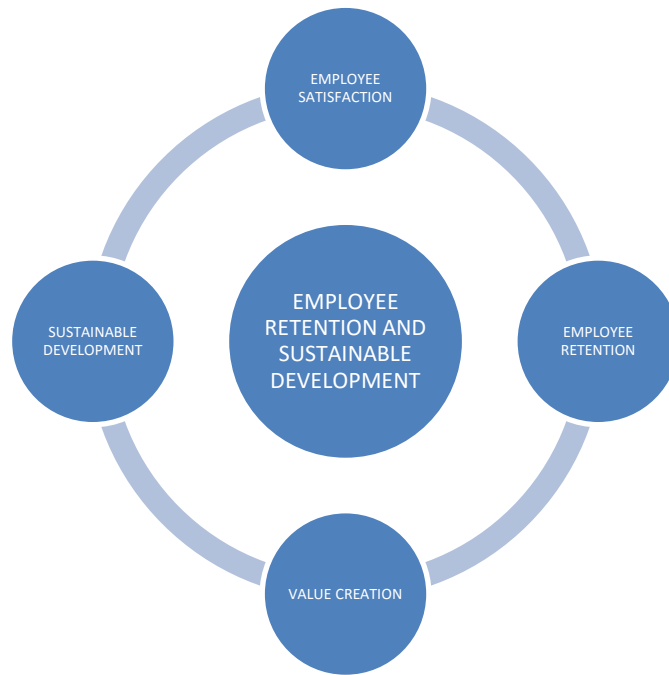
III. High Level Strategies

1. Promoting Work/Life Effectiveness
 - Develop flexible schedules
 - Part-time schedules
 - Extended leaves of absence
 - Develop Support Services
 - On-site day care facility etc.

- Understand employee needs: This can be done through proper management style and culture
 - Listen to the employee and show interest in ideas
 - Appreciate new ideas and reward risk-taking
 - Show support for individual initiative
 - Encourage creativity
2. Encouraging professional training and development and/or personal growth opportunities: It can be done through:
 - Mentoring programs
 - Performance feedback programs
 - Provide necessary tools to the employees to achieve their professional and personal goals
 - Getting the most out of employee interests and talents
 - Higher study opportunities for employees
 - Vocational counseling
 - Offer personalized career guidance to employees
 3. Provide an environment of trust: Communication is the most important and effective way to develop trust.
 - Suggestion committees can be created
 - Open door communication policy can be followed
 - Regular feedbacks on organization's goals and activities should be taken from the employees by Management communications, Intranet and internet can be used as they provide 24X7 accesses to the information, Newsletters, notice boards, etc.
 4. Hire the right people from the beginning: employee retention is not a process that begins at the end. The process of retention begins right from the start of the recruitment process.
 - The new joiners should fit with the organization's culture. The personality, leadership characteristics of the candidate should be in sync with the culture of the hiring organization.
 - Referral bonus should be given to the employees for successful hires. They are the best source of networking.
 - Proper training should be given to the managers on interview and management techniques.
 - An internship program can be followed to recruit the fresh graduates.

Sustainable Development And Employee Retention-(A Cyclic Phenomenon)

The literature available about employee retention ,sustainable development give many insights about sustainable development. The employee retention strategies implemented by organisations have promoted sustainable development as well they insists upon sustainable development which could promote the concept of employee retention. Thus it could be understood that sustainability retains employees and employee retention strategies can promote sustainable development.The figure below illustrates a cyclic phenomenon and inter dependence of Sustainable Development and Employee Retention thereby attempting to retain its employees and gain Sustainability.



Conclusion and Implications

This paper has concentrated on how Employee Retention can lead to sustainable Development. Attention has been given to importance of employee retention and why employees leave the organizations and also the employee retention strategies. It also summarises some of the many possible relationships between Employee Retention and Sustainable Development . Most importantly, than management strategies do not operate alone, divorced from the rest of the organisation. Strategies are, instead, interrelated and require a degree of compatibility and careful coordination.

Glass Ceiling-A myth or reality (A study of banks in Thane District)

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Abstract

India has more than one billion population with almost 500 million women. One of the important factors for India's stupendous growth has been its young and educated population. Economic predictors believe that the phenomenal growth rate of Indian economy will be fuelled by the young work ready people in the coming years. Despite the fact that India has almost 250 million women in the working age group very few reach the top in Indian organizations. Huge numbers of females now work in the organized sector, but they remain at the lower or middle levels in the organizations. Women today comprise only 2 per cent of the total managerial strength in the Indian corporate sector.

Indian banking sector has witnessed explosive growth and expansion ever since the economic reforms was launched nearly two decades ago. This has created a new window of opportunities for women to find employment in the banking sector. In fact, the nationalization of the Indian banking sector in 1969 served as the first major step to reduce gender discrimination against women in banking jobs. The general pattern of women's employment in this sector has shown that there has been a sort of opposition invisible glass ceiling against women acquiring the top management positions in banking. The "glass ceiling" refers to an artificial barrier that prevents qualified individuals to advance within their organization and reach their full potential (Reinhold, 2005). Even though society has come a long way in attaining more opportunities for women, there is still a long way to go in order to reach true equality (Goodman et al., 2003). This inability to reach equality is what is termed the "glass ceiling" (Veale and Gold, 1998). The term "glass ceiling" is the apparent barriers that prevent women and minorities from reaching the top of the corporate hierarchy" (Pai and Vaidya, 2009, p.106).Economic reforms in the Indian economy along with gradual opening up of a conservative society to a modern society preceded breaking the glass ceiling or conversion Glass ceiling into a Glass Transparency in the Indian Banking Sector. This is backed by a recent study of 240 top Indian companies by EMA Partners, the global executive-search firm, which says more than a half of India's women chief executives are accounted for by the banking and financial services industry.In facta look at the composition of the top brass of 11 top listed banks on the Indian stock markets reveals that nine of them have at least one woman on their boards and two of them have women serving as chief executives.

The banking and financial services industry has seen the presence of more women on top than any other industry. In fact, women chief executives among the private sector and foreign banks would almost outnumber men in this sector.

The present study is to identify whether glass ceiling *pr se* exist or it is an age old myth which is attempted to be explored by interacting with women who have been placed in various positions in the banking sector and to suggest preventive measures to further foster gender equality for the women working in banking sector.

Key words:Glass Ceiling, Indian Banking, Women in Banking, Glass Transparency, Banking & Financial Services.

Introduction

Indian Banking system has not only made rapid strides in network expansion but it itself has undergone a complete and never-dreamt of transformation in its very avowed objectives, approaches, and scale of operations. Technology has indeed played a significant role in this sea-change. Nationalisation of banks in two spells in 1969 and 1980 was a watershed in the annals of banking sector in India. Banks were required to saunter along a new path untrodden so long. Instead of remaining as mere mobilisers of deposits and purveyors of credit, they began to be used as catalysts for bringing about socio- economic transformation of our country- a goal considered hitherto to be outside the banking arena.

With the stupendous change in the outlook of the Indian society, girls were allowed to pursue education, resulting in turnout of not merely graduates and post graduates, but even technical graduates. This resulted in women seeking jobs to supplement their family income and to enjoy more comforts of life. In short, increasing women literacy, growing economic pressure, and the burning desire to gain economic and social independence are pushing womenfolk to take up gainful career. On the overall percentage of women corporate employees, India at 23% comes out not only behind the U.S. at 52%, but also behind Brazil at 35%. At the senior management level, India shows only 9% women to Brazil's 16% and the U.S.A.'s 28%. Women are moving into technical, finance, marketing defense and other job functions. Many middle class families have realized the potential of their females and preparing them to compete in the market so that they can contribute significantly to the family income. In the past ten years, there has been a upsurge of corporate interest in diversity and gender-inclusion initiatives. Corporations want to take advantage of new

female talent who are ready to take challenging work. From last three decades, the change in the socio cultural environment has opened the gateway for women to enter and lead in the managerial roles in the corporate India. The phenomenal growth of banks has created massive employment opportunities for the educated unemployed youths of our nation. The women job-seekers find jobs in banks more attractive and more suitable to their nature. Banks welcomed their entry because women have certain innate traits which fit in with the job requirements. Thus the humongous increase in job opportunities in banks and the abundant availability of qualified women who get selected in job tests paved the way for the large number of women occupying positions in all cadres today in not only public sector and private sector banks but even in new generation banks. Globally, there has been an unprecedented change occurring in the composition and participation of the workforce in the world economy. This change has been propelled by the active involvement of more women in the economy than before (April *et al.*, 2007).

According to then International Labour Organisation (ILO) (2006), out of the world's 2.9 billion workers, 40 per cent were women. However, the increasing involvement of women in the work force is not synonymous with their representation at senior management levels (Cross and Linehan, 2006). On the surface women are being accepted as part of the workforce, but their reception into senior management levels is stifled due to subtle forms of discrimination that present themselves in compensation, training and/or socialisation networks (Billy and Manoocherhri, 1995). With the need to increase diversity in the workforce, a study conducted by Powell and Graves (2003 cited in Mok Kim Man *et al.*, 2009), indicated that the proportion of women holding lower and middle management positions had increased, concomitantly with their greater demand for equality in the work environment. However, the proportion of women reaching top management positions has remained relatively small pointing to the existence of discriminatory barriers to entry to senior management positions which has been termed the “glass ceiling” (Maume, 2004; April *et al.*, 2007).

Objectives Of The Study

- To investigate why so few women are promoted to senior management positions in Banking.
- To study whether the women employees in banking sector perceive ‘glass- ceiling’ as a major hindrance in the promotion
- To study the factors preventing women executives from aspiring for higher post.
- To suggest measures to solve their problems.

Nature And Scope Of The Study

The study is purely exploratory in nature and seeks to identify the gender diversity issues in banks and factors preventing women employees from aspiring for higher post. The study focuses on finding out the fact that whether 'glass-ceiling' is a major factor hindering their growth. Further this aims also at finding out the organizational support for women employees to achieve higher ups. The present study intends to survey only women executives who confront challenging situations which demand skills of a higher order for meeting them successfully.

Study Area

Selected Banks of Thane district is the study area. Thane district is multi-linguistic, multi-ethnic, multi-religious and multi-cultural. This diversity makes it more attractive for this research. Besides, this, it has branches of all leading commercial banks.

Literature Review

According to *McDonald (2004)* attaining education has been categorized as one of the most significant factors that have been used to break through the glass ceiling and increase women's participation in the labor force. *Kirchmeyer (2002 cited in Jamali et al. 2006)* noted that in the past, women have achieved high levels of education in different countries and consist of about 40 percent of the workforce worldwide. Self-development through formal education and volunteering for leadership positions would help women acquire good skills for business as well as gain high profile, knowledge and experience.

Williams and Cooper, (2004) acknowledged that family obligations affected working women while *Clancy and Tata (2005)* argued that women would be successful in their career if they get the support of their husbands.

The Grant Thornton International Business Report (2011) shows that the global average of women in management was 20 per cent. It is evident that four of the Brazil, Russia, India, China and South Africa (BRICS) countries exceeded the global average (20 per cent) of women in management with only India (9 per cent) being well below the average and having the third worst representation of women in senior management positions. What is clear is that two of the developed nations UK and the USA were hovering around the global average with the UK slightly above the average and USA below. According to *Hakim (2003 cited in Broadbridge, 2008)*, the growing representation of women in management in the UK can be attributed to government investment in higher education, changing attitudes towards the acceptance of women with children in the workplace and a

decreasing fertility rate. Furthermore, organisational policies promoting equal opportunities for both men and women and the growth of an information and service- based economy supportive of women are factors that have helped to increase the representation of women in management in the UK (Powell and Butterfield, 2003)

Koshal & Gupta (1998) conducted a survey *Women Managers in India: Challenges and Opportunities* to find out to what degree the glass ceiling exists in the largest democracy of the world and how women manager functions? The study also intends to analyze what kind of cultural barriers are existing for women in India that prevent them from advancing to corporate leadership positions? The results of study revealed that more than 40 percent men and women believe that there are significant barriers to women's advancement in their organizations and organizations do not encourage women enough to assume leadership position. There appears to be inequity in pay in corporate India, fifty seven percent women think that they need to work harder than men to prove their competence. Male stereotyping exclusion of women from informal communication network, commitment to family responsibilities, lack of business experience, and not being in the pipeline long enough are some of the barriers to women's advancement.

Jeavons & Sevastos (2002) found that glass ceiling prevents women in the organizations. They also stated that even levels of promotions did exist in men and women. The data showed that the women are employed by the organization at a level that was much lower than their qualifications or lower than men doing the same job.

Lotte (1994) argued that for women, the obligations attached to family statuses are first in priority while for men the role demands deriving from the occupational status ordinarily override all others. The woman's duties as a mother override most other role obligations; her duties as a wife are second and other status obligations are usually a poor third.

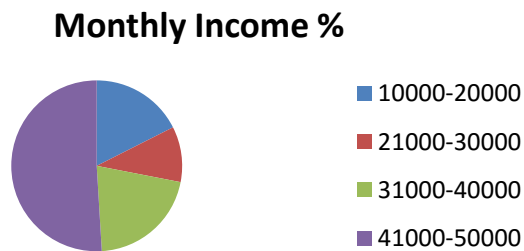
Myrdal and Klein (1996), women who choose to return to work once they have discharged their family obligations can solve the dilemma of women's conflicting "two roles" by scheduling, that is concentrating first on one and then on the other.

Mok Kim Man et al., (2009); Jain and Mukherji, (2010) stated that a corporate culture that is supportive of women gives them the flexibility to adjust their work schedules while at the same time providing them avenues to make meaningful contributions to both the organisation and their

families by allowing the effective reconciliation of their multiple roles. If organisational support to balance professional and domestic responsibilities is nonexistent; a woman's career advancement can be negatively impacted.

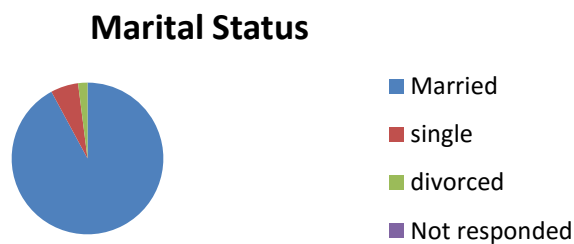
Findings & Analysis

- Age demography of working women in banks?



Most of the respondents fall within the age category of 31-40 years (41.2 per cent) while the only 2 per cent of the respondents were within the age group 50 years and above. In essence, it can be argued that most of the banks would prefer to employ younger workers probably because of the conception that young people are more dynamic, creative and resourceful and would therefore enhance the image, stability and efficiency of the banks.

- **Income level of women employees?**



Most of them were earning between Rs.50,000 and above monthly while the least were earning between Rs.10,000 and Rs.20,000. This also indicates that the status of most women in the banking sector may have improved significantly when compared with other professional groups like teachers, nurses, factory workers and clerical workers.

- **Marital status of female bank employees?**

Equal Opportunities



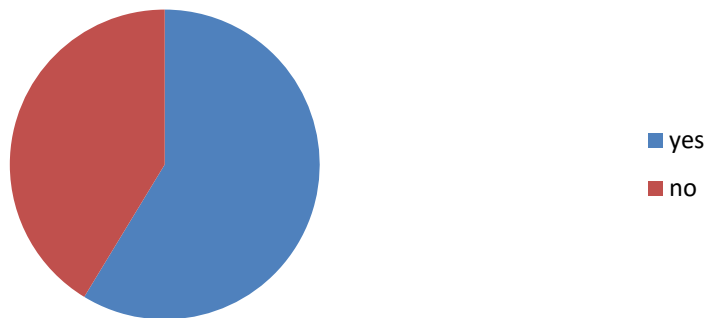
92.2 per cent of the respondents were presently married. However, 5.9 per cent and 2.0 per cent reported single and divorced respectively.

4. Are you fairly evaluated and are equal opportunities available to both males & females in the Organization?

Majority of the respondents felt fairly evaluated (74 per cent), that career opportunities (7 per cent) were available to them

5. Are females also provided high visibility positions based on merit?

Visibility Positions



41% of the respondents reported negatively when asked about whether they are given important projects which make them rather more visible in the organization.

6. Do you face any gender discrimination?

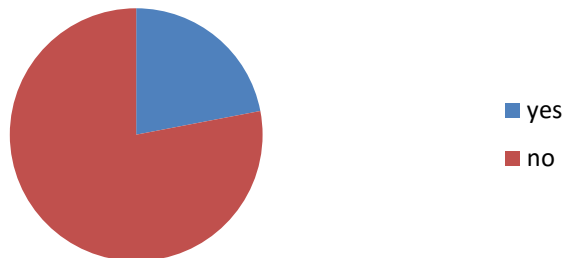
Lack of Recognition & Support



Gender discrimination whilst prevalent (28 per cent) was not experienced by 59 per cent of the respondents

7. Do you experience lack of Support & recognition from male employees or from superiors?

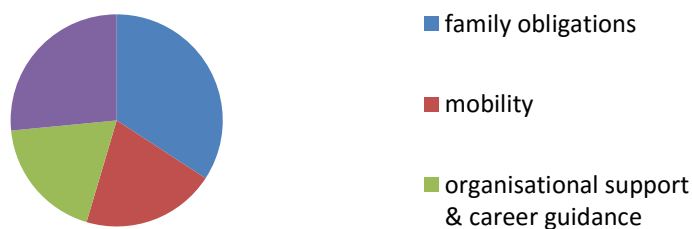
Respect



Lack of recognition & support (59 per cent) were overtly experienced by the respondents

8. Do you get adequate respect from your male colleagues?

Factors Inhibiting Growth



Majority of the respondents complained of not getting adequate respect from their male colleagues.

Conclusion

In order to achieve the aim of this study a direct question “do you believe that a glass ceiling exists in your organization?” would have established whether the glass ceiling is a reality or a myth. However, the questions were posed in a manner that has identified barriers without asking a direct question. It is evident that certain elements of the situational/organisational theory of the glass ceiling existed. Gender discrimination, lack of respect from males and insufficient support of women's multiple roles were directly identified as barriers to women progressing in the workplace. However, social roles which are largely a matter of choice also inhibited the growth of women. Whilst the glass ceiling seems to be breaking, in that career opportunities exist for women and that they are being fairly evaluated, it is still very much a reality in banking organisations in Thane District which needs a multi- pronged, multi- stakeholder approach to bring about true gender equity in senior management.

Suggestions To Improve Situations

- Effective performance management and talent management programmes should be used to ensure that top performers immaterial of gender are properly rewarded.
- Incentives could be put in place to encourage proactive searches for talented women and for developing women to take up senior positions based on merit.
- Promotion criteria should be objective, measurable and should have no gender bias. Promotion committees should be gender balanced to ensure that women are considered fairly.
- In order to overcome the limited mobility of women, organisations need to consider alternatives to relocation for the sake of promotion. Tele- work and computer mediated interactions should be introduced. Technology such as e- mail, teleconferencing software, online chat, mobile applications and more recently social networks can facilitate remote working
- Employers, who are committed to growing the number of women in senior management, must create an enabling environment for the female employee to balance her multiple roles. Organisations should introduce flexible work hours and a flexible workplace. Women who return from maternity leave should be re- orientated through re- skilling programmes, training and development. Insufficiency of support systems for employee family

commitments will indirectly lead to strengthening the existence of the glass ceiling.

- Organisations could develop rules, regulations and disciplinary codes to effectively manage workplace gender discrimination. Alternate dispute resolution mechanisms could be introduced to ensure that minor and unintended offences are treated less punitively and with the intention to correct the offender's behaviour.
- Another major part of the solution is recruiting more women into banking roles with a clear route of progression. Graduate training schemes, for example, are an excellent way of targeting and recruiting a new generation of talented, ambitious and confident women into the industry.
- The banking industry, at its more senior positions at least, is still dominated by men. This means the number of potential female role models at senior level is comparatively small. Perceptions are central to tackling the glass ceiling. If women already feel that it is more difficult to make it to the top than it is for men, then a lack of female role models is only likely to reinforce that belief.
- Banking employers have an opportunity to raise the voice and visibility of successful female leaders across their organizations. They can actively seek out successful women in senior positions and help build the profile and reputation of those women internally and externally through a targeted communications and PR strategy.

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“ISLAMIC Banking & Its Scope In India”

Dr. Shraddha Bhome

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and
Rajendra Patil**

Absract:

Islamic finance is based on two main important principal such as THE HOLY QURAN and HADEETH the Islamic finance is the interest free financial system where taking of interest and giving of interest is strictly forbidden by Islamic SHARIAH. The Islamic finance is growing all over the world including India. A banking system of Islam is based on the principles of Islamic law and guided by Islamic economics. Two basic fundamental behind Islamic banking are the sharing of profit and loss and, significantly, the prohibition of the collection and payment of interest. Collection & payment of interest is not permitted under Islamic law. Here, the researcher has tried to find out the importance of Islamic banking in India.

Key words: Islamic banking, Islamic law, Islamic economics.

Introduction:

The term Islamic banking became common in the 1960's but the mechanisms and concepts of the system were implied and used since the birth of Islam. Many studies and researches have shown that Islamic finance mechanisms were used in the Muslim world throughout the Middle Ages in conducting trade and business activities. Charging interest on loans was not common back then. The first time interest bearing loans were widely used in the Muslim world especially in the Middle East, was during the Ottoman Empire's rule in the 15th century. Mehmet Ebusuud Effendi the senior Islamic cleric of the Ottoman Empire, issued a fatwa (ruling) allowing the charging of interest and considering it halal (permissible) as long as it was below 10%. Even though it was clear in The Holy Quran that interest was strictly prohibited almost no one could challenge the senior Islamic clerics ruling because challenging him would mean challenging the Ottoman Empire's rule. Bankers back then were mostly Jews and Christians many of them were Greeks and Armenians.

After the Ottoman Empire's decline in the 1920's following World War I, the Middle East was divided by the major colonial powers. The British and the French had an agreement to split up the countries in the Middle East among themselves, while Italy took some parts of North Africa. The development of a modern banking system in Islamic countries occurred when their colonizers needed banks to fund different activities including agriculture, manufacturing and mining. After getting their independence following World War II, many Islamic countries nationalized their banks and established development banks to help governments fund the public sector and expand different industries. Back then, banks in Muslim countries were not addressing the need of devout Muslim customers, who held on to their money and avoided putting it in banks because of their interest-based system, which contradicts with their religious beliefs and principles. This led to the under banking of a big and important segment of the population whose savings were not used efficiently. This mismatch between the banks' operations and the devout Muslims' concerns lead some shariah scholars and bankers to work together and try to establish a new banking system that is more efficient.

The independence of Islamic countries following World War II combined with the renaissance of

Islamic sentiment set the stage for the modern era of Islamic finance the main Islamic concepts related to banking and finance became an important factor in conducting financial activities for devout Muslims. That led to the establishment of the first Islamic bank in 1963 The MitGhamr Local Savings Bank in Egypt. The bank couldn't survive and had to close its doors 2 years later for different reasons including the lack of resources and support, but has paved the way for modern Islamic banking. MitGhamr Bank helped set general guidelines and came up with new terminologies that helped future Islamic banks and gave them the hope that Islamic banking can be competitive and profitable. During medieval times (1,000 – 1,500 AD), Middle Eastern tradesmen would engage in financial transactions on the basis of Shariah which incidentally was guided by the same principles as their European counterparts at the time.

The Arabs from the Ottoman Empire had strong trade relationships with the Spanish, and established financial systems without interest which worked on a profit- and loss-sharing basis. These instruments catered for the financing of trade and other enterprises. As the Middle Eastern and Asian regions became important trading partners for European companies such as the Dutch East India Company, European banks started to establish branches in these countries, which typically were interest-based. With the increasingly important role Western countries started to play in the world economy, conventional financial institutions became more dominant. On a small scale, credit union and co-operative societies based on profit- and loss-sharing principles continued to exist, but their activities were very much focused in small geographical areas.

Although it was not until the mid-1980s that Islamic finance started to grow. Exponentially, the first financial company in recent history based on Sharia principles was the MitGhamr savings project in Egypt. MitGhamr was a co-operative organisation in which the depositors also had a right to take out small loans for productive purposes. In addition, the project attracted funds to invest in projects on a profit-sharing basis. In 1971 the project was incorporated in Nasser Social Bank. From a handful of banks in the late 1970s, including the Islamic Development Bank and Dubai Islamic Bank, the Islamic banking industry has grown significantly. Since the late 1990s the industry has been growing at a rate of 10 – 15% per year, and is expected to keep on growing at this rate for some years to come.

The number of banks offering Islamic financial services is growing and is no longer limited to small niche banks, and large conventional banks are offering Islamic finance through their 'Islamic Windows'. However, the balance sheet size of fully Sharia based banks on a consolidated basis is not even remotely close to that of any of the large conventional banks which has an impact on the transaction size they can execute on an individual basis. Large conventional banks on the contrary have the advantage of a big balance sheet and structuring capabilities that are well beyond the current potential of Islamic banks. In addition the proven track record of conventional banks provides a higher degree of certainty than a newly established Islamic bank. On the other hand, Islamic banks operate completely within the ethical framework of Sharia and offer skill and expertise in structuring Sharia-compliant instruments. Thus, the two types of players are complementary, and by working closely together can achieve high market penetration and work on reaching the full potential of the market.

Islamic banking emerged as a practical reality and started functioning in 1970s. Since then it has been growing continuously all over the world. Presently, Islamic banking industry has reached US\$1.0 trillion US dollars by the end of 2008. International Rating Agency, Standard & Poor estimates that Islamic financial industry has potential to grow to US\$4.0 trillion over medium term. It is surprising to note that global conventional banks like HSBS, Standard Chartered Bank, Deutsche Bank, Citibank, etc, have also set up separate Windows/Divisions to structure Islamic

financial products and are offering Islamic banking services to their Muslim clients and even to those non-Muslim clients who are interested in profit and loss sharing (PLS) financial instruments. UK, France, China, Singapore and many other countries have developed special regulatory to facilitate the working of Islamic banking. The speed of the growth of Islamic banking all over the world including Pakistan has been expedited since 2002.

ISLAMIC ECONOMY

Islam does not deny the market forces and market economy. Even the profit motive is acceptable to a reasonable extent. Private ownership is not totally negated. Yet, the basic difference between capitalist and Islamic economy is that in secular capitalism, the profit motive or private ownership are given unbridled power to make economic decisions. Their liberty is not controlled by any divine injunctions. If there are some restrictions, they are imposed by human beings and are always subject to change through democratic legislation, which accepts no authority of any super-human power. This attitude has allowed a number of practices which cause imbalances in the society. Interest, gambling, speculative transactions tend to concentrate wealth in the hands of the few. Unhealthy human instincts are exploited to make money through immoral and injurious products. Unbridled profit making creates monopolies which paralyse the market forces or, at least, hinder their natural operation. Thus the capitalist economy which claims to be based on market forces practically stops the natural process of supply and demand, because these forces can properly work only in an atmosphere of free competition, and not in monopolies. It is sometimes appreciated in a secular capitalist economy that a certain economic activity is not in the interest of the society, yet, it is allowed to be continued because it goes against the interest of some influential circles who dominate the legislature on the strength of their majority. Since every authority beyond the democratic rule is totally denied and 'trust in God' (which is affirmed at the face of every U.S. dollar) has been practically expelled from the socio-economic domain, no divine guidance is recognized to control the economic activities.

The evils emanating from this attitude can never be curbed unless humanity submits to the divine authority and obeys its commands by accepting them as absolute truth and super-human injunctions which should be followed in any case and at any price. This is exactly what Islam does. After recognizing private ownership, profit motive and market forces, Islam have put certain divine restrictions on the economic activities. These restrictions being imposed by Allah Almighty, Whose knowledge has no limits cannot be removed by any human authority. The prohibition of *Riba* (interest), gambling, hoarding, dealing in unlawful goods or services, short sales and speculative transactions are some examples of these divine restrictions. All these prohibitions combined together have a cumulative effect of maintaining balance, distributive justice and equality of opportunities.

Why India needs an Islamic banking model

While Islamic finance originates from religious principles, it is also a workable model of investment, based on risk sharing. The nations, which have adopted Islamic finance, have done so because it makes business sense. Islamic finance is all about encouraging and facilitating investment in real economic activity and societal welfare, while prohibiting investment in reckless businesses such as gaming, alcohol and adult entertainment or risky financial products likederivative contracts of the kind which led to the 2008 sub-prime crisis.

Apart from being a viable alternative to capitalist financial systems prone to extreme risks, the interest-free solutions of Islamic Banking could restore equilibrium in Indian society by providing succour to debt-ridden farmers, labourers and other marginalized groups. Hence, Islamic Banking has potential as a tool of financial inclusion. As per the Pew Research Centre, India was home to

nearly 177 million Muslims in 2010, making it the country with the third largest Muslim population in the world. A considerable number of Indian Muslims either invest in non-interest bearing accounts or donate the interest from interest-bearing accounts to charity. There is an opportunity for Islamic banks to attract funds that interest paying conventional banks cannot. Traditionally, Indians practised participatory banking by creating cooperative banks, non-banking financial institutions and micro credit programmes; the same platform can be used to introduce Islamic Banking. According to the Planning Commission, India is facing a funding gap of US\$ 300 billion – or 30% – in meeting its infrastructure funding requirement until 2017. Following the example of countries such as Malaysia, Indonesia, UK, France and Germany, India could use Islamic financial products such as Sukuk (long term bond) to fund infrastructure and other sectors. Specifically, India could attract the Middle East's high investible surplus through Islamic banking and finance.

Objectives Of Study

1- To study scope of Islamic banking in India.

Literature Review

The principles of Islamic banking are based on Islamic law, known as Shariah, which mean:

(i)Interest: (Riba) Interest cannot be paid or received on transactions in any case where money is exchange for money because the money is not actually any value accordance to Islam if it is not employed in business.

Prohibition of Riba (Interest)

Many Muslim scholars and some western thoughts believe and still considering that just interest free banking is as an Islamic banking. Actually interest is fully prohibited in Islam that is proved in Qur'an and Sunnah.

“The interest that you give in order to increase the wealth of the people, does not increase in the sight of Allah; and the Zakat that you pay in order to win Allah's approval, its payers do indeed increase their wealth” (Surah Al-Rome no. 39)(Shafi and Usmani, 1997, p.67). It is beautiful and powerful statement from Quran which shows that interest is prohibited by God because it can only increase the wealth of individual not the society.

“Exclusion of interest from financial activities does not necessarily mean that the financier cannot earn a profit. If financing is meant for a commercial purpose, it can be based on concept of profit and loss sharing, for which musharakah and mudarabah have been designed since the very inception of Islamic commercial law” (Usmani, 2005, p.10). It is wrong and confused concept in the society about the operation of the Islamic banking system but Islam provides an alternative system where everyone contributes their share of investment and earns profit. In case of losses all the parties of contract suffer according to their agreed terms and conditions. Islamic financial system is being only successful if all the financial activity will be performed according to Islamic financial law.

“Allah deprives interest of all blessing and develops charity; and Allah does not like an ungrateful, sinful person” (Surah Al-Baqarah no.276)(Shafi and Usmani, 1997, p.49).

“Zarqa (1983), Khan (1986), Chapra (2000), El-Gamal (2000) and Gafoor (1997), have illustrated the macro-economic stability that can form a profit and loss sharing system; an Islamic form of

banking would replace interest-based transactions that characterise western transactions” (Shanmugam, Perumal and Ridzwa, 2004 p.150).

It is concluded from above statements that in Islam there is no room of interest. Interest is totally prohibited in Islam. In interest-based economy the depositors want to get more interest and want to increase their wealth through interest. They are not taken part in investment activity it leads to collapse and credit crunch. On other hand the banks charge high rate of interest on loan, it creates the difficulties for poor people of the society and leads to maximise the wealth of industrialists and giants.

(ii)Gharar and Maysir: Transactions must avoid uncertainty (Gharar), speculation (Maysir) or anything that could lead to the unjust enrichment or unfair exploitation of one of the parties to a contract (Imeson, 2007). In case of speculation the big investors and industrialists turn the economic financial system toward their own and personal benefits.

(iii)Unethical businesses Transaction cannot be made that involve prohibited products or activities, such as alcohol, illicit drugs and tobacco because Islam wants to develop a ethical and friendly environment in the society (Imeson, 2007).

Research Methodology

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In short research methodology is the underlying theory of how research should be conducted. The research may be qualitative or quantitative. The study of Islamic finance is based on both data such as primary and secondary data. Primary data is totally base on certain discussion with Islamic scholars means Ulama-e-Din and secondary data is based on books and materials available which are written by scholars and Ulama-e-din.

Descriptive Analysis Of Data

Testing of Hypothesis:

Hypothesis I

Ha: Indian Muslims are well versed with Islamic finance:

Ho: Indian Muslims are not well versed with Islamic finance

		Yes	No	Interpretation
Q1	Have you heard about Islamic banking?	54	6	Significant for Yes
Q2	Do you know the concept of Islamic finance?	49	11	Significant for Yes
Q3	Is Islamic finance allows investment in pork, alcohol, related products?	0	60	Significant for No
Q4	Is there any Islamic bank in India?	12	48	Significant for No
Q5	Islamic bank perform interest free security, have you heard about this?	39	21	Significant for Yes
Q6	Is Islamic finance familiar in India?	15	45	Significant for No
Q7	Does Islamic finance is necessary for Muslims investors only?	55	5	Significant for Yes
Q8	Does Islamic banking provides long term loan?	36	24	Non-significant

Q9	There should be proper accounting policy or standard for Islamic finance.	42	18	Significant for Yes
Q10	Islamic finance is multipurpose?	51	9	Significant for Yes
Q11	Does Islamic finance provides investment opportunity for local women's. ?	23	37	Non-significant
Q12	Do you know any Islamic financial institution?	17	43	Significant for No
Q13	Is interest only prohibited in Islamic finance?	60	0	Significant for Yes

Interpretation: The results of 11 questions out of 13 show significant results hence we reject null hypothesis and conclude that Muslims are well versed with the Islamic finance.

In this section we tested different hypothesis using one sample t-test. Since respondents, responded on scale of 1 to 5. We tested the average score of each of the question with the average expected value 3. Any average greater than that of 3, is considered to be favourable for the question raised. Basic data distribution:

	SD		Disagree		NAND		Agree		SA	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %	Count	Row %
Q14	1	1.7%	5	8.3%	4	6.7%	15	25.0%	35	58.3%
Q15	0	.0%	0	.0%	0	.0%	5	8.3%	55	91.7%
Q16	0	.0%	8	13.3%	5	8.3%	12	20.0%	35	58.3%

H₀₂: Islamic finance service is not possible in India

H₁₂: Islamic finance service is possible in India

Descriptive statistics:

N	Mean	Std. Deviation	Std. Error Mean
60	4.30	1.030	.133

One sample t-test result:

Test Value = 3					
t	df	p-value	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
9.776	59	.000	1.300	1.03	1.57

Interpretation: Since p-value for the one sample t-test is less than that of 0.05 indicates that

we should reject null hypothesis and conclude that Islamic finance service is possible in India.

H₀₃: Muslims should not learn Islamic finance.

H₁₃: Muslims should learn Islamic finance

Descriptive statistics:

N	Mean	Std. Deviation	Std. Error Mean
60	4.92	.279	.036

One sample t-test result:

Test Value = 3					
t	df	p-value	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
53.267	59	.000	1.917	1.84	1.99

Interpretation: Since p-value for the one sample t-test is less than that of 0.05 indicates that we should reject null hypothesis and conclude that Muslims should learn Islamic finance.

H₀₁: Islamic finance may not be helpful in today's volatile situation.

H₁₁: Islamic finance may be helpful in today's volatile situation

Descriptive statistics:

N	Mean	Std. Deviation	Std. Error Mean
60	4.23	1.079	.139

One sample t-test result:

Test Value = 3					
t	df	p-value	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
8.851	59	.000	1.233	.95	1.51

Interpretation: Since p-value for the one sample t-test is less than that of 0.05 indicates that we should reject null hypothesis and conclude that Islamic finance may be helpful in today's volatile situation.

Conclusion:

Islamic banking has been making headway into an increasing number of Western countries. This is indeed a trend that is likely to carry on, as oil-exporting nations continue to accumulate wealth, GCC and South East Asian Islamic financial markets develop further, and companies in Western nations keep on competing to attract international investors. Nonetheless, despite the rapid growth of Islamic finance in the last few years, many supervisory authorities and practitioners are unfamiliar with the process by which Islamic banks are introduced into a conventional system. This paper has attempted to shed some light on this area, by identifying the main traits in the process, and by flagging some of the main challenges that India will face as Islamic banking develops alongside conventional institutions. As Islamic finance keeps expanding, the supervisory authorities will have to ensure that these new institutions become fully integrated with the rest of the financial system. The integration process will not only entail allowing Islamic institutions to operate, but also providing comprehensive regulatory framework, as well as developing a supportive financial infrastructure. Understanding Islamic banking is also essential from a financial stability perspective, at least on two accounts. First, Islamic banks may become systemically relevant as they grow and increasingly interact with systemically important conventional banks. Overseeing the concentration of risks and its potential impact on Islamic financial institutions should become a daily task for the regulatory authorities.

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Challenges faced by Entrepreneurial Generations for Sustainability

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Abstract

The rapid globalization of world markets and economies has encouraged entrepreneurial organizations of all sizes and national origins to foster entrepreneurship throughout their operations. Growing businesses face a range of challenges. As a business grows, different problems and opportunities demand different solutions - what worked a year ago might now be not the best approach. All too often, avoidable mistakes turn what could have been a great business into an also-ran.

This paper examines the challenges which first and second generational entrepreneurs face as they attempt to attain their desired outcomes for longer sustainability. It discusses how these challenges can encourage and inspire entrepreneurs to achieve their goals and values through promoting and nurturing entrepreneurship.

Entrepreneur

The 16th and 17th Century

The word, 'entrepreneur' is derived from the French verb, 'enterprendre'. It means to undertake the responsibility. In the early 16th century, the Frenchmen who organized and led military expeditions were referred to as 'entrepreneurs.' Around 1700 A.D. the term was used for architects and contractors of public works.

The early 18th Century

It has been unarguably recognized that Richard Cantillon writing in the 1730s was the first economist to use the term 'entrepreneur' in the modern sense. An entrepreneur for him was, 'someone willing to buy at a certain price and to sell at an uncertain price,' irrespective of whether the transaction involved the employment of labour in a productive process or whether it made use of funds borrowed from someone else.

Entrepreneurship in India

India got political freedom from the British in 1947 – the British government was replaced by an Indian government, elected democratically. Every Indian citizen got an equal right and freedom to vote. While Indian citizens have been free to vote in India since then, have they been equally free to do business, to become entrepreneurs?

There are a lot of challenges which entrepreneurs face. Some of these are genuine challenges inherent in the process of setting up and running a successful business - entrepreneurs all over the world face these challenges. However, some challenges are artificial – imposed by the government and/or the society.

Socialist mindset after independence meant that the government took the task of building the country upon itself including in terms of science and technology, setting up large industries etc. Citizens looked up to the government to own, set up and run industries and looked upon themselves as workers – the ‘service class’. The service class paid a lot of attention to educating their children, so they could get good jobs eventually. Small business was an option available to those who could not do very well in studies. Service class families looked at business class families as less refined – money minded, typically less educated. Government policy and licence raj required entrepreneurs to bend rules to make progress in their business. As a nation, we respected great scientists, great teachers but not great businessmen (unless they were also great philanthropists).

This started changing in late 80s with some progressive thinking in the government, and the realisation that socialist mixed model economy was not working. 1991 liberalisation allowed businesses to participate in sectors like telecom, GDP started growing fast, poverty started reducing faster and IT revolution made heroes out of entrepreneurs like Narayan Murthy unleashing a wave of new age entrepreneurship. India became a centre of innovation and a global power to reckon with. But a lot still remains to be done.

While the license-quota *raj* weakened after 1991, it still remains strong in large pockets of the economy which therefore continue to stagger at low rates of growth. Let us liberalise these sectors and the economy further overall, so young entrepreneurs could come forward and drive the country ahead with their enterprise and initiative.

History has many such examples of the environmental influences on the business and

entrepreneurial growth. Due to the partition of India at the time of Independence in 1947, Hindu people from Sindh, a region in the newly created Pakistan were forced to leave their native place and migrate to the Indian regions. They mostly settled in the Western Maharashtra. They had no other option of livelihood but to start a tiny business or trading. Gradually, this 'Sindhi' community became famous as the business and trader community after one or two generations.

Traditionally, the Vaishyas - the third in the hierarchy of caste system, were assumed to carry trade and commerce activities for living and all other castes were dependent on them for their daily consumer goods. The Vaishyas or Banias were not a homogenous community and were known differently in different regions. Though, mainly engaged in trade and commerce activities, they also performed manufacturing small items as per the needs of the society.

First Generation Entrepreneur

First generation entrepreneur are those entrepreneurs who starts the business on his innovative skill. He has no entrepreneurial background. An entrepreneur is very innovative, decision maker, risk taker, leadership quality, etc. Establishing an organization and running it successfully is not a simple thing. Establishing and successfully running an organization requires great ability and qualities. He must have a clear plan.

Thus, trader, craftsman and business activities were mainly concentrated in the specific communities. The 'Anthropological Survey of India' has given an extensive list of ethnic and anthropologically specialized trader communities. The list given in the survey could be summarized as follows-

Challenges faced by First Generational Entrepreneurs

Lack of collateral

- Early stage enterprises are characterized with limited access to both immovable and movable collateral, whereas financial institutions prefer collateral based lending. Financial institutions often insist on immovable collateral for securing loans.
- Manufacturing enterprises have access to primary collateral in the form of plant and machinery; whereas service enterprises tend to operate in leased or rented premises

and lack any sort of primary collateral

Lack of financial history

- Enterprises in their early stage of business do not have any recorded transaction history and any financial records; whereas banks assess all credit applications based on the historical financial performance of the enterprise.
- Several enterprises mostly transact in cash and have little incentive to maintain proper financial records - as book-keeping increases the cost of operation, most entrepreneurs do not maintain proper financial records.

Limited capacity and skills

- With limited training and capacity building of entrepreneurs, enterprises experience significant challenges in resource management, technology adoption and financial planning. In addition, limited understanding of and information on financial products and services from formal financial institutions presents significant challenges in accessing finance.
- This challenge is further exacerbated by the fact that in majority of cases early stage FGEs do not have access to other experienced personnel who are competent in financial management and accounting

Low awareness among FGEs on available financial avenues

In addition to poor or absence of financial planning and recording the entrepreneurs in the segment are not aware of the financial needs, products available as well as have limited awareness of potential financing avenues. Most large banks adopt conservative policies to minimize both credit risk and cost of delivery, as a result a very small number of new and high risk enterprises tend to get supply of debt from banks.

Lack of robust business plan

FGEs need to identify how the company will expand and how they will attract right talent to support the returns needed to justify venture investment. The business plan of an FGE usually lack in the following aspects:

- Financial feasibility of the startup with potential proof of concept
- Potential market for the product/ service offering
- Financial and Legal details of the enterprise

Lack of competent and experienced management team

The management of most startups consists mostly of the FGE himself and their partners. It is important that the FGE be open to professional management

Lack of transparency in business operations

Most FGEs do not follow standard corporate governance/ compliance norms and accounting practices which increases the trust deficiency of investors

Legal questions

Lastly, most entrepreneurs struggle with understanding three key legal themes:

- How they should structure the business when incorporating.
- The licenses and permits required by their city, county, state and country.
- The level of protection needed for the business in terms of patents, copyrights and trademarks.

To understand how to incorporate the business, people can either read up on it, or have everything explained in about an hour by an attorney. Lawyers can generally point you in the correct direction in terms of the type of taxation and liability protection issues that are best suited for your business.

To find out the licensing and permit requirements, it can be as simple as calling the city, county and your local Secretary of State office.

Lastly, deciding on the patents, trademarks and other protection mechanisms for your business is one of the biggest legal gray areas faced by entrepreneurs. Lawyers tend to be conservative on this issue and recommend fuller protection. Ultimately, most people never need patents, so it is up to the entrepreneur to make the final decisions on how and what to protect within their business.

SECOND GENERATION ENTREPRENEUR (SGE)

SGE's are the people who enter and take responsibility of their family business. The Tata's, the Birla's the Ambani's, or for that matter take any big Indian business enterprise and you will realize that had it not been for their successors, the baton bearers, the country itself would have been an altogether different place.

Entrepreneurs may be born or made, but SGE's are surely made by looking at the examples that we have. Second Generation Entrepreneurs are the people who have taken it up on their shoulders to carry forward the heritage that they have inherited from their elders. These are the people who have decided to continue the legacy and feel that they have in them the power to challenge the status quo.

A SGE brings in freshness into the business; his innovative style of working corresponds to making developmental changes and incorporating modern methods of working. The business gets a new mind capable of looking at things from a newer perspective. A SGE is dynamic and sees to it that his learning's from the education that he has received are put to appropriate use. A SGE has lots of aspirations and dreams about the future and wishes to make it big in life.

Second generation entrepreneurs are usually envied by first timers, with many carrying the misconception that life is a bed of roses for them. But is life as easy for them as it seems? As a second generation entrepreneur, the advantage is that they already have a readymade base. All he has to do is develop and help in the growth of the organization that has been handed over. But, maintaining the standards of the brand and the trust is tough. Living up to the expectations of people gets difficult. But that's the whole challenge. He has to constantly strive to prove ourselves. He has to make sure that his presence is adding value and not hindering the growth of the company and that's challenging.

Challenges faced by second generational entrepreneurs

- **Challenge of globalization**

A few years back the Indian entrepreneurs had to fight regional and national competition. However, today, the scenario has changed and become much more complex than what it was earlier. Now, almost all countries have opened up their economies, and the world (globe) has become one giant global market.

To survive this competitive era of globalization, Indian entrepreneurs must prepare themselves with

new, better, and innovative business tactics and skills. They must accept this global challenge willingly and try their best to seek business opportunities to establish their dominant place in this ever-changing and always challenging open market.

- **Adapting a modern technology**

With each passing day, Science and Technology are developing rapidly. Modern technology not only improves quality of produced goods and services, but it also helps to reduce their cost of production. It speeds up their process of production. High-quality commodities, lower cost of production and faster production rate makes any company a highly competitive one. Therefore, it becomes mandatory for every company to keep pace with new emerging technologies and adapt it regularly to remain as cutthroat as possible.

So, it is always better to replace outdated technology with the new technology. Old machines must be replaced by modern machines. This is a big challenge before an Indian entrepreneur. If he has a financial problem, then he must try to maintain a good balance between old and new technology. He also has a challenge to train his staff well to make them able to use (handle) the modern machines and technology properly.

- **Changing workforce in India**

In the recent decade, the workforce in India has undergone a remarkable change. Statistics indicate the dominance of men in the workforce is shrinking day-by-day. A new breed (generation) of highly educated Indian women has entered the workforce in India. Breaking all traditional and social barriers, they have established themselves as efficient employees and professional managers. Today, it is very common to see a lady professional working in a corporate office. This presence of women in the workforce has brought new challenges before Indian entrepreneurs.

To handle women's workforce-related challenges efficiently, Indian entrepreneurs must know and follow all the special Labour Laws for women. Understanding women's dual roles, an employer can try to some extent alleviate their stress by granting satisfactory maternity leave, providing separate toilets and washrooms, implementing favorable work timings that don't disturb their domestic lives, providing a health insurance or at least a free routine medical checkup, employee benefits that can improve their lives.

Indian entrepreneurs also face a great challenge to tackle young-generation in the workforce. These restless youngsters must be continuously motivated by keeping them engage in challenging tasks and interesting work assignments, providing attractive salaries, incentives, perks or employee benefits, etc.

The Indian entrepreneur has to face this challenge by training and developing these young minds and motivating them continuously.

- **Marketing is a big challenge**

Today, companies have formulated many new techniques to market their products and services. High pressure salesmanship is used. Children are often targeted in the many advertisements. It is so since kids compel their parents to buy products they are lured by. Advertising is done to propagate marketing message and this is done through various media like television, newspapers, magazines, the internet, radio, cell phones, hoardings, etc. Advertising is now become an inseparable part of modern marketing.

Marketing is a big challenge before every Indian entrepreneur. He has to select an efficient and experienced marketing team. He must train and develop this team into a result-oriented one. He must motivate his marketing team with high salaries, attractive incentives and good commissions.

- **Managing the finance of business**

Finance is the life blood of a business. It can either make a business or break it. Under-capitalization and Over-capitalization are very harmful to the business. Managing the finance of his business is a big challenge for an Indian Entrepreneur. He must manage both Fixed and Working capital properly. He must borrow money from the right source. He must manage his Cash Flow properly. He must invest his excess funds correctly. He must create sufficient Reserves and surpluses. He must provide enough depreciation for his fixed assets, so that he can replace them when they become old and outdated. He must provide for repairs and maintenance of machines. He must also take steps to provide for but avoid bad debts.

- **Challenges in the field of production**

The Indian entrepreneurs have to face many challenges in the field of production. They must replace all outdated plants and machineries with new modern ones. They must provide continuous training to their production staff. They must use good quality raw-materials to produce high quality finished goods. They must have a good Inventory Control system. This will avoid Over-stocking and Under-stocking. Over-stocking will block the working capital, and Under-stocking will block

the production process. Indian entrepreneurs should use a part of their profits for Research and Development (R & D). They must pay special attention to Quality Control (QC). Now-a-days most companies also use Total Quality Management (TQM) to ensure their finished goods are of good quality.

- **Corruption**

While under no circumstances, corruption can be justified, it is a bitter truth that it is rampant in many government departments. Even private sector is not spared by it. We have to make a collective effort to curb this social evil. As it hampers growth of the business, it is a challenge for budding entrepreneurs. Sometimes, people pay money to just hasten processes and do not ask for any undue favours. According to Kauffman and Wei (1999), in an environment in which bureaucratic burden and delay are exogenous, an individual firm may find bribes helpful to reduce the effective red tape it faces. For example, the bank is not releasing money even though it has sanctioned release of funds. There might be some official who has raised an unwarranted objection. In such cases, some people are tempted to grease the palms to get things flowing.

Entrepreneurship In Ulhasnagar

Ulhasnagar, a colony of migrants in the aftermath of the Partition of India (1947), is 61 years old. Situated 58 km from Mumbai, the once-barren land has developed into a rich town of Thane district. Ulhasnagar was set up especially to accommodate 6,000 soldiers and 30,000 others during World War II. There were 2,126 barracks and about 1,173 housed personals. Sindhis, in particular, began life a new in the new land.

After the partition of India, over 100,000 Sindhi-speaking refugees from the newly created West Pakistan were relocated to deserted military camps five kilometres from Kalyan. The area was converted into a township in 1949 and foundation ceremony took place on 8 August 1949. The township was named Ulhasnagar by the then Governor-general of India, C. Rajagopalachari.

Relocated people after partition slowly and gradually started their small scale businesses in various segments and today Ulhasnagar is treated as one of the entrepreneurial hub having major exports of jeans, clothes, school bags and fabrics not just in India but all over the world. Monthly production of jeans here is more than 20 million.

Second Generational Entrepreneur: Haresh Purswani

Mr. Haresh Purswani started Vaishnu Hotel in the year 1989 in Ulhasnagar-1 near Bus stop. His father was having the hotel in Madhya Pradesh. Today, Vaishnu Hotel is having specialization in Pure vegetarian Sindhi food. He realized that he had got the best response from the public. He started new branches in Ulhasnagar near Nehru chowk and near telephone exchange. Today there are 9 branches of Vaishnu hotel in Ulhasnagar. There are also branches in Badlapur, Kalyan and Ambernath.

Mr. Haresh purswani started business in a small scale by opening only branch and also by offering meals in low scale to earn the interests. Initially rates were between Rs. 6-10 per item and now it is between Rs. 70-80 per item. Total employee strength of 30 in each branch. Future aims to open the branches of Vaishnu hotel in over all Maharashtra.

They provides 12 items in meals each day out of which 5 items are always new i.e. that item not fixed and 5 items are changed daily. They also provide other complimentary services to their customers and provide home delivery.

Social responsibility

Mr. Haresh Purswani provides Anaaj dhan (distribution of wheat and rice) to the poor people in Ishwari dham located in Ulhasnagar -1 as a part of social responsibility on the 2nd day of every month.

A Case Study: Entrepreneurs Cropping From Generations

KAKE DA HOTEL

The modern world is fast changing and much is emphasized on growth pattern, the increasing demand has made this heritage brand with a legacy of over 80 years, established in 1931 to segment itself into restaurants, dhabha`s and delivery units. The management at kake da hotel believes that their customer loyalty has been high since 1931 mainly due to the consistent good taste offered over the period of last 80 years.

Late Mr. Amolak Ram Chopra's Kake Da Hotel

Born in Pakistan, Amolak Ram Chopra had a vision of owning an eatery and doing a contribution to the society by providing quality delicious food at most affordable prices. His passion into cooking gained popularity between friends and family. To bring his dream into reality he started a restaurant

by his nick name **“Kake Da Hotel”** in **1931**, which eventually gain popularity in Lahore, where pure desi ghee preparations with home blended spices was a way to provide an extremely healthy diet with a great taste.

The Young Entrepreneur soon started gathering attention from various tourists and British officials. He always kept his vision towards the number of people he was feeding rather than the amount of money he was collecting. The prices were always decided keeping in mind the mass affordability. That was the strategy which brought Kake Da Hotel to everyone`s notice.

After partition of India in 1947, Amolak Ram Chopra came to India, and with the loving support of family, started the same venture at Cannaught Place in Delhi on a wooden Cart.

Moving on with same principles, Kake Da Hotel soon gained the same popularity in Delhi. Now everybody knows what Kake Da Hotel stands for. Yes it stands for its quality, taste and number of people it feeds with the affordability of price it offers. The taste offered by Kaka`s has been the un-matchable taste of the times till date.

Time passed with the passage of Mr. Amolak Ram Chopra, soon the leadership was taken over by Mr. Ashok Kaka Chopra. He trained his two sons Tushar and Abhishek to run the venture with same vision. Now, the same quality is delivered by Kake Da Hotel and with more dedication Tushar and Abhishek are taking their brand name and its visibility at various parties, get togethers, offices and events which is gaining more popularity these days. Their dynamic educational background mixed up with traditional walkthrough is creating a niche in the industry which is really unbeatable.

Mr. Ashok

Mr. Ashok Kaka Chopra with an engineering background played the key role to keep the charm of kake da hotel. With the loss of his father late shree Amolak Ram Chopra, he gave up his engineering career and participated in the functioning of the restaurant operations. With initial struggle and dedicated hard work he began creating systems and procedures to handle the increasing customer flow. With years of experience and expertise in the restaurant industry he moved his focus on expansion and realized the requirement of people talented in hospitality industry and business administration. While he trained the elder son in business administration, his younger son was trained in hospitality management. **“IT IS NEVER A ONE MAN`S SHOW TO CREATE AN EMPIRE”** says ashok, and is always focused on family`s progress.

Mr. Tushar Chopra

The younger son of the family in the 3rd generation, Tushar graduated from Oxford Brookes University and has worked with Marriot Hotels in United Kingdom. During his tenure of education he designed numerous business models and launched them successfully, he has also revived certain restaurants from losses as part of his training. The young entrepreneur believes strongly in work ethics and focuses on the basics for this brand's existence. He currently leads the operational management of kake da hotel, and designs the growth sequel and strategies of the upcoming ventures.

Mr. Abhishek Chopra

The eldest son of the family in the 3rd generation, Abhishek completed his graduation from Amity Business School. An excellent sportsman with numerous awards in equestrian has a balanced personality with as much focus on business as in sports. He has worked with the most leading companies in manufacturing and trading. With the expertise knowledge in the corporate industry he has launched his own business projects with share holdings. He is the backbone of financial management of kake da hotel and its upcoming ventures.

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The knowledge of ‘Knowledge Management’ among Pharmaceutical Companies in India

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Abstract

In the ever changing market place, where only certainty is uncertain, corporate success come from consistently creating, disseminating and using new knowledge. By managing its knowledge assets, an enterprise can improve its competitiveness and adaptability and increase its chances of success. Organizations are discovering that they need to do a better job of capturing, distributing, sharing, preserving, securing, and valuing this precious knowledge in order to stay ahead of their competition. Over the past decades, the world has been experiencing vital changes and the key to sustain in such dynamic environment is awareness, developing and sharing new ideas. Knowledge Management is simply one of many tactics that organizations can adopt to fill this gap.

Knowledge Management is not only "*management of knowledge*", yet rather it is "*Management in the knowledge era*". In the Knowledge Era, managers are challenged by new and unfamiliar experience. They experience the need to manage "Knowers", a reality which they were not trained to handle in the past. Similarly workers are also challenged by a new experience. For they experience the need to manage their own knowledge. Knowledge Management is thus a management approach which incorporates cultural, enterprise core business processes, and supportive infrastructures – all for intelligent extraction of knowledge in the organization and for creating new knowledge in order to meet and support the organizational vision.

This paper aims at identifying the extent and method of knowledge sharing being practiced within the Pharmaceutical Companies in India. The paper further attempts to understand the reasons for having systematic KM practice in the Pharmaceutical Industry

Keywords: Knowledge, Knowledge Management, Competitiveness, Pharmaceutical industry

‘A light bulb in the socket is worth two in the pocket’ Bill Wolf (1950–2001)

Knowledge is a fluid mix of experiences, values, contextual information and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knower. In organizations, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices, and

norms.

Today business view is shifting from a product-centric to a knowledge-centric view. Companies can no more afford to under invest in using, reusing and thereby losing knowledge that they already have. In this rapidly changing business environment, intellectual capital has become a key asset of the enterprise. The ability of companies to exploit their intangible assets has become far more decisive than their ability to invest and manage their physical assets (Davenport & Prusak, 1998). By managing the knowledge assets, an enterprise can improve its competitiveness and adaptability and increase its chances of success. Organizations are discovering that they need to do a better job of capturing, distributing, sharing, preserving, securing, and valuing this precious knowledge in order to stay ahead of their competition (Liebowitz & Beckman, 1998). Also changing business environment has created need for the effective and efficient knowledge management. India cannot lag behind in this knowledge revolution hence many Indian companies have started their knowledge management programs.

Evidently, there is a strong competition among organizations and rapid changes in business surroundings. Therefore, the organizations start thinking of developing their performance and processes. In this regard, Knowledge Management (KM) processes have turned out nowadays to become an organization strategic resource to the extent in which KM is viewed as a base of success or failure.

From Physical Assets to Knowledge Assets

Knowledge has become increasingly more valuable than the more traditional physical or tangible assets. This has led to a change in focus to the useful lifespan of a valuable piece of knowledge. Intellectual assets are represented by the sum total of what employees of the organization know and what they know how to do. The value of these knowledge assets is at least equal to the cost of re-creating this knowledge.

Knowledge Management is the systematic process of finding, selecting, organizing, distilling and presenting information in a way that improves an employee's comprehension in a specific area of interest. Knowledge Management helps an organization to gain insight and understanding from its own experience. Specific Knowledge Management activities help focus the organization on acquiring, storing and utilizing knowledge for such things as problem solving, dynamic learning, strategic planning and decision making. It also protects the intellectual assets from decay, adds to

firm's intelligence and provides increased flexibility.

Knowledge Management is thus the set of human, organization and technology to support the creation, assimilation, dissemination, and application of knowledge to deliver the values.

Source of Knowledge

Knowledge can be gained or obtained from outside sources or can be generated internally. Even though knowledge is available from these sources, it generally originates within individuals, teams, or organization processes. Once extracted it may be stored in a repository to be accessed and shared by other individuals or groups within an organization. There is a dimension of knowledge accessibility. Liebowitz & Beckman (1998) have categorized accessibility into three stages: tacit, implicit and explicit.

Tacit Knowledge: Tacit knowledge is knowledge that cannot be expressed. The words of Michael Polanyi, a chemist turned philosopher, "We know more than we can tell" itself explains the term tacit knowledge. He used the example of being able to recognize a person's face but being only vaguely able to describe how that is done. According to him this is an instance of pattern recognition.

Implicit Knowledge: Implicit Knowledge is that which hasn't yet been "put together" either by expression, concept development, assumptions that lead to principles, or through analysis of facts or theory. Implicit Knowledge is very much about "knowing how" to do something, but it is something that we may not be able to explain or describe explicitly. Implicit Knowledge is often tapped into indirectly and unintentionally.

Explicit Knowledge: Explicit knowledge is knowledge that can be expressed and captured in the form of text, tables, diagrams, product specifications and so on. The Harvard Business Review article titled "The Knowledge Creating Company". Ikujiro Nonaka (1991) has referred to explicit knowledge as "formal and systematic" and offers product specifications, scientific formulas and computer programs.

Knowledge Management

- KM concerns the formalization of and access to experience, knowledge, and expertise that create new capabilities, enable superior performance, encourage innovation, and enhance customer value Beckman (1999).
- KM is achieving organizational goals through the strategy-driven motivation and facilitation of (knowledge-)workers to develop, enhance and use their capability to interpret data and information (by using available sources of information, experience, skills, culture, character,

personality, feelings, etc.) through a process of giving meaning to these data and information Beijerse (1999).

- KM is the process of capturing a company's collective expertise wherever it resides, and distributing it to wherever it can help produce the biggest payoffs O'Sullivan (2007).

Review of Literature

Knowledge Management (KM) has been in existence in our society ever since the discovery of language. In organizations that are closely knit especially in terms of geographical coverage knowledge dissemination takes place without any formal procedure in place. Even a grapevine form of communication could serve the purpose. A large organization however does not enjoy similar benefit due to lack of cohesiveness and duplicates efforts being made at various scattered units

Prof. Danijela Jelenic In his paper- (The importance of knowledge management in organizations – with emphasis on the balanced Scorecard learning and growth perspective) has thrown light on globalization and the advancement of modern business as the basis for need of knowledge management practice in industries. He has emphasized on the various challenges posed by the unpredictable and complex competitive environment which in turn is forcing the companies to innovate and develop new techniques to improve their service and maintain an edge over their competitors.

Mr. Prantik Bordoloi and Nazrul Islam in their paper- (Knowledge Management Practices and Healthcare Delivery: A Contingency Framework) has discussed about the factors affecting knowledge management (KM) practices in organizations. According to them KM practices largely depends upon the leadership styles, the IT infrastructure and the supporting HR policies existing within the organization. Also they have stressed on making knowledge management as part of strategic planning thereby aligning it closely with the needs of frontline employees and customers.

Ms. Chandana Goswami in her paper- (Knowledge Management in India) has highlighted the efforts of some Indian companies towards knowledge management. She has briefed on KM practices followed at the following companies-

- Goodlass Nerolac, the paint manufacturing company felt the need for systematic knowledge management to identify the purchase patterns of customers and dealer's insights.
- Larsen & Toubro's 'Know Net' the knowledge management portal was set up to solve problems occurring at project sites.
- Infosys under the 'Learn Once, Use Anywhere' paradigm has initiated well developed KM

practice to create direct people-to-people sharing mechanism

- ICICI developed the 'Wise Guy' portal to create and generate the culture of knowledge sharing.

Knowledge Management in Pharmaceutical Organizations

Knowledge is regarded by many as the true driver of innovation and an organization's competitive ability (Spender & Grant, 1996). The pharmaceutical industry is a knowledge driven business and hence knowledge management capacity provides an opportunity for improvement in business performance (Nilakanta et al., 2009) thereby allowing the industry to demand applicability of up to date knowledge. However the ability to manage knowledge in this industry through its creation and diffusion is becoming increasingly crucial factor in its competitiveness. The Pharmaceutical Industry has been undergoing a major transformation since the heady days of 'big pharma' in the 1970s and 80s. Patent expiry, the rise of generics, and the decline of the blockbuster drug have all changed the landscape over the last 10-15 years. Fortunately Knowledge Management (KM) has many facets from providing comprehensive knowledge bases for workers, through the sharing of advice and problem solving, to providing an environment for innovation and change.

Today the only sustainable competitive advantage for a pharmaceutical or Biotechnology Company is the organization's ability to efficiently create, protect and commercialize new intellectual property. Leadership in the pharmaceutical and biotechnology industry is less and less about day-to-day clinical testing, manufacturing or sales. KM technologies have therefore started to make their way into the pharmaceutical industry (Britt, 2007). Most KM activities concentrate on the Discovery and R& D functions Other KM activities focus on improving the drug R&D cycle.

Indian Pharmaceutical Industry

According to the latest report by McKinsey & Co. titled 'India Pharma 2020', India is among the top five emerging pharma markets and has grown at an estimated compound annual growth rate (CAGR) of 13 per cent during the period FY 2009–2013. The Indian drug market is poised to grow to US\$ 55 billion by 2020. In addition to this the Government of India has unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacturing. Increase in insurance coverage, an ageing population, rising income, greater awareness of personal health and hygiene, easy access to high-quality healthcare facilities and favorable government initiatives are the new drivers of the pharma industry in India.

Need for KM practice in Pharma Companies

It has been observed that the amount of data that a person in pharmaceutical company handles is extremely large and is rapidly growing. Looking at the complexity of data faced by people at different levels, adoption of KM in these organizations becomes imperative. A successful KM approach thus helps to better organize data, which further facilitates data analysis and interpretation. Furthermore, the pharma business environment is getting more demanding because of a number of factors, including:

- Increasing number of competitors
- Market requirement of drugs
- Increase in number of antibiotics, vaccines, and biosimilars
- Advancement of technology
- New regulatory guidelines.

This complexity has made it important for an organization to respond quickly and effectively to changing environmental conditions. To maintain a competitive advantage, a company's data must be structured in a traceable way. This can be achieved through the implementation of KM in an organization.

Objectives

This paper is an effort-

- To identify method of knowledge sharing being practiced within the Pharmaceutical Companies in India.
- To understand the need for a systematic KM practice in the Indian Pharmaceutical industry.

Methodology

For the purpose of the study, a survey was conducted at various levels of hierarchy in different pharmaceutical companies. A well structured questionnaire measured on 5 point likert scale was designed as part of research instrument. The sample size for the study was 43 which included employees working at lower and middle level of management and it also covered different functional areas of pharmaceutical company.

Hypothesis

On the basis of the objective of the study the following hypothesis was drawn.

H₀₁: There is no significant difference between the mean scores of knowledge sharing practices followed at middle and lower level mgt.

H₁₁: There is significant difference between the mean scores of knowledge sharing practices followed at middle and lower level mgt.

The different parameters of knowledge sharing included

- Organization policy
- Leadership
- Knowledge Acquisition method
- Communication
- Training and mentoring

Below table indicate Mean and standard deviations for each pair of hypothesis.

Report

Designation Level of Mgt		Organization Policy Score	Leadership Score	Knowledge Acquisition Score	Communication Score	Training Score	Effectiveness of KM
Lower	Mean	92.7536	63.7681	62.3188	92.7536	59.4202	79.6522
	N	23	23	23	23	23	23
	Std. Deviation	22.3754	9.6034	20.8514	14.0580	22.3754	12.32370
Middle	Mean	98.3333	70.0000	96.6667	91.6667	86.6667	72.9000
	N	20	20	20	20	20	20
	Std. Deviation	7.45356	10.25978	10.25978	14.80872	16.75416	14.32664
Total	Mean	95.3488	66.6667	65.89147287	92.2481	72.09302326	76.5116
	N	43	43	43	43	43	43
	Std. Deviation	17.18464	10.28689	17.04083501	14.24875	24.04826777	13.56531

• Organizational Policy

T-test for Organizational Policy								
Designation	Number of Respondents	Mean	SD	SE of diff of Mean	Difference of Mean	Calculated T-value	Table T-value	Null Hypothesis
Middle Level	20	98.33	7.45	5.07	5.5796768	1.10	1.96	Accepted
Lower Level	23	92.75	22.38					

Above table indicate that calculated value (1.10) is less than table value (1.96). Therefore t-test is accepted.

Conclusion: There is no significant difference between the mean scores of organizational policy at middle and lower level mgt.

• Leadership

T-test for Leadership								
Designation	Number of Respondents	Mean	SD	SE of diff of Mean	Difference of Mean	Calculated T-value	Table T-value	Null Hypothesis
Middle Level	20	70	10.26	3.12	6.2319	2.00	1.96	Rejected
Lower Level	23	63.77	9.60					

Above table indicate that calculated value (2.00) is greater than table value (1.96). Therefore t-test is rejected.

Conclusion: There is significant difference between the mean scores of leadership observed at middle and lower level mgt.

- **Knowledge Acquisition**

T-test for Knowledge Acquisition								
Designation	Number of Respondents	Mean	SD	SE of diff of Mean	Difference of Mean	Calculated T-value	Table T-value	Null Hypothesis
Middle Level	20	92.75	19.99	6.39	30.43475942	4.76	1.96	Rejected
Lower Level	23	62.32	20.85					

Above table indicate that calculated value (4.76) is greater than table value (1.96). Therefore t-test is rejected.

Conclusion: There is significant difference between the mean scores of knowledge acquisition practiced at middle and lower level mgt.

- **Communication**

T-test for Communication								
Designation	Number of Respondents	Mean	SD	SE of diff of Mean	Difference of Mean	Calculated T-value	Table T-value	Null Hypothesis
Middle Level	20	91.67	14.81	4.53	-1.0869	-0.24	1.96	Accept
Lower Level	23	92.75	14.06					

Above table indicate that calculated value (0.24) is less than table value (1.96). Therefore t-test is accepted.

Conclusion: There is no significant difference between the mean scores of communication at middle and lower level mgt.

- **Training and Mentoring**

T-test for Training & Mentoring								
Designation	Number of Respondents	Mean	SD	SE of diff of Mean	Difference of Mean	Calculated T-value	Table T-value	Null Hypothesis
Middle Level	20	78.26	23.80	7.25	18.84061014	2.60	1.96	Rejected
Lower Level	23	59.42	22.38					

Above table indicate that calculated value (2.60) is greater than table value (1.96). Therefore t-test

is rejected.

Conclusion: There is significant difference between the mean scores of training and mentoring given at middle and lower level mgt.

Need for systematic Knowledge management Practices

In order to identify the various reasons why employees feel there is a need for systematic KM practice, the following questions were asked using 5 point likert scale. The result of the same is indicated by taking the mean score for each question and on the basis of highest score it has been ranked in ascending order.

Sr. No.	Need for systematic Knowledge Management	Mean Score	Rank
1.	To improve the competitive advantage of your firm/ organization	4.44	I
2.	To increase process efficiency	4.42	II
3.	To improve the knowledge sharing/ transferring habit among the employees	4.21	III
4.	To identify and to protect strategic knowledge present within the organization	4.19	IV
5.	To ease collaboration of projects and teams	3.91	V
6.	To initiate innovations at different levels of the organization	3.84	VI
7.	To enhance the customer service level	3.70	VII
8.	To improve the capture and use of knowledge from external sources	3.33	VIII
9.	To retain talent within the organization	3.14	IX
10.	To protect the organization from loss of knowledge due to workers' departures	3.09	X

Results and Discussion:

It is evident from the above study that Knowledge management is not an unknown phenomenon to pharmaceutical organizations in India. With increase in information technology usage, many organizations have started KM initiatives in India. However it was observed from the study that the method of practicing KM within the organizations was viewed differently by employees at different levels. On one side where the middle level management had a positive attitude towards KM practices, on the other side the lower level management had a different outlook towards the same.

- According to the lower management employees though the organizations have a well documented policy for knowledge sharing practices when it comes to leadership skills they find their superiors not providing a satisfactory service in terms of motivation and not using the knowledge asset wisely.
- With regards to Communication and Knowledge acquisition, both lower and middle level employees feel that their organization takes every effort to acquire best knowledge from the employees and other external sources and also maintains database of the same. However there were differences of opinion with regards to opportunity given to employees to work in projects with external experts, where the lower management opined that they were not given much exposure.
- Similarly in the field of training, development and mentoring many organizations confined themselves to only formal training programmes which are mandatory as per company norms. Career planning programmes as part of Human Resource Development was viewed to be more of the superior's cup of tea where the lower management expressed they were deprived of career advancement programmes when compared to their superiors.
- The need for a systematic KM practices was commonly viewed by both middle and lower level management as a mechanism to improve the competitive advantage of the organization through efficiency enhancement followed by better knowledge sharing habit among employees at different levels. Knowledge Management as a strategy to retain the intellect capital was least the preferred reason by both the levels of employees.

Hence it is obvious that though Indian organizations are familiar with the term Knowledge Management, there is lot more to go and develop in this field to yield better results. Pharmaceutical industry being a knowledge driven business, if organizations integrate KM practices with business strategy then definitely it will help enhancing the productivity thereby creating new way of learning, improved communication and gain efficiency in long run. The key to this is making sure that people, particularly in top management, understand the advantages of knowledge management and recognizing the potential of the same.

Conclusion

Ignorance is no more a bliss. In today's competitive business world where organization aims to discover the undiscovered, one's ignorance may prove to be dangerous and even fatal. Knowledge

Management is simply one of many tactics that organizations can adopt to improve their performance.

Innovation is a key driver of the pharmaceutical company. From an initial discovery of a compound to the final development of a marketable and novel medicine, the web of processes to reach a viable end stage requires innovative behaviour backed by accurate knowledge. A KM initiative thus is a major concern for pharmaceutical companies worldwide. The framework, when implemented, will enable effective storage and handling of knowledge developed within the organization. This will lead to more efficient process implementation within an organization as the knowledge thus achieved can be applied synergically throughout the organization when needed. This could go a long way in dealing with the various challenges being faced by pharmaceutical companies.

Knowledge Management strategy thus provide a route map by which an organization may effectively guide its employees in line with Knowledge Management methodologies and tools. In order to transform an organization into a learning organization, an effective knowledge management strategy should be developed, which will provide a blueprint of current state of knowledge capability of the organization and a direction of where and how to improve that capability in order to be competitive in this fast changing knowledge era.

To conclude, successful knowledge management projects start with a realistic scope and precisely defined goals and objectives. Today the only way in which the organizations can fully leverage upon this knowledge intensive world is by formulating best practices and applying these best practices in the day-to-day working of the organization hence finally making it a way of life.

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The Role Of NGO's In The Sustainable Development Of Environment

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Abstract

Non-governmental organizations are claimed to have impacts on the sustainable development in rural areas as well as urban areas of the developing countries. The NGO sector effectively works towards uplifting the socio-economic status of the poor. However, for a significant impact in the present era of liberalization and globalization wherein market forces adopt a key role, it becomes essential for the NGO sector to take a lead in helping poor fight the challenges posed by the system. NGOs can help the poor by providing access to the system, information on market opportunities, training facilities, information on sources of credit, etc. This study has considered has been aimed to critically outline the roles of non-governmental organization in environmental sustainable development process. Results suggest that programmes undertaken by NGOs are capable of having positive contributions in the sustainable development process to a certain level.

Key words: NGOs, protection of Environment, Environmental Sustainable development, development programmes, poverty alleviation

Introduction

facing In recent times, roles of non-governmental organizations (NGOs) and government organizations are becoming debatable issues. These are also becoming subject matters for wider discussions and reviews in the developing country perspectives. challenges of feeding the rapidly increasing population or even to support their livelihood in a sustainable manner. In addition, the continuing pressure of urbanization with reduced cultivable land areas are creating pressures on the government and the entire economic set up. Because, the traditional agricultural sector has failed to fully support the national economy. In general, agriculture has so far appeared as the main source of livelihood for more than half of the entire population of the country. But this sector has arguably failed to create ground, sustainable development.

Other than this, the sector has been constantly pressures due to its typical vulnerability to natural hazards. Increasing numbers of landless populations caused by river erosions is also adding pressure to the national economy. Visibly, the overall situation shows the limited capacity of the government for improving the existing situation and for creating more opportunities. However, the non-governmental organizations (NGOs) have been playing supportive roles with the government. In some cases, they are considered as more effective to get attached with the grass-root-level developmental initiatives.

The roles and initiatives played by the NGOs have been considered as having positive impacts on poverty alleviation among the rural poor population. In areas where the poverty situation remains intense, activities of the NGOs typically get more important. The target groups for these initiatives are mostly hard core poor who have very little access and opportunities for improving their living status and standards. Most of the rural peoples rarely own resources and capacities to fight against the poverty and to get employment. The very basic and important activities of the NGOs are to organize these peoples, to help to create awareness among them, inspiring them and through all of these efforts transforming them to become conversant with development.

Most of such organizations tend to work with an aim of meeting demand of these poor peoples. Because, these peoples traditionally are kept out of the mainstream development initiative. Through all of these comprehensive efforts, these NGOs work in accordance with the national-level-

developmental planning process. It has also been observed in various research reports and documents that most of the projects undertaken by the NGOs no longer remain viable once the donor funding is withdrawn. This has created a sort of dependency syndrome. This in turn leads to somewhat perennial dependency of the people on the NGOs as the so called 'peoples' participation' is more because of the availability of funds rather than felt needs. However, in the past few years the donor agencies are also becoming aware of this fact and are becoming selective in funding projects and NGOs.

Objectives:

- To study the NGO's role in protecting the environment .
- To know the NGO's role in environmental sustainable development of country
- To study the number of NGO's working for sustainable of environment.

Research Methodology:

The descriptive research methodology has been used to collect the data. To evaluate the overall position and importance of NGO's in protection of environment through social services. secondary data has been collected from various published sources and websites.

A study of Non-Governmental Organization/s (NGO's) in protecting the Environment.

The Consequences of the Environmental pollution are not hard to comprehend, whereas the solution to ending environmental pollution is not easy to come by this is an unending complex and intricate debate and may be single solution, however attempts can always be made to find out solution to specific problems keeping in view the technological solutions legal parameters and judicial pronouncements & the role of NGO's has a very important to protection of environment through social services. The NGO's from past five decades have witnessed the difficult problems encountered in providing health care services to our poor people; spread the awareness to public protection of wildlife, forest, human right, Women and Children etc.

Human beings are the ecologically dominant species in the whole ecosystem. Although they have the same need for heat, light, water and food that other species have, they alone possess attributes that give them dominance over other living species. Thus, human beings compete far more successfully than all other living creatures. Furthermore, human beings have been able to manipulate natural forces in the eco-system with an intensity unsurpassed by any other living being. This manipulation has given rise to the breakdown of the natural self-protective and self-perpetuating mechanisms built into nature, a situation made even worse by a belief that human beings have the right to use the natural environment solely for their own design and ends, without consideration for the consequences of their own designs and ends, without consideration for the consequences of their actions on the system. With the gearing up of industrial revolution, this human tendency towards nature becomes much stronger. The use of technology and machines to subjugate nature became the credo of the modern world.

Meaning of Social Work

"Never think, I will give when I am rich; Just give what you can, while you can..." Social work is a professional and academic discipline that seeks to improve the quality of life and wellbeing of an individual, group, or community by intervening through research, policy, community organizing, direct practice, and teaching on behalf of those afflicted with poverty or any real or perceived social injustices and violations of their human rights. Research is often focused on areas such as human development, social policy, public administration, program evaluation and international and community development. Social workers are organized into local, national, continental and

international professional bodies. Social work, an interdisciplinary field, includes theories from economics, education, sociology, medicine, philosophy, politics, psychology, Environment and etc.

Non-Governmental Organization (i.e. NGO's):

A Non-Governmental Organization is a social service organization working towards a better society. True to its name, 'perseveres to bring in a positive change by uniting people who share the common vision of a developed India, and pay back to the society which helped us. All big missions have humble beginnings and so is 'is endeavor. Our mission is to address issues like poverty and ignorance that are threatening and weakening our country's progress. their aim to achieve literacy, eradicate poverty, abolish child labour, uplift and instill confidence among the weaker sections of the society. Our NGO services focus on assessing individual strengths and needs, setting personal goals and providing an environment that encourages overall growth and development.

Historical Evolution of NGO's in India

The expression, "Non-Governmental Organization" can be defined in the following terms:

"A non-governmental organizations (NGO's) is any non-profit, voluntary citizens' groups which is organized on a local, national or international level. Task orientated and driven by people with a common interest, NGOs perform a variety of service and humanitarian functions, bring citizens concerns to the government, advocate and monitor policies and encourage political participation through provisions of information. Some are organized around specific issues, such as human rights, environment or health. They provide analysis and expertise, serve as early warning mechanisms and help monitor and implement international arguments".

A country like India, which is the world largest democracy, the seventh largest country in the world in terms of land area and the second most populous country in the world, the relevance of the NGO as a concept in theory and in practice, as a vibrant means of ensuring that the concerns of the citizens of this country derive protection in terms of the rule of law, can hardly be over emphasized. The constitution of India, provide an extraordinary source of valuable fundamental rights for the protection of the rights of individuals. It is these rights, coupled with the directive principles of state policy that are relied upon by NGOs in their pivotal role in supporting individuals for the enforcement of their rights in India.

During the days of British Empire, in India, voluntary organizations flourished with an object to improve social welfare, literacy and relief projects. The history of NGO's can be traced from Mahatma Gandhi's mission to encourage village to be self-reliant and this lead to the creation of central Social Welfare Board in 1953, the establishment of National community development programme, the National Extension Services, and the three tier Panchayati Raj System in 1958, Subsequently, the Association for Voluntary Agencies for Rural Development (AVARD) was established as a consortium of major voluntary agencies.

India Has recently celebrated sixty third years as a Republic on 26th January 2012. The last Sixty third years have witnessed an extra ordinary blossoming of NGO's especially during the 1970's & 1980's. The 1990's have also seen a phenomenal growth in voluntary organizations with civic society taking an active interest in their development and progress. International funding and support from international donor has been noteworthy during the last few decades of 21st century. It is estimated that, in India there are approximately 1.5 million NGO's working for different causes. The Government of India in May 20, 067, has issued its National Policy on voluntary sector and the main objet of the policy is to encourage, enable and empower an independent, creative and effective

voluntary sector, with diversity in form and function, so that it can contribute to the social, cultural and economics advancement of people of India.

Role of NGO'S in Protection for the Environment in India

- The NGO's constitute a world wide net work interacting with Governments and Internal intergovernmental organization in shaping international environmental policies;-
- Creating awareness among the public on current environmental issues and solutions.
- Facilitating the participation of various categories of stakeholders in the discussion on environmental issues.
- Conducting participatory rural appraisal.
- Being involved in the protection of human rights to have a clean environment.
- Protecting the natural resources and entrusting the equitable use of resources.
- Data generation on natural resources, time line history of villages.
- Analysis and monitoring of environmental quality.
- Transferring information through newsletters, brochures, articles, audio visuals, etc.
- Organizing seminars, lectures and group discussion for promotion of environmental awareness.
- Helping the villages' administrative officials in preparation, application and execution of projects on environmental protection.

India has a number of NGOs that work in the field of environmental conservation and ecology. Here is a comprehensive list:

1. Assam Science Society

They impart environmental education and training through camps for teachers and students and conduct surveys on environment. Publications: Science books and journals.

2. Bombay Natural History Society

Aims to disseminate knowledge of flora and fauna by means of lectures, field trips, literature and expeditions and, to study wildlife related problems and recommend management plans to conserve wildlife and its habitat. It conducts field research projects on bird migration and studies on the movement and population structure of Indian avifauna. Publications: Hornbill (4 issues in a year), other journals.

3. Centre for Environmental Education (CEE)

They mainly aim to create environmental awareness in the communities, conduct widespread environmental education and training programmers through a very vast network. Publications and database, they have a vast range of publications – books, posters, educational packages, bibliographies and directories.

There is also a large computerized database – the Environment Education bank, which has a collection of more than 800 environment concepts, about 2500 environment related activities and 100s of case studies.

4. Centre for Science and Environment (CSE)

Involved in research, investigative and educational work in the field of pollution, forest, wildlife, land and water use. Publications: Down to Earth - a fortnightly environment magazine; Children's magazine The Gobar Times; books; reports; computer database; audio visuals, etc.

5. CPR Environmental Education Centre (C.P.RamaswamiAiyar Foundation)

Promotes environmental awareness, to produce and disseminate basic educational and reference material on environment and to take up environmental projects. It works in the field of environmental education. Publications: Books on environment, posters, audio cassettes, web site on environment education.

6. Kerala Sastra Sahitya Parishad

To preserve the environment, to provide alternative models for development and to popularize science among the people. They have worked in the field of eco-development, creating awareness about water and energy conservation and encouraging the use of non-conventional energy sources such as smokeless chulhas, etc. Publications: Quarterly publications and books.

7. Kalpavriksh

It is a citizen's action group set up to inculcate understanding and concern on environmental issues, especially among the youth. It also aims to conduct research in environmental problems, to campaign on environmental issues and to evolve a holistic environmental perspective. It imparts environmental education in schools and colleges by forming a network of nature clubs, conducting bird watching expeditions and nature trails and has developed workbooks for the school level. Publications:

- The Little Green Book.
- Narmada – a campaign newsletter.
- What is that bird (An illustrated guide)

8. Narmada Bachao Andolon

Set up in 1986 under the leadership of Medha Patkar. It aims mainly to educate those directly affected by large development projects, such as tribals, on the social and environmental impact of such projects. To protest against the construction of dams in the Narmada Valley in general; struggling towards a right to information and new environmentally sustainable water policy. To help the tribals get a substantial share of the government's development schemes/services and to enable them to undertake development activities themselves. They mainly educate, mobilize and organize residents of the Narmada Valley on human rights and justice, alternative development policies, environmental issues related to big dams in general and the Narmada project in particular. They undertake surveys of the affected villages, protest against land and forest issues and government interference in this regard. They are fighting against displacement and disregard of the rights of the people. Publication: They come out with a bi-monthly publication the Narmada Samachar.

9. World Wide Fund for Nature

Its main aim is the promotion of conservation of nature and environmental protection as the basis for sustainable and equitable development. Publications: They have innumerable books, cassettes and data on various issues which can be got from their outlets in the cities. Some of them are as follows –

- WWW - Indian Network Newsletter (Quarterly).
- Nature News.
- The Web of Life – a resource pack for children.
- The Law Digest, etc.

10. Foundation for Revitalisation of Local Health Traditions (FRLHT)

FRLHT is a pioneering Knowledge institute with a vision to revitalize the Indian Medical Heritage. Its Mission is to demonstrate contemporary relevance of Indian Medical Heritage by designing and implementing innovative programme on a size and scale that will have societal impact. The three thrust areas of FRLHTs work are:

- Conservation of natural resources used by Indian Systems of Medicine
- Demonstrate the contemporary relevance of traditional knowledge
- Revitalizations of social processes for transmission of heritage

FRLHT has been pioneering in endogenous research, training and development processes related to traditional health sciences. It has built up a reputation in this field and has started collaborative activities with other research and development centers in the country including the Government. The main objective of the CAPTURED programme is to build capacities for the transformation of Universities and Research centers in South by integration of formation, trans-disciplinary research and social interaction with local healers and indigenous communities, considering the revitalization of local knowledge and wisdom of the indigenous people in dialogue with the knowledge of western sciences. It also envisage to systematically elaborate concepts, theories, methodologies and techniques for trans-disciplinary doctoral research including the development of a curriculum on inter-cultural science and applications of research to support endogenous development in rural communities.

Conclusion:

The NGO's described and discuss the common characteristics of health system functioning in the given socio-economic, socio-cultural, political, environmental protection and social services to protection of world environment, not only above said list they have so many social services conducting by NGO's in maintaining the sustainable development of country.

The Fundamental objective is to act as catalyst in bringing about local, national and international initiative and community participation in overall improvement in quality of life. it would also help the Government to obtain relevant information for promoting and facilitate the implementation of major environmental programs.

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People Management at Tata Power Company

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Introduction

Managing human resources in today's dynamic environment is becoming more and more complex as well as important. Recognition of people as a valuable resource in the organization has led to increases trends in employee maintenance, job security, etc.

Success of every business enterprise depends on its human resource. Money, material and machines are inert factors; but man with his ability to feel, think, conscience and plan is the most valuable resource. At the same time human elements are most difficult to be inspired, controlled and motivated. The upcoming competition in India will demand high motivational level of its employees.

Growth of an enterprise is vital for the economic development of the country. This is possible only by maintaining the enthusiasm and motivation of the employees, which is vital for carrying out the operations in most efficient manner.

The world's best companies have established their strength with their people. The employees identify themselves with the company they are working for. This also helps in building up their spirit and morale which becomes strength of the company. The culture of excellence thus nurtured contributes to growth with stability and continuous improvement in productivity.

This paper deals with overall HR practices of Tata Power Company. In order to harness the human energies in achieving its organizational goals, every manager is expected to pay proper attention to recruitment, selection, training, development activities in an organization. This paper covers the various HR practices of TPC like Recruitment, Selection, Training Development, Performance Appraisal etc.

Research Methodology

The present study is a descriptive research and seeks to bring into light the people management practices of Tata Power Company.

The objective of the research is to find out what are the practices followed by power giant Tata Power Company to manage their most important asset - “People”.

The primary data has been collected by interviewing the HR Manager of the company and the secondary data has been collected by referring books and journals.

People Management at Tata Power Company

The core business of Tata Power Company is to generate, transmit and distribute electricity. The Company operates in two business segments: Power and Other. The Power segment is engaged in generation, transmission and distribution of electricity.

The other segment includes electronic equipment, broadband services, project consultancy and oil exploration.

TPC’S workforce is classified into two categories:

1. Officers
2. Unionized category

Democratically elected representatives run TPC’s union. Over 50% employees are technical certificate / diploma holders ‘graduates or postgraduates while others have long experience to meet the requirements of the power system.

Contract employees are used for executing project work, during major outages and for some of the support services. Terms of contract for engagement of contract employees include their abiding by the company’s safety rules and practices and Tata code of conduct. The company ensures that contractors, supervisors and staff are trained in all safety requirements / practices.

1. Recruitment and Selection

Recruitment in TPC is done at entry level as well as laterally at intermediate levels, based on business requirements. For each vacant position, detailed job descriptions (Job Man Specification Forms) are chalked out, comprising technical / functional aspects, leadership competencies (TLPs) and candidate profile. These criteria are also incorporated as part of the Interview Assessment Forms. HR draws up the Job description through in-depth discussions with the respective Hiring Manager / HOD. For entry-level positions, requisite competencies / attributes are identified by a

panel comprising Heads of Divisions. These are based on the TLPs. The Panel is equipped with requisite assessment skills and interviewing techniques to judge desired competencies.

2. Performance Management System

Each officer is assessed on functional performance as well as leadership competencies (TLPs). Performance ratings are based on a collective assessment of the two parts. PMS is used as a basis for deciding the variable pay, developmental training, succession planning, cross-functional assignments and nomination to Group PPM. For the workmen, performance is assessed on an annual basis / Exceptional cases are rewarded with Merit Increment / One Time Award. Compensation surveys are done periodically for Staff and workmen to ensure that the compensation provided is kept current with the market. The structure for Officer's compensation is also being made more contemporary with a view to reward performance by increase in the performance-linked portion of Compensation package.

PMS is used as a basis for selection of employees for STARS process, specialized developmental training, succession planning and special cross-functional assignments. A formal web based PMS has been institutionalized for officers.

3. Succession Planning

Succession Planning is adopted for identified key positions that are likely to fall vacant to ensure smooth transition and effective performance of the organization. List of key positions falling vacant in the next two years due to superannuation and successors for these positions are identified. The successors are identified based on their past performance and leadership potential assessed through PPM process. They are trained and moved into key positions well in advance to meet business requirements. All senior executives (AGM and above) have identified their successors and communicated them to HR.

4. Leadership Development and Talent Management

TPC deploys the Leadership Development process to motivate employees, enhance performance and utilize the internal potential in order to develop a high performance work culture.

5. Career Progression Path

Career Progression and development plans are prepared for consistent high performing officers. A senior level cross-divisional team does structured analysis of all high performers in the

organization. The team is specifically trained in the assessment techniques on leadership attributes based on observed performance and behavior. Short listed candidates are identified as the Talent Pool of the Company. Efforts to move such Employees to cross-functional higher positions, depute them to good developmental workshops are done to groom them as future leaders.

6. Communication

“Communication” forms a basis for long range strategic goal setting and policy formulation, Strategic planning, organization development and effectiveness, control decision making and allied managerial activities aimed at effective achievement of organizational goals.

Some of these channels are:

- Newsletters like People Power, NDB news (New, Different, and Better)
- HR council-To discuss HR initiatives and policy matters
- Technology circles-To share and assimilate information on new technology in the p
Power sector

7. Employee Training and Development Process

TPC have a technologically proficient and business oriented human resource to successfully address the challenges and growth opportunities.

The basic objective of imparting training to the employees is *“improving performance of the company through people”*.

Training Procedure at TATA Power is as follows:

1. The ‘Employee ETD Need Identification’ is available with the various departments. The employee fills in whatever Education, Training and Development (ETD) he feels he needs. His immediate superior then approves this. The Department head also gives a list of ETD needs that he feels is required by employee.
2. The Department HOD then fills in a ‘Group ETD Needs Identification’ form. This form indicates the number of employees that will be participating in various training programs from that department. The department HOD compiles all the individual ‘Employee ETD Need Identification’ forms and then fills up the ‘ Group ETD Needs Identification’ form.
3. All the HOD’s send their ‘Group ETD Needs Identification’ forms to the Training Department. The Training Department compiles all the forms and prepares a final document consisting of the

various training programs and the number of people that will attend these programs from the various departments.

4. This document is then sent to Corporate HR from where a Training Calendar for the entire TATA Power Company is made. A Training calendar is made every quarter of the year. While making a training calendar the following factors are taken into consideration:

- Programs addressing Organizational/ Strategic objectives like cost reduction, team building, balanced scorecard etc.
- Programs addressing Divisional/ Individual needs like electrical, mechanical, electronics and telecommunication, computers etc.
- Programs addressing General Programs Like safety and security, health.

5. Once Corporate HR prepares the final Training Calendar for the quarter, it is passed on to the various branches. The Training Departments of the various branches now prepare their Training Calendars in accordance to the Training Calendar they have received from Corporate HR.

6. The Training programs are now conducted as per the calendar and recorded into the 'Training Program Particulars' form. This form consists of the list of participants, the venue, and the training department Co-ordinator etc. of a particular training program.

7. In case some announced program cannot be conducted, the concerned HOD is informed for onward communication to all participants. The details are recorded in 'Training Program Cancellation' record.

8. In case additional training needs are received during the year, they too are suitably addressed.

9. The training department coordinator is in-charge of the smooth running of the training program. He has to ensure that all the participants are present for the training; he has to ensure that all the instructional material is present and ready for use etc. The Training coordinator has three checklists that have to be filled by him. The three checklists consist of:

- Checklist of activities to be done one day prior to the scheduled program date.
- Checklist of activities to be done on the scheduled programme date.
- Checklist of activities to be done on the day following scheduled program date.

10. After the training program is over, evaluation of the program is carried out based On the ‘Participant Feedback’ forms received. Corrective action is taken by the Training department in case of programs where feedback rating is below 3. The results are recorded into the ‘Program Evaluation’ form.

11. For programs of duration less than one day, knowledge sharing sessions, on-the-job training and seminars/ presentations, participant feedback is not obtained and program evaluation is not done. However, details of the same are recorded in the ‘Training Program Particulars’ form.

12. The immediate superior of the employee assess training effectiveness within 90 days of imparting training for all technical programs. The effectiveness of the training program is generally assessed by interviewing the employee. During the interview, the employee is judged on the following parameters

- Initiative taken by participant
- Relevance of objectives taught
- Support from supervisor

13. Training effectiveness is not assessed in the following cases:

- Behavioural programs
- Seminars/ presentation
- Knowledge sharing sessions
- Programs of duration less than one day.

14. The respective HOD’s do ‘Competency Mapping’ for all permanent employees whose work affects quality and performance? Training needs are identified from the gaps found.

15. The Training initiatives are evaluated through three indices- training Mondays, Training need compliance Index and training Effectiveness Index. The Training effectiveness is measured is measured for programs, which are specifically designed towards Strategic objectives, Departmental performance, new introductions of subject and faculty. Approximately 40% of the total programs conducted are evaluated. TPC uses Kirk Patrick Model for measuring training effectiveness. Training Effectiveness is measured through 4 levels such as Reaction, Learning, Reinforcement, and Outcome.

8. Star Process

TPC has a culture of identifying and preserving talent in the organization through a process known as STAR that identifies consistent high performer through PMS. These star performers are given enrichment in their work profile and they are given challenging assignments so that they can use their knowledge and imagination to its fullest.

9. Employee Engagement Process

The purpose of measuring employee engagement:

- To ensure a work environment in the company that maximizes personal contribution and growth.
- To measure the commitment of employees towards the company and their jobs.
- To identify managerial best practices and incorporate them into the leadership development initiatives.
- Benchmark the commitment of the employees and subsequently measure the progress over a period of time.

10. Welfare Programs

Tata Power follows its peers, the TATA GROUP, in regard to the welfare of its employees, as they do for all its other basic policies. In keeping with the TATA GROUP tradition, the Company's staff welfare measures include:

- Housing
- Medical facilities
- Sports and recreational activities & Counseling.

Conclusion

Proficient HR management can enhance the efficiency of business houses & result in considerable savings, in terms of both time & money. HR supports business in refinement of their human resource processes. It helps companies to ensure that their people management practices are in line with their employment philosophy & business goals. It also helps in outlining actions to retain, coach or discipline & terminate employees.

This study helped in understanding practices followed by one of the biggest giant in the area of power – TPC. It also gave an idea on how other departments are linked to HR department.

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The evolution of customer relationship management and its growing importance for the Agro chemical industry

Mr. J B Tiwari & Dr Swati Sabale

Introduction:

India has a diverse and large agricultural sector, ranking second position in the world, serving as one of the important sectors in the Indian economy and contributing to about 20 per cent of GDP (Gross Domestic Product). It is stated by Joydeep (2013) that, the agricultural sector and its sub-sectors in India, such as Agro- chemicals, Bio fuels, Forestry, Animal feed, Extractive industries, etc. contribute a significant role in the growth of the country. On the other hand, the unreliable weather conditions and the differences in soil fertility across the country, in addition to the poverty, backwardness and illiteracy of the farmers have led to a wide disparity in the stipulations of agricultural produce across regions. It is claimed by Bowonder B and Kumar S (2009) that, in spite of all such disputes, the agro chemical industry has contributed to the overall growth and productivity of agricultural sector in India. Farmers, with the assistance and support of the government are being encouraged to espouse advanced technology, better production techniques, improved seeds, chemicals, latest machines and fertilizers, which has all led to the extravagant increases in the yield of crops. Thus, according to Wilson (1995), the growing demand for the agro chemicals in the country has resulted in emergence of many new agro chemical industries in India, providing farmers with fertilizers, plant nutrients, herbicides, fungicides and pesticides for cultivation of crops. While, on the other hand, Aramyan (2007) claims that, the agro chemical market in India is exemplified by low capacity utilization and that there is a serious need to market their products by adopting efficient strategies. Thus, even if the studies are contrary to each other, both conclude that, there exists a serious demand for adopting effective marketing strategies in the agro chemical industries of India.

Indian Agro Chemical Industry:

According to Strategic Assessments of Leading Suppliers (2012), the essential agricultural chemicals used in the cultivation of crops are referred to as the agro chemicals. In India, the agro-chemical market has grown over decades, as the farmers have been prone towards adopting agro-chemicals to defend their crops. India ranks fourth in the global market in the supply of agro

chemicals, after China, Japan and USA. The low cost competent man power; low cost manufacturing processes and possessing inherent strength of these aspects tend to make India the net exporter of agro chemical products in the global market such as Africa, Europe and USA. But, on the other hand, it is stated by Barthakur and Jahan (2012) that, agro chemicals are not consumed much in India, where it is produced in higher quantities, unlike that consumed in USA and Japan. It is evaluated that, only up to 0.58 kg/ hectare is consumed in India, where as it is estimated to be up to 4.5 kg/ hectare in USA and 11 kg/ hectare in Japan. And the agro- chemicals are also stated to be a generic kind of chemical based agricultural products. Hence, it is stated by Patel (2012) that, the general toxic nature of the agro chemicals as its drawback. According to FICCI (n.d.), the increasing population of the country, leading to multifold reduction of agricultural land; dependence on monsoon season; irregular demands; under utilization of resources; unreliable power; cheap imports and seasonal crops call out for employment of effective improvements in marketing agro chemicals in India. It is also specified that, it is important to control immense storage of these products, as the spillage and damage can lead to health hazards to the public and the environment. Hence, prompts an important need to adopt regular and quick marketing strategies, as and when the agro- chemicals are manufactured. PRNewswire (2012) specifies that, crucial is the role of channels marketing the products of these companies to efficiently reach out their customers. Various aspects in relation to marketing the agro chemical products, such as the effectiveness of the product; the efficiency of marketing channel; and the weakness and strength of every retailer are significant to be analyzed Srivastava, Shervani and Fahey (1988).

Marketing Strategies adopted by Agro Chemical Industries:

According to Narula, Upadhyay and Sikka (2008), consumers today have become value conscious, more demanding and are more cost driven. On the other hand, the companies seem to have realized that, customer retention is less expensive than acquiring new customers. Thus, relationship marketing is stated to be an innovation from the emergence of this realization. According to Sheth and Parvatiyar A (2001), the often changing and diverse behavior of the consumers have made essential that the companies make their practices and processes parallel with having customers at the core and not their products. The marketing plans of every manufacturing company require being consumer centered. Satisfaction of the customers regarding their products forms the basis for the success of every company. Thus, marketing strategy is stated by Narula and Upadhyay (2008) as an essential and significant aspect to attract new customers and to retain proficient customers. It is also claimed that, it is significant to gain the trust of customers and that the trust will build a better

relationship between the customers and the company. The business trends of the agro chemical industries are constantly changing and in order to gain more share in the market and to sustain their rate of profitability, most of these companies are competing in the competitive modern world. In addition to this, it is observed by Reportlinker (2010) that, the concerns towards the environment by the government to retain it safe, secure and healthy, challenges the agro chemical industries. It is because, the resistance of the environment to chemicals over a continued usage over time is claimed to make the land resistant to the chemicals. This is said to result in loss of sales to the agro chemical industries demanding the establishment, development and marketing of new products in the market to reach proficient customers. Thus, the customer relationship management strategy of marketing is being adopted and is given significance by the agro chemical manufacturing companies in India, to survive in the competitive market.

Customer Relationship Management Practices in Agro Chemical Industries:

According to Storbacka (2000), customer relationship management (CRM) is a comprehensive strategy and a course of action of retaining, partnering and acquiring potential customers to achieve better value for the customer and the company. The CRM strategy is stated to involve the integration of sales, marketing, supply- chain functions and customer service, tending to achieve greater effectiveness and efficiencies in delivering valuable products to the customers. Being affected by various issues, there is a significant need for the agro chemical industries to adopt such efficient Customer Relationship strategies to retain their potential consumers and attract many new consumers. It is stated by Spekman (1988) that, the CRM adapted businesses are customer centric and maintain efficient and effective relationships with the clients using diverse technologies, tools and customer focused plans. These strategies help businesses in analyzing the point of view of its customers in a comprehensive manner, in turn enabling the businesses to establish mutual association with them. Thus, it is claimed by Tata Strategic Management Group (2009) that, the irregular environmental factors such as regulatory forces, changing technologies and growing competition from the multinational companies demands a significant shift towards adopting strategic practices in marketing the agro chemical products in India. An important role is said to be played by the marketing channels in making the agro chemical industries reach their consumers and in turn optimizing their revenues, retaining themselves in the competitive market and to acquire customer loyalty. Thus, in the current competitive market, it has become mandatory for the agro chemical industries in India to adopt effective and efficient marketing strategies such as CRM, in order to sustain their brand.

According to Sangeeta and Sahney (2009), for the agro chemical industries to adapt effective and efficient CRM practices, diverse technologies and supportive software tools need to be initiated and implemented. Tools such as service marketing, advertising, business to business marketing, organized channels of marketing are provided as examples by Sangeeta and Sahney (2009) and are stated to traverse relationship with the customers. Adopting CRM practices enables the agro chemical industries to obtain essential information and understand the demands in the point of view of its customers in every stage of the business. According to Yip and Madsen (1996), it is important for the agro chemical industries to focus towards offering products to their customers with increased efficiency while at the same time reducing the cost of their products. CRM is found to be one such efficient strategy espoused and implemented by the Indian agro chemical industries in order to retain potential customers and attract new customers. The agro chemical industries in the country have started understanding and are focusing on the customer requirements in order to sustain in the competitive global market. According to Morgan and Hunt (1994), to achieve these strategies, the CRM practices are considered as the only effective solution and are being widely adopted by these industries in the recent times.

The CRM practices adopted by the agro chemical industries have proven to stimulate the marketing and distribution of their products in the Indian market. It is stated by Peppers and Rogers (1993) that, customer relationship management is a budding practice in marketing the products of agro chemical industries throughout the world. The CRM practices are stated to attract their customers and make these companies sustain in the global competitive market where many new manufacturers are budding every day. At the point of time, when the agro chemical companies are striving hard to ascertain themselves in the spirited market, diverse strategies of marketing such as branding and CRM are proving to help them (Shani and Chalasani, 1992). A significant need for adopting CRM in agro chemical industries is observed to pertain among the manufacturers of agro chemicals in order to attract new potential customers and to retain their existing customers.

According to Panchal and Kapoor (2011), the agro chemical industries in India are focusing much on developing pesticides that are environment friendly and the government is also observed to be very much concerned for safe products. In order to make their products popular and to make people aware, the agro chemical industries have started concentrating much more on brand building and are also conducting farmer awareness camps, providing complete solutions to the farmers. The farmers are made aware of the new products introduced by them which have undergone higher R and D, demanding low dosage and having high potency molecules. The products are ensured to be

safe for the environment. It is also stated by Panchal and Kapoor (2011) that, these practices have become the latest market trends of the agro chemical industries, ensuring healthy relationship with their customers. Such practices are also forming the building blocks for the agro chemical industries in sustaining in the competitive market, retaining potential consumers and in attracting many new consumers. According to Tjakraatmadja.N et al (2014), the agro chemical industries and the government are increasingly training the Indian farmers, regarding the efficient use of agro chemicals and its associated factors such as the appropriate quantity to be used, appropriate chemicals to be used, exact methodology of application and in identification of exact problems. It is said to be assumed by the promoters that, with the increasing awareness of agro chemicals and its usage, the demand for these products will also increase.

Summary:

This article presented a brief review on the agro chemical industries in India; the marketing strategies adopted by these industries to retain their potential consumers and to attract new consumers; Adoption of customer relationship management practices by the agro chemical industries and also about how efficient they have proved in sustaining themselves in the global competitive market. Recent studies revealed that, Indian agro chemical industry ranks fourth in the world but still consumption of agro chemicals in the country is less compared to other leading agro chemical manufacturing countries. It was also found that, many new agro chemical companies are budding every day in the country as India is a net exporter of agro chemicals to huge markets like USA, Africa and Europe. Thus, it was also observed that, the Indian agro chemical companies have understood the necessity to adopt effective marketing strategies in order to survive in the competitive market. Customer relationship management is one such marketing strategy adopted widely by the agro chemical companies in India. According to Hasan et al (2013), higher investments in adoption of CRM practices and greater emphasis on data ware housing and data mining, regarding contacting the farmers and satisfying the customers are being practiced by the companies. Thus, it is stated by Hasan et al (2013) that, the customer relationship management works as an organizer, a facilitator and a catalyst to address the issues of natural or environmental resources in a collaborative manner. The review on recent studies thus makes evident that CRM is one of the effective practices adopted by the Indian agro chemical industries in attracting new customers and retaining existing customers.

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