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CLARA'S COLLEGE OF COMMERCE**

Established-1999 – NAAC Accredited “B” Grade (2016-2021)
Yari Road, Versova, Mumbai-400061. Tel.: 26365385/ 26315377



Organises

One Day International Multi-Disciplinary Conference on 16th March 2019

“WORLD ROAD TO CASHLESS ECONOMY”

In collaboration with

University of Mumbai & India Accounting Association [Thane Branch]

(PEER REVIEWED)

**SPECIAL ISSUE OF INTERNATIONAL JOURNAL OF
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PART-1

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ABOUT CLARA'S COLLEGE OF COMMERCE

Children Welfare Centre Trust is the meticulous stride of the eminent citizens of the city, who felt the need of having advanced educational institutions in their vicinity. It was formally registered under the Public Trust Act, 1950. The institution is strategically located amidst the rapidly developing locale of Andheri with full-fledged operative Pre-Primary School, Primary School, High School, Junior College, Degree College, B.Ed. College and Law College at Malad (W). Clara's College of Commerce was established in the year 1999 in the memory of Late Smt. Clara Kaul – an eminent educationist. The college has the following programmes: Bachelor of Commerce (B. Com), Bachelor of Management Studies (BMS), Bachelor of Mass Media (BMM), Bachelor of Commerce (Accounting and Finance) (BAF), Master in Commerce (M.Com) (Accountancy). The aim of the college is to continuously enhance the teaching methods in order to provide students with an opportunity for their all-round development. It also strives for excellence in academics and makes an effort to create an aura that induces passion for learning along with the inspiration for decisive thinking and assessment; and thereby helping them to become the best professionals in the chosen careers.

ABOUT UNIVERSITY OF MUMBAI

The University of Mumbai (known earlier as University of Bombay) is one of the oldest and premier Universities in India. It was established in 1857 consequent upon "Wood's Education Dispatch", and it is one amongst the first three Universities in India. It has two campuses of areas 243 acres and 14 acres at Vidyanagari and Fort respectively; sub campuses/centers at Ratnagiri 20 acres, Thane 6.50 acres and Kalyan 6.26 acres with 56 University Departments & Institutes and 691 affiliated colleges. It has established its name in industrial & International collaborations and run various professional courses. The University was accorded 5-star status in 2001 & 'A' grade status in April 2012 by the National Assessment and Accreditation Council (NAAC).

ABOUT INDIAN ACCOUNTING ASSOCIATION

The association was founded by academicians and professionals in accounting on March 17, 1969, and was inaugurated on February 14, 1970 by the Accountant General of Uttar Pradesh. It is a member organization of International Association of Accounting Education and Research (IAAER). It is also held in high esteem by American Accounting Association (AAA). At present, IAA has a network of 50 branches in India with more than 5500 life members, and a Research Foundation as an affiliate at Kolkata. It also brings out a biannual research journal 'Indian Journal of Accounting' in the months of June & December to give wider publicity to research findings. The Association also gives IAA Young Research Award and IAA fellowship. The Association offers Life Membership and Annual Membership for Individuals and Institutions through its chapters across India. Past conference have attracted a large number of delegates from across the country and abroad and this year also wide participation is expected.

ABOUT INDIAN ACADEMICIANS RESEARCHERS ASSOCIATION

Indian Academicians and Researchers Association (IARA) is an educational and scientific research organization of Academicians, Research Scholars and practitioners responsible for sharing information about research activities, projects, conferences to its members. IARA offers an excellent opportunity for networking with other members and exchange knowledge. It also takes immense pride in its services offerings to undergraduate and graduate students. Students are provided opportunities to develop and clarify their research interests and skills as part of their preparation to become faculty members and researcher. Visit our website www.iaraedu.com for more details.

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PREFACE

“Faceless, Paperless, Cashless” is one of the professed roles of Digital India. The government of India has an ambitious mission to drive India towards cashless economy. Cashless economy is system where there is no physical cash in circulation; payments are made through electronic modes, i.e credit debit card, net banking or E- wallets.

Globally both developed and developing countries are making great paces in curtailing the usage of physical currency. Cashless system brings down the cost associated with printing, storing and transporting of cash. It also removes the problem of counterfeit currency, hoarding of cash, black money and tax evasion. All the transactions that are done can be monitored and traced back to a given individual, so it will be difficult to evade tax. However, one has to recognize the risks and benefits of different payment instruments, the risks associated with electronic payment instruments are far more diverse and severe.

Clara’s College of Commerce is delighted in presenting before you research papers on the theme “World Road to Cashless Economy” at the International Conference which is organized by Clara’s College of Commerce in collaboration with University of Mumbai and India Accounting Association, Thane Chapter on 16th March, 2019.

This conference proceeding is an outcome of the researchers, academicians and students who have harnessed their creativity and exchanged their ideas, in order to broaden the horizon and help the researcher to explore a new range of opportunities with reference to Cashless Economy in different areas. Students aiming for a career in research or in academia learn that success depends not only on getting academic credentials but also on the quality of their contributions to such events.

We take this opportunity to express our deep sense of gratitude to all the Members of Advisory Committee, Review Committee, Managing Trustee Hon.Shri Ajay Kaul, Activity Chairman Mr. Prashant Kashid, Principal Dr. Madhukar Gitte for providing us with strong support and encouragement for organizing this International Conference.

We, on behalf of Clara’s College of Commerce are obliged to all the authors of research papers for their overwhelming response for the conference.

Mrs. Babita A. Kanojia (Convener)
Dr. Nishikant Jha (Secretary, IAA-Thane Chapter)



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MESSAGE

I am pleased to know that Clara's College of Commerce, Mumbai, in association with University of Mumbai and Indian Accounting Association – Thane Chapter, is organizing a One Day International Multi-Disciplinary Conference on “*World Road to Cashless Economy*” on 16th March, 2019.

I hope the Conference will provide an opportunity for participants and researchers to express their opinion and outlook on digitalization of India on way to cashless economy. Students will gain knowledge about the functions and working of tools used in cashless economy like credit card, debit card, net banking and E-wallet. The conference will create awareness about safety and security measures while using these tools. The research paper presenters will share their opinions and ideas about the topic. It is expected that the Conference will yield constructive results.

I extend my best wishes to the Organizers of the International Conference and the participants and wish the publication every success.

(Prof. D.P. Singh)

14th February, 2019



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Prof. Suhas Pednekar
Vice Chancellor



MESSAGE

It gives me an immense pleasure to know that Clara's College of Commerce in association with Indian Accounting Association – Thane Chapter is organising a One-day International Multi Disciplinary Conference on "World Road to Cashless Economy" on 16th March, 2019.

It is certainly a positive step taken by the College. This Conference will enhance participants' knowledge about the cashless economy. It is an excellent platform for those who are enthusiastic in expressing their outlook on the present scenario regarding cashless economy and financial developments around the world. The Conference will definitely be an eye opener and fruitful for the participants.

I wish the delegates and the organizers of the conference all success in making this event a memorable and informative one.

16th March, 2019
Mumbai

Prof. Suhas Pednekar
Vice Chancellor

MESSAGE



DR. SANJAY BHAYANI

Dean, Professor and Head Treasurer IAA

*I am glad to learn that Clara's College of Commerce, University of Mumbai & Indian Accounting Association- Thane Chapter is organising International conference on “**World Road to Cashless Economy**”. I want to convey my best wishes to organizers and participants for grand success of this event and gratitude to all the contributors.*

A handwritten signature in black ink, appearing to read 'Sanjay Bhayani'.

DR. SANJAY BHAYANI

Dean, Professor and Head Treasurer IAA

MESSAGE FROM MANAGING TRUSTEE



Clara's College of Commerce in association with University of Mumbai and Indian Accounting Association – Thane Chapter is going to organize a One Day International Multi Disciplinary Conference on “World Road to Cashless Economy” on 16th March, 2019. This conference is an excellent platform for those who are eager in knowing the present scenario regarding cashless economy and financial developments around the globe.

We on behalf of the Clara's college of Commerce welcome the participants, presenting the research papers for their overwhelming response for the conference. The college has always embattled holistic development for all its students and faculty. Our strong foresight helps us to adapt and make a mark of its own. The management continually focuses on arranging different workshops, seminars and conferences at state and national level on current topics around the world, with a keen eye for future expansion and advancement of knowledge.

The conference also aims to bridge the gap between the researchers working in academic world and other professionals through research paper presentations.

We express our best wishes for making this conference inspiring and fruitful.

Shri Ajay Kaul
General Secretary

MESSAGE FROM PRINCIPAL



On behalf of Clara's College of Commerce, I extend a very warm welcome to all the participants and delegates present for the International Multi-Disciplinary conference on "World Road to Cashless Economy" on 16th March 2019.

Currency has always been used as medium of exchange for all financial transactions taking place in the economy. However, worldwide high-tech progression ensuing in the overview of numerous non-cash payment alternatives such as plastic money, mobile wallets, etc has unlocked the paths to simplify payments without the use of physical currency.

Demonetization and digitalization has surfaced way for an enhanced and effective practice of the digital payment system. These measures will drive the expansion and transformation of the payment system already in place, making it more translucent and answerable thereby decreasing the generation of black money in the economy to a degree. The International Conference "World Road to Cashless Economy" aims at creating awareness about the ongoing cashless movement in the world, and brings forth the available non-cash payment methods.

The college has taken great steps in inculcating and evolving research culture in the institution by organizing various seminars and conferences. This International Conference provides a path to all the academicians, research scholars, and learners to express and share their views on the conference theme.

I would like to express my appreciation towards University of Mumbai and Indian Accounting Association – Thane Chapter. I am overwhelmed by the support and coordination from the members of advisory board, reviewers, and session chairpersons.

Last but not least, I would also like to express my sincere thanks Management, organizing committee, editorial board, presenters and participants for contributing to the grand success of this conference.

Prin. Dr. Madhukar Gitte
Clara's College of Commerce

MESSAGE



DR. ARVIND LUHAR
Chairman, IAA Thane Chapter

It gives me immense pleasure to acknowledge and announce that Clara's College of Commerce, University of Mumbai & Indian Accounting Association [Thane Chapter] organising One Day International Multi-Disciplinary Conference on "World Road to Cashless Economy" which provides a platform to scholars, researchers & professionals of diverse disciplines like Accounting, Marketing, ICT & Education, Banking Finance & Insurance, Commerce and Management, and Legal Perspective to name a few, to discuss the various aspects of cashless economy.

Hearty congratulations to Clara's College of Commerce for this laudable effort and all the best wishes to all the research delegates. I am sure that there will be high level of deliberation and panel discussion on the theme and there will be learning for all who are part of this conference.

I extend my support and well wishes for the success of this conference which is ready to ignite the minds for a better tomorrow.

Dr. Arvind Luhar
Chairman, IAA Thane Chapter

MESSAGE



DR. NISHIKANT JHA
(Secretary, IAA Thane Chapter)

It is a matter of delight to start off a new year with enthusiasm, zeal and determination. I heartily welcome all the new entrants who are on board for their New Voyage of Knowledge at Clara's College of Commerce. The College is well known for its quality education, knowledge enhancement, learning procedures and excellent work culture. The purpose of this conference is to provide an International Forum for Academicians, Research Scholars, Industrial Delegates and Students to present their state-of-art research on "World Road to Cashless Economy" to exchange ideas and explore new avenues of collaborations.

It is very much heartening to see the immense response received for the conference from the research community for its very first edition. A good number of distinguished professors and researchers have also agreed to deliver keynote addresses/ invited talks in the conference. Young scholars participating in the conference will immensely benefit from these. I wish to express our sincere gratitude to all the authors who contributed significantly for the enrichment of this issue. I am thankful to all who have contributed towards the success of the conference.

A handwritten signature in black ink, appearing to be 'Nishikant Jha'.

(Dr. Nishikant Jha)
Secretary, IAA Thane Chapter

MESSAGE



Dr. Tazyn Rahman
Editor In Chief - IJAIR

On behalf of IARA I am honored and delighted to welcome you to the International Multidisciplinary Conference on “World Road to Cashless Economy”.

A cashless society describes an economic state whereby financial transactions are not conducted with money in the form of physical banknotes or coins, but rather through the transfer of digital information (usually an electronic representation of money) between the transacting parties.

This concept is being discussed widely, because the world is experiencing a rapid and increasing use of digital methods of recording, managing, and exchanging money in commerce, investment and daily life in many parts of the world, and transactions which would historically have been undertaken with cash are often now undertaken electronically’.

A common measure of how close to a "cashless society" a country is becoming is some measure of the number of cashless payments or person to person transactions are done in that country. For instance the Nordic countries conduct more cashless transactions than most Europeans. Levels of cash in circulation can widely differ among two countries with similar measure of cashless transactions. For example, Denmark has more than double the amount of cash in circulation as Sweden and a considerably higher percent in the largest denomination banknote, the 1000kr bill.

Government of India led by Prime Minister Narendra Modi is also trying to reduce dependency of Indian economy on cash and to bring hoards of stashed black money lying unused into the banking system. The country embarked upon this transition to a cashless economy when the government took the revolutionary step of demonetization of old currency notes of Rs 500 and Rs 1000 on November 08, 2016. The benefits of this move have now started trickling in with more and more people switching to digital modes of receiving and making payment. India is gradually transitioning from a cash-centric to cashless economy.

So, the Topic of the Conference “World Road to Cashless Economy” is very relevant in today’s time. I hope the Conference will be well appreciated by all the delegates, faculty members and scholars. We’re looking forward to a great exchange of ideas among research scholars from different parts of India and abroad.

Dr. Tazyn Rahman
Editor In Chief
IJAIR

MESSAGE FROM THE CONVENER



It is our immense pleasure to invite you for International Conference on “World Road to Cashless Economy”. I, on behalf of Clara’s College of Commerce, welcome all the participants of the conference. The major aim of organizing this conference is to create awareness about cashless economy. As everyone knows that the cashless transfer means transferring money by digital or online transactions. Nowadays online transactions are done with the help of Net banking, Credit card, Debit card and E-wallet.

It is a good platform for those who are eager in knowing the present scenario regarding cashless economy and financial developments around the world. Cashless transaction will record each and every transaction. Now people will stop hoarding cash, and will switch on to digital mode of payments. This will restrain the corruption and curb black money; which will in turn lead to economic development.

Furthermore, this conference will also facilitate the participant’s representation. The participants will be able share views and fresh ideas. The conference also aims to bridge the gap between the researchers working in academic world and other professionals through research paper presentations. Participants will get ample scope to widen their knowledge and network.

Dear all, conference is the culmination of many individuals. Therefore I thank the Conference Committee for extending their valuable time in organizing the program and all the authors, reviewers, and other contributors for their painstaking and meticulous efforts and their belief in the excellence for International Conference on “World Road to Cashless Economy” organized by Clara’s College of Commerce.

Mrs. Babita A. Kanojia (Convener)
Clara’s College of Commerce

MESSAGE



Dr. Kuldeep Sharma
(Treasurer, IAA Thane Chapter)

It is a matter of great pleasure to see the Institute organizing its Multi- Disciplinary Conference in the form of a One Day International Conference on “World Road to Cashless Economy”. I could see the amount of efforts put in by the young faculty in organizing this conference in this new Institute with minimal infrastructure of its own.

It is cheering to see the enormous response received for the first publication of the conference from the research community. A number of distinguished professors and researchers have agreed to deliver keynote addresses & talks at the conference. Young scholars participating in the conference will immensely benefit from their experiences.

My best wishes to the organizing committee and all the delegates. I also express my gratitude to all the researchers and the delegates across the globe for sending their research work and participating in this conference and making this conference a grand success

A handwritten signature in black ink, consisting of a stylized 'K' followed by a series of loops and a horizontal line.

Dr. Kuldeep Sharma
Treasurer, IAA Thane Chapter

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A STUDY TO EVALUATE THE EQUITY VALUATION METHODS USED BY MULTINATIONAL FIRMS IN PLACE: TRENDS, CHALLENGES, AND RECOMMENDATIONS

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INTRODUCTION

Damodaran (2001) describes the value of the firm as the present value of the expected cash flow from both the assets in place and the likely future growth, discounted at the cost of capital. Most essentially, it has been claimed that the valuation of the firm must necessarily *“reflect the price at which a business would change hands between a willing buyer and the seller when both parties have reasonable knowledge of the relevant facts.”* (Adams and Thornton, 2009).

Specifically pertaining to the various valuation methods in place, a number of valuation methods have been devised over the years which are used across the globe in varying proportions by corporates. Despite of the variations in the equity valuation methods, the underlying idea is deeply rooted in the present value framework for equity valuation pioneered by Merton Miller and Franco Modigliani as early as 1960s. A majority of the researches have claimed that the two valuation methods, namely, the Discounted Cash Flow (DCF) and Relative Valuation (RV) are the most commonly adopted ones (Bancel and Mittoo, 2014).

On contrary to the assertion made by Mylonakis and Vardavaki (2007) that the intrinsic firm value equals the equity book value, in case the markets are perfect and efficient, the real world experiences have shown that the book value of shareholder equity is generally lower than the market equity value. There are also wide variations observed in the valuations obtained from the different methods. This has been attributed to the differences in the underlying assumptions associated with each of the methods, which are claimed to bring in a bias in the estimated firm value (Ohlson, 1991).

For instance, the results obtained from using any of the valuation models, such as the Discounted Cash Flow model (DCF model), the residual income model (R1 model), etc., are identical in case the same set of assumptions are made (Copeland et al., 2005). However, the actual implementation of these models by different companies in the real world, indicates drastic differences in the results obtained. These changes or differences have been commonly attributed to forecast errors related to the assumptions of revenue growth and profit margins, or methodological errors committed at the time of the implementation and application of the valuation approach. Thereby indicating that despite of the theoretical equivalence established between the free cash flow model, the dividend discount model and the residual income model, the actual implementations pose their own set of challenges which need to be catered for correct valuation (Plenborg, 2000).

AIM OF THE RESEARCH

The research aims at evaluating the Equity Valuation Methods employed by the MNC firms in *Place*.

RESEARCH OBJECTIVES

1. To examine the existing trends in the Equity Valuation Methods used by MNC firms in *Place*
2. To identify the challenges in the adoption of Equity Valuation Methods used by MNC firms in *Place*
3. To provide recommendations for enhancing the adoption of the Equity Valuation Methods used by MNC firms in *Place*

PROBLEM STATEMENT

The equity valuation methods are often seen to be immensely complicated, debatable, and a subjective concept. The underlying set of assumptions, particular characteristics of different organizations, the market analysis conducted, and the like are treated as the major impediments to the reliability of the said concept as the true value estimates of the firms. In the present finance world, it is common to see investors being exposed to poor recommendations, financial institutions including stockbrokers, investment bankers, as well as accountants being severely exposed to a hampered reputation along with lawsuits due to errors made. Thereby indicating the indispensability of the need to study the equity valuation methods adopted by such firms and the challenges encountered thereof, so as to ensure their correct adoption. From the academic point of view, a major point to be noted is that a majority of the previous researches which have been conducted in the similar field including Bruner et al. (1998), Jacobs and Shivadasni (2013), Graham and Harvey (2002), Bancel and Mittoo (2011), have focused only on a few aspects of equity valuation, such as cost-of-capital estimation. Therefore, a research that takes a much wider picture of the resent scenario of equity valuation in firms into consideration is a must.

LITERATURE REVIEW

Damodoran (2001) describes the value of the firm as the present value of the expected cash flow from both the assets in place and the likely future growth, discounted at the cost of capital. The companies are financed by either debt or equity, wherein the valuation techniques emphasizing on share are concerned with equity value (Eq. V.), or total liabilities that deals with a firm's value (FV). The researcher says that for a firm to increase its value it has four options; First, Increase the cash flows generated by the existing investments. Second, Increase the expected growth rate in earnings or cash flows. Third, Increase the length of the high-growth period. And, finally, the firm has the option of reducing the cost of capital.

Given a number of valuation methods been identified and adopted variably by different firms across the globe, it has been stated that for grasping the valuation techniques, the foremost requirement is conducting an analytical review of the models, so as to assess their relationship and the associated assumptions (Barker, 2001). Another prerequisite is the proper evaluation of the available data for use of these models.

One of the commonly accepted theoretical principle to value any financial asset is the discounted cash flow methodology (Reilly and Brown, 2003), wherein the worth of an asset is regarded as the sum total of all future cash flows to its owner discounted at an opportunity rate reflecting the investment risk (Pratt, 1998). Another set of literature regards APV as the most efficient valuation method for firms, which is endowed with certain specific beneficial characteristics for companies with unstable debt ratios, or for economies with high economic uncertainty or complex tax legislations.

A particular fact that related to the usage of equity valuation methods by companies is the simultaneous use of more than one valuation method. For instance, in the study conducted by Bancel and Mittoo (2014), the survey results indicated that a majority of the respondents chosen for the study make use of a multiple number of methods for equity valuation. Particularly, the results reported that 60% of respondents relied on two or three methods, while only a lower 21% use a single equity valuation method. Furthermore, even in the cases wherein combinations of evaluation methods are used, there is a dominance of the combined usage of the DCF and RV approaches.

However, ever since the beginning of the valuation techniques adopted to arrive at an estimate value for their firms, the process has been limited due to the immense challenges associated with this complicated, time-consuming, and a much tedious task. The market value of firms is often seen to vary, majorly attributed to such challenges. Subjectivity is one trend which is most closely associated with the valuation processes of all the said valuation methods. This poses several difficulties for the practical application of the methods preferred by the practitioner. Thereby implying a lack of consensus on the one method that most appropriately explains the market value of a firm (Chege, 2006).

RESEARCH METHODOLOGY

The research will collect both forms of data, namely *primary data* as well as *secondary data*. The secondary data will be collected from journal articles, white papers, government reports, and other academic material available online. The research will also collect primary or first-hand data from 200 managers chosen 50 MNC firms in *Place*. This will be done through an online survey method. The study will follow the *quantitative examination approach*, to be in a better position to statistically evaluate the responses obtained from the managers related to the prevalent trends, challenges, and the recommendations given. For the purpose of data collection, a *questionnaire* will be self-designed, incorporating the *Likert Scale* so as to record the responses of the managers on a scale of disagreement or agreement. These survey questionnaires will be randomly sent to 4 top-level management professionals (each) from 50 MNCs in *Place* through mail, and responses will be collected thereof. The data collected will then be analyzed using SPSS software.

For anyone involved in the field of corporate finance, understanding the mechanisms of company valuation is an indispensable requisite. This is not only because of the importance of valuation in acquisitions and mergers but also because the process of valuing the company and its business units helps identify sources of economic value creation and destruction within the company.

The methods for valuing companies can be classified in six groups:

MAIN VALUATION METHODS					
BALANCE SHEET	INCOME STATEMENT	MIXED (GOODWILL)	CASH FLOW DISCOUNTING	VALUE CREATION	OPTIONS
Book value Adjusted book value Liquidation value Substantial value	Multiples PER Sales P/EBITDA Other multiples	Classic Union of European Accounting Experts Abbreviated income Others	Equity cash flow Dividends Free cash flow Capital cash flow APV	EVA Economic profit Cash value added CFROI	Black and Scholes Investment option Expand the project Delay the investment Alternative uses

In this paper, we will briefly describe the four main groups comprising the most widely used company valuation methods. Each of these groups is discussed in a separate section: balance sheet-based methods, Income statement-based methods, mixed methods and cash flow discounting-based methods.

CONCLUSION

The present research aims at an evaluation of the different equity Valuation Methods employed by the MNC firms in *Place*. It engages with an examination of the prevalent trends in the industry related to the equity valuation methods. It also sought to identify the challenges encountered by the managers or valuation experts of firms while undertaking the valuation process. It goes one step forward by further providing a discussion on the proposed recommendations for enhancing the equity valuation methods adopted by the MNCs in *Place*. The research adopts a quantitative research approach, and conducts its data collection by way of online surveys among top-level management from MNC firms in *Place*. The research will serve as an interesting and insightful piece of research giving out a detailed evaluation of the concerned subjects.

LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

The research only deals with the equity valuation methods used by the MNCs in *Place*. The present research will face time and financial restrictions due to the academic nature of the study. This will also mean a limitation on the sample size that can be feasibly included under the purview of the present research. In line, it only employs 200 managers from 50 MNC firms operating in *Place*. Further, due to the difficulty in approaching the top level managers of the MNCS, the present research conducts the survey through the online mode. This may be associated with the set of limitations of an online mode of data collection.

Thus, an extensive research involving a much larger sample size is recommended to further substantiate the results and findings of the present research. Also, a study comparing the most commonly adopted equity valuation methods by MNCs in *Place* and their associated challenges, will pose to be an interesting study.

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DETERMINANTS OF RETURN ON EQUITY: AN EMPIRICAL ANALYSIS OF PHARMACEUTICAL COMPANIES

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ABSTRACT

Present research study aims at finding out the effect of factors affecting to return on equity. In order to examine the determinants of ROE, researcher has selected five pharmaceutical companies namely Sun Pharma Ltd., Torrent Pharma Ltd., Cipla Ltd., Dr.Reddy Lab. Ltd. and Lupin Ltd.. Researcher has used secondary data collected from moneycontrol.com and icidirect.com and annual reports of respective companies. The time period was of five years from 2013-2014 to 2017-2018. Data have been analyzed by statistical techniques like regression, mean, standard deviation, range, skewness and kurtosis. Result of research shows that operating profit margin and assets turnover ratio of Lupin Ltd were very good. Return on assets of Dr. Reddy Lab Ltd was very good. Net profit margin after tax was very good in Sun Pharma Ltd. Torrent pharma ltd has the highest ROE. The result of multiple regression shows that the impact of operating profit margin was positive and significant on return on equity. Whereas effect of assets turnover ratio and net profit margin was positive and insignificant. Return on assets has negative and insignificant effect on return on equity.

Keywords: Du-Pont, Pharmaceutical industry and Return on Equity.

INTRODUCTION

One of the most import profitability metrics is return on equity (ROE). ROE reveals how much profit a company earns on total amount of shareholder equity found on the balance sheet. It measures a firm's efficiency at generating profits from every unit of shareholder's equity. ROE shows how well a company uses investment funds to generate earnings growth. Shareholders equity is what the shareholders own. ROE reveals how a company is developing its capital to build a profitable business. The higher the ROE, the more wealth the company is creating for its shareholders and the better return they can expect from their investment. Thus ROE serves towards achieving a company's ultimate goal of shareholders wealth maximization. ROE is accepted as the best profit metric to evaluate the performance of a business. However, the primary emphasis on financial ratio analysis must be on operating performance. That is after all where value creation takes place. In the light of above justification ROE, it is imperative to look into those factors that have important bearing with ROE of companies. To examine the impact of various factors on ROE, The study follow the Du Pont system of financial analysis created in 1919 by financial executive at E.I Du Pond De Nemours and Co. OF Wilmington.

FIVE Step Du-Pond Model.

- **Operating Profit Margin= PBIDT/sales (%)**
- **Assets turnover = Sales/net assets**
- **Return on equity =EBIT/Sales* Sale/Average assets*EBT/EBIT*EAT/EBT**
- **Net profit margin after tax = PAT/PBIDT (%)**
- **Return on assets= PBDIT/net assets (%)**

In the Du-Pont system one can drill back into these levers to determine where profit performance is coming from and potentially determine where management time should be spent for improving profits. Especially DuPont measures (Bernhardt, UW-Extension, UW-Platteville and UW Center for dairy profitability, 2009)

Profile of Pharmacy Industry: Indian being the huge producer of generic drugs in the world has the 20% export which is considered very well. In the last few decades, corporate restructuring has become latest phenomena. India pharmaceutical sector has very good position in the pharma sector of world. Indian has very intelligent scientists who can do research and find the solution for any incurable disease. Indian pharmaceutical firms provide 80 per cent of the antiretroviral drugs used to control AIDS to globe. Aurobindo, Cipla, Desano, Emcure, Hetero Labs and Laurus Labs signed a contract for patent to produce medicines to prevent AIDS. Our firms are also allowed to produce for another 112 developing countries. Indian pharmaceutical sector has the share of 3.1% to 3.6 in the value of global market and in terms of volume; Indian pharmaceutical sector has 10 shares in global volume. It is estimated that Indian pharmaceutical would grow to US\$100 billion by 2025 which shows very good sign. The market would be estimated to increase to US\$ 55 billion by 2020. It means

that Indian pharmaceutical sector would emerge as sixth largest market in the world. This sector would generate 58000 thousands job opportunities by the year 2025

OBJECTIVES OF THE STUDY

Central part of the objectives is to evaluate the extent to which factors identified as per five steps Du-Pont analysis and its effect on ROE with reference to a case study on five selected pharmaceutical companies

However, detailed objectives have been outline as under

1. To examine financial performance through the DuPont model of selected five pharmaceutical companies
2. To examine impact of operating profit margin, net profit margin after tax, assets turnover ratio and return on assets ratio on return on equity.
3. To give suggestions to accelerate the financial performance

METHODOLOGY OF THE STUDY:

Sources of the data: “Determinants of Return on Equity: an empirical analysis of pharmaceutical companies” has been made by using data from financial statement of companies from icicidirect.com & moneypore.com. Other information regarding this study has been collected from different websites and magazines. The study covers a period of 5 years from 2013-14 to 2017-18. The information has been classified, tabulated and subjected to various requirement. In order to examine the performance of ROE, different ratios of DuPont have been taken into consideration.

Table-1 Descriptive Statistics for PBIDT/sales (%)

Companies	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness	Kurtosis
SUN Pharma Ltd.	5	-6.96	1.55	-1.81	4.17	17.41	-0.62	-3.00
Torrent Pharma Ltd.	5	21.35	48.55	30.04	11.00	121.00	1.67	2.68
Cipla Ltd.	5	14.82	21.20	18.32	2.47	6.10	-0.54	-0.48
Dr Reddys Laboratories Ltd.	5	14.20	28.38	21.59	5.55	30.76	-0.29	-0.96
lupin Ltd.	5	20.69	35.53	31.78	6.32	39.89	-2.04	4.24

Table-1 shows descriptive statistics of operating profit margin of selected pharma companies. Sun pharma ltd. has very fluctuating trend in operating profit reflected by standard deviation (4.47%) and variance (17.41%). Skewness was negative. Mean and standard deviation of torrent pharma Ltd were 21.35 and 30.04 percent which also reflects high fluctuations in trend during the study period. Mean of Lupin Ltd was the highest among all selected units which shows good sign of improvement in performance. Standard deviation of torrent pharma ltd was the highest which shows high fluctuations, except torrent pharma ltd, other selected units have negative skewness. However kurtosis of Lupin Ltd was the highest among all selected units.

Table-2 Descriptive Statistics for Sales/net assets

Companies	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness	Kurtosis
SUN Pharma Ltd.	5.00	0.28	0.42	0.32	0.06	0.00	1.88	3.65
Torrent Pharma Ltd.	5.00	0.52	1.23	0.88	0.27	0.07	0.01	-0.43
Cipla Ltd.	5.00	0.82	0.95	0.87	0.05	0.00	0.76	-0.70
DRL Ltd.	5.00	0.66	0.91	0.75	0.10	0.01	1.24	1.15
lupin Ltd.	5.00	0.65	1.43	1.05	0.30	0.09	-0.13	-0.23

Table -2 indicates the descriptive Statistics of asset turnover ratio which is the measure of operating efficiency. Mean of Lupin Ltd was the highest showing good operating efficiency. Standard deviation and variance of Lupin ltd. and torrent Pharma Ltd were also higher showing high fluctuations. Skewness of Sun pharma and DRL ltd was positive and highest. The kurtosis of Sun pharma ltd was 3.65 remaining the highest. Cipla Ltd and Sun Pharma ltd. has been the best for investment exhibiting less risk.

Table- 3 Descriptive Statistics for PBDIT/net assets (%)

Companies	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness	Kurtosis
SUN Pharma Ltd.	5	35.77	109.78	80.96	27.33	746.92	-1.38	2.90
Torrent Pharma Ltd.	5	135.31	269.26	209.34	60.23	3627.96	-0.29	-2.56
Cipla Ltd.	5	125.57	175.30	149.43	19.12	365.74	0.19	-0.54
DRL Ltd.	5	548.41	711.70	652.88	67.38	4540.42	-1.14	0.32
Lupin Ltd.	5	155.65	349.16	259.47	81.98	6721.37	-0.22	-2.08

Table-3 indicates Descriptive Statistics for return on net assets which also indicates financial efficiency. DRL Ltd., Lupin Ltd. and Torrent Pharma have the highest mean which shows very good financial position. Standard deviation and variance were very high in DRL Ltd and Lupin Ltd showing high fluctuations. Skewness of Sun Pharma Ltd., Torrent Pharma Ltd., and DRL Ltd. has been negative. Kurtosis of Sun Pharma Ltd was positive. There is less risk in Cipla Ltd. and Sun Pharma Ltd.

Table-4 Descriptive Statistics for PAT/PBIDT (%)

Companies	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness	Kurtosis
SUN Pharma Ltd.	5	-143.776	1464.538	369.406	647.074	418704.695	1.704	2.923
Torrent Pharma Ltd.	5	38.955	69.542	57.345	11.689	136.628	-1.081	1.269
Cipla Ltd.	5	55.997	62.848	59.218	3.020	9.122	-0.061	-2.400
Dr Reddys Laboratories Ltd.	5	183.680	703.000	325.367	213.987	45790.548	2.086	4.483
lupin Ltd.	5	60.653	69.844	66.890	3.605	12.998	-1.869	3.839

Table-4 shows Descriptive Statistics for net profit margin after tax which shows earning ability. Sun Pharma Ltd. and DRL Ltd. have higher amount of mean of net profit margin after tax which shows very good position of these two companies compare to other selected companies. There is less amount of standard deviation indicating less risk in Cipla Ltd and Lupin Ltd. Skewness of torrent pharma Ltd., Cipla Ltd., and Lupin Ltd. have been negative. Kurtosis of cipla Ltd. has also been negative.

Table- 5 Descriptive Statistics for ROE (%)

Companies	N	Minimum	Maximum	Mean	Std. Deviation	Variance	Skewness	Kurtosis
SUN Pharma Ltd.	5	-38.2	-.1	-10.450	15.6912	246.213	-2.102	4.535
Torrent Pharma Ltd.	5	10.57	47.01	26.6140	14.01993	196.558	.634	-.088
Cipla Ltd.	5	7.6	13.8	10.924	2.2915	5.251	-.404	.525
Dr Reddys Laboratories Ltd.	5	4.8	20.7	12.980	5.8605	34.345	-.138	.599
lupin Ltd.	5	8.51	33.30	22.6740	9.10716	82.940	-.874	1.672

Table- 5 indicates descriptive Statistics for return on equity which is also measure of profitability. Higher the ROE, higher is the profitability. Mean of ROE of Lupin Ltd. and Torrent Pharma Ltd. has showed very good profitability. Standard deviation and variance of Cipla Ltd. and DRL Ltd. have showed fewer fluctuations indicating less risk. Torrent pharma Ltd. has positive skewness indicating positive trend.

REGRESSION MODEL: in order to examine the determinants of return on equity, researcher has used ordinary least method of multiple regressions. The model is given below.

ROE	$\alpha +$	$+ \beta_1(\text{Operating Profit Margin})$	$+ \beta_2(\text{Asset Turnover})$	$+ \beta_3(\text{Return on assets})$	$+ \beta_4(\text{Net Profit Margin after tax})$	$+ \mu \text{it}$
=						

Table- 6 Multiple Regression Model

ROE	Coefficient	Std. Err.	t	P>t	[95% Conf. Interval]
Operating Profit Margin	0.88	0.256	3.44	0.003	0.3465866 1.41096
Asset Turnover	13.601	10.38	1.31	0.205	-8.042104 35.2525

Net Profit Margin	0.0070	0.01	1.15	0.263	-0.0056753	0.0197
Return on assets	-0.0043	0.01	-0.5	0.637	-0.0227346	0.01424
_cons	-15.63	5.73	-2.7	0.013	-27.58968	-3.67457
Number of observation	=25					
F(4, 20)	=20.22					
Prob > F	=0					
R-squared	=0.8018					
Adj R-squared	=0.7621					
Root MSE	=7.9784					
level of significance	=5%					

Table-6 explains the result of multiple regression model where Return on equity is dependent variables and Assets turnover ratio, net profit margin, return on assets and operating profit margin are independent variables. The R-square is 0.8018 which means that independent variables have caused 80.18% variance in dependent variable (ROE). There is less gap between R -square and adjusted R -square which shows model is fit. Moreover F test is also showing significant difference which means that dependent and independent variables are fit to run regression model. The impact of operating profit margin was positive and significant on return on equity. Whereas effect of assets turnover ratio and net profit margin was positive and insignificant. Return on assets has negative and insignificant effect on return on equity.

CONCLUSION

The above analysis reveals that return on equity of selected pharmaceutical companies is significantly affected by operating profit margin. The effect of other selected variable like assets turnover, net profit margin and return on assets have been insignificant to return on equity. Operating profit margin of torrent pharma Ltd., Lupin Ltd and DRL Ltd are very highest among all selected units showing good financial position. Assets turnover ratio of Lupin Ltd shows that this company has highest operating efficiency. DRL Ltd., Lupin Ltd. and Torrent Pharma have the highest mean of return on assets which shows very good financial position. Net profit margin after tax which shows earning ability to generate earning ability. Sun Pharma Ltd., DRL Ltd. have higher amount of mean of net profit margin after tax which shows very good position of these two companies compare to other selected companies. ROE of Lupin Ltd. and Torrent Pharma Ltd. has showed very good profitability.

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ANNEXURE-I

TABLE- 1 : Operating Profit Margin

Companies	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14
SUN Pharma Ltd.	1.55	1.48	-5.71	-6.96	0.6
Torrent Pharma Ltd.	21.35	24.54	48.55	24.26	31.52
Cipla Ltd.	19.27	14.82	16.94	19.35	21.2
Dr Reddys Laboratories Ltd.	14.2	17.95	23.55	23.88	28.38
lupin Ltd.	20.69	35.53	35.53	34.58	32.57

Table-2: Asset Turnover

Companies	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14
SUN Pharma Ltd.	0.3	0.29	0.28	0.42	0.32
Torrent Pharma Ltd.	0.52	0.76	1.04	0.84	1.23
Cipla Ltd.	0.83	0.82	0.95	0.86	0.9
Dr Reddys Laboratories Ltd.	0.66	0.68	0.72	0.78	0.91
Lupin Ltd.	0.65	0.91	1.05	1.21	1.43

Table-3: Return on assets

Companies	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14
SUN Pharma Ltd.	82.4	87.58	89.27	109.78	35.77
Torrent Pharma Ltd.	269.26	263.19	219.08	159.88	135.31
Cipla Ltd.	175.3	159.11	149.19	138	125.57
Dr Reddys Laboratories Ltd.	711.7	699.92	680.24	624.13	548.41
Lupin Ltd.	349.16	327.3	264.39	200.84	155.65

Table- 4: Net Profit Margin after Tax

Companies	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14
SUN Pharma Ltd.	-143.78	-4.01	1464.54	424.77	105.51
Torrent Pharma Ltd.	38.95	60.18	63.81	54.24	69.54
Cipla Ltd.	59.83	56.26	62.85	56.00	61.17
Dr Reddys Laboratories Ltd.	703.00	264.73	264.51	210.91	183.68
Lupin Ltd.	60.65	68.67	67.82	67.46	69.84

Table-5: Return on equity

Companies	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14
SUN Pharma Ltd.	-2.5	-0.1	-4.99	-6.48	-38.18
Torrent Pharma Ltd.	10.57	19.17	47.01	23.03	33.29
Cipla Ltd.	10.4	7.61	12.2	10.65	13.76
Dr Reddys Laboratories Ltd.	4.8	11.93	11.67	15.79	20.71
Lupin Ltd.	8.51	21.25	23.76	26.55	33.3

AUDIT, INVESTIGATION AND DUE DILIGENCE

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ABSTRACT

This paper explains the approach to an investigation is different from that followed in an audit. An investigation involves a more detailed examination of the selected areas than what is required in an audit.

An investigation seeks substantive and in some case even conclusive evidence as compared to audit which mainly relies on persuasive evidence.

Over a period of time, audit and investigation have converged in to a relatively newer concept namely, Forensic audit. With the number of fraudulent activities and ambiguous financial activities have been accelerating all over the world. Consequently, businesses are exposed to risks of fraudulent activities

Keywords: Investigation ,financial activities, Evidence, Forensic audit.

INTRODUCTION

An audit is a systematic and independent examination of books, accounts, statutory records, documents and vouchers of an organization to ascertain how far the financial statements as well as non-financial disclosures present a true and fair view of the concern. It also attempts to ensure that the books of accounts are properly maintained by the concern as required by law. Auditing has become such a ubiquitous phenomenon in the corporate and the public sector that academics started identifying an "Audit Society". The auditor perceives and recognizes the propositions before them for examination, obtains evidence, evaluates the same and formulates an opinion on the basis of his judgment which is communicated through their audit report. Audits provide third party assurance to various stakeholders that the subject matter is free from material misstatement.

An investigator does not accept a stated fact as correct until it is substantiated. An auditor, in the absence of suspicious circumstances, relies on stated facts or figures. An auditor must see whether the method of valuation and other accounting policies have been properly made in the financial statements or not. An investigator, however, is not bound by accounting conventions, policies and disclosure requirements.

Due Diligence on the other hand refers to a comprehensive appraisal of a business undertaken by a prospective buyer/investor, specifically to establish its assets and liabilities and ascertain its commercial potentiality. It is a term that is often heard in the corporate world these days in relation to corporate restructuring. The term 'corporate restructuring' normally includes internal reconstruction, amalgamations, spin-offs, divestiture, mergers, joint ventures, splitoff, etc. Certain corporate restructuring exercises are not within the group (also known as external corporate restructuring exercises), for example, a joint venture between two parties where one party hives off an existing unit or division into another company into which the joint venture partner then acquires an interest or has acquired an interest.

OBJECTIVES

To obtain an understanding of the approach for investigation, audit and due diligence, the steps, techniques in Investigation and audit and the types of due diligence.

To determine whether audit, investigation and due diligence in theory and in practice are similar or not.

HYPOTHESIS

H0: Audit, investigation and due diligence does not have identical meaning, objective, approach and purpose.

H1: Audit, investigation and due diligence has identical meaning, objective approach and purpose.

SCOPE

The working class population who are actively involved in the field of study, in particular the chartered accountants aspirants, qualified chartered accounts, graduates, post graduates. were selected for sending the questionnaire. Mumbai being considered as financial capital of the country is witnessing increased numbers of professionals in all streams but in particular in courses such as Chartered Accountants, Company Secretary, Cost Accountant, Masters in Finance and Accountancy, to name a few.

The professionals as mentioned above having their career in the file of study were part of the study and provide their views on various points put before them to enable the people who are relatively new and naïve for this topic to obtain a proper understanding of the matter of study. Also, the study covered the period from 12th

September 2018 to 23rd December 2018 for primary and secondary data collection. During this period the questionnaire were distributed amongst all the professionals mentioned above.

LIMITATIONS OF THE STUDY

Since, the respondents were professionals involved in assignments related to the subject and the questionnaire were sent to them in the month of September as well as December, which happens to be the due date for and half yearly reporting, filing annual reports, month closures tax deadlines etc. many respondents did not give their responses.

SIGNIFICANCE OF THE STUDY

Collection of the data was an experience in itself. The dedicated professions were ready to give responses and share their experiences. Some of them appreciated the efforts taken by the learner. The respondents were of the opinion that the study would be enable the new entrants in the profession to obtain an understanding of approach for investigation, audit and due diligence , the steps, techniques in investigation and audit and the types of due diligence and thus help them taking an informed decision for their career path.

SAMPLE SIZE AND DATA COLLECTION

The learner decided to carry out the study on samples basis considering the vast population size of professionals. The learner decided to select 50 samples randomly and sent them the questionnaire via google forms. 37 amongst the sample size selected responded to the questionnaire.

DATA COLLECTION

Primary data - The primary data was collected through questionnaire sent via google forms.

Secondary data - This data was collected from internet on various websites, articles, books, journals, etc.

LITERATURE REVIEW

Developing an Overall audit strategy sets the scope, timing and direction of the audit, and guides the development of the more detailed audit plan. The auditor shall establish an overall audit strategy that sets the scope, timing and direction of the audit, and that guides the development of the audit plan. The process of establishing the overall audit strategy assists the auditor to determine, subject to the completion of the auditor's risk assessment procedures, such matters as:

- The resources to deploy for specific audit areas, such as the use of appropriately experienced team members for high risk areas or the involvement of experts on complex matters;
- The amount of resources to allocate to specific audit areas, such as the number of team members assigned to observe the inventory count at material locations, the extent of review of other auditors' work in the case of group audits, or the audit budget in hours to allocate to high risk areas;
- When these resources are to be deployed, such as whether at an interim audit stage or at key cut-off dates; and
- How such resources are managed, directed and supervised, such as when team briefing and debriefing meetings are expected to be held, how engagement partner and manager reviews are expected to take place (for example, on-site or off-site), and whether to complete engagement quality control reviews.

STEPS IN INVESTIGATION

As investigation involves a variety of situations, it is not possible to lay down any standardized procedure. However, usually, an investigation requires the following steps in order of sequence:

1. Determination of objectives and establishment of scope of investigation: At the stage of acceptance of the assignment, the investigator should be clear about what is sought to be achieved by the investigation. If instructions from the client leave matters vague and non-specific, it would be proper for the investigator to have the matters discussed and obtain clearly written instructions covering the object and the scope of investigations and the issues incidental thereto.
2. Formulation of the investigation programme: It is not possible to draw up one programme to serve different types of investigations which a professional accountant is called upon to carry out, for their scope and content must be determined on a consideration of circumstances peculiar to each business or situation. The investigation programme should be drawn up having regard to the nature of the business, the structure of business, the instructions from the client embodying the objectives, the consequent scope and depth and the necessity to extend the investigation into books and records belonging to others.

3. **Collection of Evidence:** Through examination, the investigator would be gathering relevant evidence connected with the matters to be investigated. In the course of examination of the documents and records, the investigator may require obtaining oral explanations from various personnel of the concerned business. In case his client is a person external to the business, it may be necessary for the investigator to get the matter formally agreed to by the business through the client.
4. **Analysis and Interpretation of Findings:** Careful analysis and correlation of facts and figures will be necessary before the investigator can reach his conclusion. The conclusion should be well reasoned and backed by established facts and data. He must analyze the data objectively based on evidence gathered by him and should not draw conclusions according to pre-conceived notions. While interpreting the figures, the investigator must keep in mind various factors e.g. the political and economic considerations, competition faced by the business, historical pattern of the data, nature of the business, etc.
5. **Reporting of findings:** Like all other work of an accountant, an investigation results in a report. It is submitted and addressed to the party at whose instance the investigation has been carried out. The nature of the report is governed mainly by two factors. First, the instructions given by the client as regards the special aspects of the business which are required to be investigated; and second, the findings of the investigating accountant.

The important issues to be kept in mind by the investigator while preparing his report are as follows:

- The report should not contain anything which is not relevant either to highlight the nature of the investigation or the outcome thereof.
- Every word or expression used should be properly considered so that the possibility of arriving at a different meaning or interpretation other than the one intended by the investigator can be minimized.
- Relevant facts and conclusions should be properly linked.

GENERAL APPROACH FOR INVESTIGATION

The general approach for investigation under Sections 210, 212 and 213 of the Companies Act, 2013 is conditioned by the legal requirements in these regards. From the foregoing requirements of law, it is apparent that investigations under these requirements may encompass a wide field. The affairs of the company may include everything such as goodwill, profit and loss, contracts, investments, assets, shareholding in subsidiaries, decision making, etc. Also, the specific circumstances mentioned in these sections like fraud, mismanagement, oppression of any shareholder etc. come within the term "affairs of the company."

Understanding the differences between an audit and financial due diligence:

In the context of mergers and acquisitions, potential investors often feel a level of comfort when their investment target is audited. However, relying solely on a target's audited financial statements when making an investment decision may be shortsighted. An audit's purpose is to provide assurance that management has presented a true and fair view of a company's financial performance and position, but audited financials often do not identify significant issues likely to be of interest to a buyer or seller. The due diligence process typically covers a wide range of areas, including legal, information technology, operational, marketing and financial matters. Financial due diligence (often referred to as "accounting" due diligence) focuses on providing potential investors with an understanding of a company's

- sustainable economic earnings,
- Historical sales and operating expense trends,
- Historical working capital needs,
- Key assumptions used in management's forecast, and
- Key personnel and accounting information systems.

DATA ANALYSIS, INTERPRETATION AND PRESENTATION

A total of 19 questions were asked to the respondents covering their names, profession, various topics and aspects of the objective and the hypothesis of the project. All of these questions was filled up into google form and was sent to the respondents via various means which includes email, social media, etc. After this the responses received were directly converted into spreadsheet of google where the learner analyzed and interpreted the data and made pie diagrams, tables, column charts from the responses received. Before starting the actual questionnaire, the respondents were asked their names, qualifications and whether they work in the related field of study.

Q1. Is the ultimate objective of Audit and investigation or forensic audit same?

The response to this question was taken in yes or no format.

- 0 respondents gave their positive responses as yes.
- 17 respondents gave negative responses i.e. no.

Q2. Is the work of Investigation limited by rigid time frame like audit?

- 0 respondent gave their positive response as yes.
- 17 respondents gave negative responses i.e. no.

Therefore, it is to be interpreted that unlike audit, investigation has no rigid time frame. In audit, there are deadlines by which the audit must be completed. However, investigation is normally not subjected to limitation in time.

SUGGESTIONS

Audit forms part of most of the curriculum at the graduation and postgraduation level. Student who come out as graduates are very much familiar with audit in terms of theory as well as its practical approach. However there is relatively less understanding and familiarity with the terms such as forensic audit, statutory and nonstatutory investigation, due diligence. These terms are gaining demand due to various changes and events happening in corporate world which require the conduct of such assignments. Based on the study it was concluded that these are relatively different concepts in theory and practical approach. Hence, if these topics are included as a part of the curriculum at graduation and post-graduation level, then it will assist the students to familiarize themselves with these terms which will broaden the scope of finding a placement and give them an added advantage when they enter the corporate world.

CONCLUSIONS

Audit, Investigation and due diligence are three different disciplines with each topic having a different methodology, approach in execution. Each of the vertical has a different purpose for which it is undertaken and different situation or scenarios under which it is undertaken which is closely driven by the objective of its execution. Each of the topics are performed as a part of either statutory or no statutory requirement with different ultimate objective and the procedures and steps also would vary accordingly. Based on the study undertaken, analyses of the responses by the participants to the research study it can be concluded that Audit, investigation and due diligence are relatively different topics with wide difference between them in various aspects and thus they are different in theory as well as practical applicability

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A STUDY OF MAINTENANCE OF SINKING FUND BY HOUSING CO-OPERATIVE SOCIETIES IN NAVI MUMBAI

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ABSTRACT

This paper aims the study of maintenance of Sinking Fund by the housing co-operative societies in Navi Mumbai. Sinking Fund is the most neglected area in housing co-operative societies. Many housing societies are manage by unprofessional people and unaware of the importance of the sinking fund. In this paper researcher has made an attempt to find the reasons of not maintaining the Sinking Fund in co-operative societies. Though the societies are maintain the sinking fund but they are not properly invested to generate the income which leads to problems of shortage of money for repair and maintenance in future.

This paper reveals the fact that whether the co-operative housing societies are maintaining the sinking fund and whether it is investing in the proper investment.

Keywords: Co-operative Housing societies, Sinking Fund.

1. INTRODUCTION

A sinking fund account that is used to deposit and save money to repay a debt or replace a wasting asset in the future. In different words, it's like a savings account that you deposit money in regularly and can only be used for a set purpose.

Sinking Fund is not a new word in Co-operative Housing Society So let's understand how the word "Sinking Fund" is defined; "A sinking fund is a fund established by an economic entity by setting aside revenue over a period of time to fund a future capital expense or repayment of a long-term debt." Sinking fund, also known as corpus fund is the contribution by all flat owners for specific purpose like a fund for reconstruction of building in the future, carrying out such heavy repairs, structural additions or alterations to the building. The final amount is subjected to the decision of the society general body meeting, but as per MOFA guidelines the sinking fund is subject to a minimum of 0.25% of the construction cost of the flat per annum.

A Sinking Fund consists of contribution from all Members, at the rate fixed at the General Body Meeting from time to time, subject to the minimum of 0.25 percent per annum of the construction cost of each flat.

In the context of Cooperative Housing Society, "Sinking Fund" provisions have been made under Bye-Law No. 13 (C) for reconstruction of the building when the existing building is not safe for human habitation since it is difficult for the Cooperative Housing Society (service & non-profit organization having no other source of income) to generate such a huge fund in short period of time.

This provision helps cooperative housing society to collect contribution towards this sinking fund from the society members on month on month basis and keep on accumulating year after year by long term investment in accordance with Bye Law No. 15 and directions given under section 70 of the Maharashtra Co-operative Housing Societies Act, 1960.

An outgoing member cannot ask for the reimbursement of his accumulated contribution towards the Sinking fund under any circumstance / pretext however the new buyer / member may request to know the accumulated contribution accrued against the account of the intended flat to be purchased. As and when the flat is sold or the membership is transferred this amount invariably gets automatically transferred to the buyer's account.

2. REVIEW OF LITERATURE

The Maharashtra State Co-operative Societies Act (1960):-The co-operative societies act explains about the working style of cooperative credit societies. The duties and responsibilities of the members are stated in this act. This act was made applicable from 26th January 1960. Objective of this are to give a legal status to the co-operative and facilitate their working. The second objective is that the co-operatives in Maharashtra should work as genuine co-operatives according to the accepted principles like voluntary & open membership, democratic member control, member economic participation, autonomy and on the basis of statement of identity.

Prof. Lambert: According to him "A co-operative society is an enterprise formed and directed by an association of users, applied within it the rules of democracy and directly intended to serve both its own members and the community as a whole."

P. H. Casselman: According to him Co-operation is an economic system with social content.

3. OBJECTIVES OF THE STUDY

- 3.1.** To study the importance of Sinking Fund in each Housing Societies.
- 3.2.** To study how the societies calculate the sinking fund in their respective financial statement.
- 3.3.** To identify Sinking Fund investment tools used by members of societies.
- 3.4.** To study whether maintaining the sinking fund by the societies is useful to them or not.
- 3.5.** To study the provisions of sinking fund in by laws of Maharashtra cooperative societies act.

4. LIMITATION OF THE STUDY

- 4.1.** The study has limited to Navi Mumbai area only other areas society are taken only for support to the study.
- 4.2.** The sample consists of only 21 Societies of the area of New Panvel, Kharghar, Vashi, Navi Mumbai because of limitation of time and resources for the study and travel to various places of Mumbai and Navi Mumbai and also due to lack of co-operation from the members of the Societies. However, considering the size of the population, this sample is found to be adequate enough to be a representation of the population.

5. RESEARCH METHODOLOGY**5.1. Sample Size**

- 5.2.** The researcher in the study has used a sample size of societies from different areas, sectors of Navi Mumbai have been selected on random basis for collecting primary data.

6. SAMPLING METHOD:

In the present study for the purpose of the survey total 21 societies from different areas, sectors of Navi Mumbai have been selected on random basis. Further, with the help of cluster sampling the researcher has divided into various groups on the basis of various zones in Navi Mumbai.

7. DATA COLLECTION FOR THE STUDY**7.1. Primary Source of Data:**

Information was collected through the questionnaire, different society's visits and interviews with the Secretary, Chairman and members of the societies.

7.1.1. Questionnaires:

25 questions were prepared for collecting the information from Secretary, Chairman and members of the societies for the research work.

7.1.2. Field Visits:

The field work has been carried out by the researcher himself by visiting various Housing Societies located in Navi Mumbai. The researcher personally selected the members of the society and distributed the questionnaire and got the response from the members. In order that members may give correct responses to various questions, they were supplied with the copy of questionnaire well in advance between one to three days before the interview was fixed.

7.1.3. Use of google Form:

Researcher has made a use of new technology provided by the google in the form of googledocx. Form which help the researcher to reach maximum respondents in less time and it also helps to cover more area.

7.2. Secondary Source of Data:

Secondary data refer to the data that are gathered through existing sources by someone than the researcher conducting the current study such as Society record, publication, Balance Sheet analysis offered by the media, web publications and so on.

8. HYPOTHESIS 1

- 8.1. H_0 :** Cooperative housing societies are not maintaining sinking fund as per the bylaws of Maharashtra Housing Cooperative societies act, 1960
- 8.2. H_1 :** Cooperative housing societies are maintaining sinking fund as per the bylaws of Maharashtra Housing Cooperative societies act, 1960

9. HYPOTHESIS 2:

- 9.1. H_0 :** Cooperative housing societies are not investing sinking fund as per Maharashtra Cooperative Housing Societies act, 1960
- 9.2. H_1 :** Cooperative housing societies are investing sinking fund as per Maharashtra Cooperative Housing Societies act, 1960

10. STATISTICAL TOOLS USED FOR ANALYSIS OF DATA:

Tabulation, percentage analysis and graphical representation were used to find the extent use of sinking fund in the societies.

11. ANALYSIS AND INTERPRETATION OF DATA:

The present study is aimed at studying whether the societies use the sinking fund as per the Maharashtra Cooperative Societies Act 1960 and whether they have the knowledge of the using of sinking fund in their societies financial statement and also the knowledge of where to use or invest the amount of sinking fund to meet the future problems if occurred and what is the percentage that societies are charging for sinking fund per flat or house and at what cost they are charging it.

For the purpose of the survey total 22 societies from different areas and sectors of Navi Mumbai was selected. The distribution of sample is as follows:

Table - 1: Maintenance of Accounts

	Frequency	Percent	Valid Percent	Cumulative Percent
Manual	10	45.5	45.5	45.5
Valid Computerised	12	54.5	54.5	100.0
Total	22	100.0	100.0	

Source: Structured questionnaire

From the above table 54% of the co-operative housing societies are maintaining its accounts on computer either using some software or in excel. It shows that the societies are aware of computer based technology and they want error free maintenance of accounts.

Table - 2: Auditor

	Frequency	Percent	Valid Percent	Cumulative Percent
GDCA	6	27.3	27.3	27.3
Valid Chartered Accountant	14	63.6	63.6	90.9
Don't Know	2	9.1	9.1	100.0
Total	22	100.0	100.0	

Source: Structured questionnaire

63.6% of the societies are taking help of Chartered Accountant for the auditing work only 27.3% of the societies are getting their audit work from GDCA which is compulsory by laws.

Table 3: Does society maintain Sinking Fund

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	18	81.8	81.8	81.8
Valid No	4	18.2	18.2	100.0
Total	22	100.0	100.0	

Source: Structured questionnaire

12. TESTING OF HYPOTHESIS:**12.1. Hypothesis 1:**

H₀: cooperative housing societies are not maintaining sinking fund as per the bylaws of Maharashtra Housing Cooperative societies act, 1960

H₁: cooperative housing societies are maintaining sinking fund as per the bylaws of Maharashtra Housing Cooperative societies act, 1960

Analysis From the above analysis it is shown that 81.8% of the societies are maintaining Sinking Fund as per the By-Laws which shows the good sign. Only 18.2% Societies are not maintaining the Sinking Fund which is the violation of By-Laws.

Result: Null hypothesis rejected

Table - 4: Investment of Sinking Fund

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	5	22.7	22.7	22.7
No	4	18.2	18.2	40.9
Don't Know	13	59.1	59.1	100.0
Total	22	100.0	100.0	

Source: Structured questionnaire

12.2. Hypothesis 2:

Ho: Cooperative housing societies are not investing sinking fund as per Maharashtra Cooperative Housing Societies act, 1960

H1: Cooperative housing societies are investing sinking fund as per Maharashtra Cooperative Housing Societies act, 1960

ANALYSIS:

By analysing question number 21 i.e. Does your society invest the amount of sinking fund in any other resource's as per the bylaws of Maharashtra Housing Cooperative societies act, 1960. 59.1% of the respondents responded don't know and 22.7% respondents responded yes and 18.2% respondents responded No.

Result: Null hypothesis accepted

13. CONCLUSIONS:

13.1. Most of the members of the societies are not aware the use and meaning of the sinking fund account charged in their maintenance bill.

13.2. Most the buildings has used heavy amounts for repairs and constructions in the past period.

13.3. The amounts which is used for the construction and repairs are used from their maintenance bill but not from the sinking fund account because they have not maintained it.

13.4. 81.8% people agree with the statement that the maintaining of the sinking fund is for the safety for the societies.

13.5. 61.9 % respondents say that they don't know whether the society invest the amount of the sinking fund in any other source of income and if the amount is investing, 66.7% respondents does not know where the amount is being invested.

14. SUGGESTIONS:

The finding of this investigation has helped to derive some useful conclusions. Just as each bit of knowledge serves as a stepping stone for the next stage. Some useful suggestions act as a stepping stone for future research work.

14.1. State Government has to make compulsory to all the housing co-operative societies to maintain the Sinking Fund account.

14.2. Investment of Sinking Fund in Regular income scheme such as Fixed Deposits is compulsory to the societies.

14.3. Awareness about the advantages of maintenance of Sinking Fund should be created among the members and managing committee through seminar and cluster meetings.

14.4. A separate Audit is required for compliance of only sinking fund provisions in the housing co-operative societies.

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MICRO FINANCE- AN OVERVIEW WITH RESPECT TO WOMEN EMPOWERMENT

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ABSTRACT

This paper tries to give an overview of the current situation of women and the role they are playing in the development of the country of 1.3 billion people. India is amongst the most rapidly developing economies of the world, without the support, rather contribution of almost 48% of the total population the overall development of the country won't be possible. The Government of India has started many initiatives for the empowerment of the women. Initiatives like Jan Dhan Yojana, Start up India, MUDRA yojana, Direct Benefit Transfer which is one of the game changing initiatives have changed the way government subsidies are being provided to the women. Going cashless by DBT (Direct Benefit Transfer) have reduced the scope of corruption and benefitted many small and needy citizens most among them being women. The paper covers wide aspects like Jan Dhan Yojana, Mudra yojana, E-SHAKTI initiative and one of the most important ones being the role of SHG(Self Help Groups) in the empowerment and education of women in the different fields of business and finance. This research is an attempt to cover the various programmes of the GOI, NABARD and SHG's in empowering women entrepreneurs.

1.1 INTRODUCTION

Microfinance, also called microcredit, is a type of banking service that is provided to unemployed or low-income individuals or groups who otherwise would have no other access to financial services. While institutions participating in the area of microfinance most often provide lending (microloans can range from as small as \$100 to as large as \$25,000), many banks offer additional services, such as checking and savings accounts, and micro-insurance products; and some even provide financial and business education. Ultimately, the goal of microfinance is to give impoverished people an opportunity to become self-sufficient.

Self-Help Group refers to self-governed, peer controlled, informal group of people with same socio-economic background and having a desire to collectively perform common purposes. Here poor people voluntarily come together to save whatever amount they can save conveniently out of their earnings, to mutually agree to contribute to a common fund and to lend to the members for meeting their productive and emergent needs.

SHGs have been able to mobilize small savings either on weekly or monthly basis from persons who were not expected to have any savings. They have been able to effectively recycle the resources generated among the members for meeting the emergent credit needs of members of the group. SHG is a group formed by the community women, which has specific number of members like 15 or 20. In such a group the poorest women would come together for emergency, disaster, social reasons, economic support to each other have ease of conversation, social interaction and economic interaction.

India is the only trillion-dollar economy to rank among the top five fastest growing economies in the world. The \$2 trillion economy is expected to clock an average annual growth of 7.73% during 2017-19, backed by strong macroeconomic fundamentals, robust domestic demand, favourable demographics, ample resources and a proactive government. Females form 48.4% of the total population of India. Without the development and

Emergence of Microfinance and SHG's has led to the development of women in India. From the past few years there has being a significant increase in the number of microfinance or microcredit being provided to the needy women majorly through SHG's. There have being many other factors that have encouraged women and provided them with facilities, financial guidance and provisions that have led to the empowerment of many women.

1.2. ROLE OF JAN DHAN YOJANA IN THE FINANCIAL INCLUSION OF WOMEN AND MICROFINANCE

Pradhan Mantri Jan-Dhan Yojana (PMJDY) is National Mission for Financial Inclusion to ensure access to financial services, namely, Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner.

Account can be opened in any bank branch or Business Correspondent (Bank Mitra) outlet. Accounts opened under PMJDY are being opened with Zero balance. In 2015 Brookings Financial and Digital Inclusion Project report ranked India ninth among 21 countries in financial and digital inclusion efforts.

The Pradhan Mantri Jan Dhan Yojana (PMJDY), the biggest financial inclusion initiative in the world, is a case in point. At present, more than 17.5 crore bank accounts have been opened under the initiative and people have deposited more than Rs 22,000 crore in them. Plus, zero-balance accounts under PMJDY have declined from 76 per cent to 45.74 per cent since its inception.

PMJDY is enabling citizens at the grassroots to perform financial transactions and keep their hard-earned money safe. By empowering individuals and families to cultivate economic opportunities, financial inclusion can be a powerful agent for strong and inclusive growth. With women constituting half the population, their equal participation in society is imperative for sustainable development.

1.3 NABARD'S REPORT ON THE STATUS OF MICROFINANCE IN INDIA 2017-18.

NABARD has since the time of its inception aided the poor and those who were not a part of the main stream banking system by providing Microfinance and microcredit to various institutions. According to the NABARD's report Self Help Group- Bank Linkage Programme is the largest microfinance programmes in the world, touching nearly 11 crore households through more than 87 lakh SHG's deposits of over 19500 crores (Indian Rupees) and annual loan offtake of more than 47000 crore and loan outstanding of over 75500 crores.

NABARD started the Livelihood and Entrepreneurship Development Programme (LEDP) for providing end-to-end solutions for sustainable livelihoods in the rural areas. Within two years, NABARD has been able to implement 324 such projects and train more than 15,000 women SHG members. The idea is to demonstrate successful replicable models so that it can be scaled up, which requires an equal measure of support from the banking system and government agencies. Lack of adequate and timely credit to the groups has been a major concern in the entire growth trajectory of the movement. The quality of book-keeping and accounting by the groups on the other hand seems to be a concern for the bankers in expanding credit portfolio.



The table below demonstrates the number of SHG's savings linked by the banks
SHG-Bank Linkage Programme 2017-18

Sr. No.	Particulars	Physical (No. in Lakh)	Financial (Rs. In crore)
1	Total number of SHGs saving linked with banks	87.44	19592.12
(i)	Out of total SHGs - exclusive Women SHGs	73.90	17497.86
(ii)	Out of total SHGs- under NRLM/SGSY	41.84	10434.03
(iii)	Out of total SHGs -under NULM/SJSRY	4.25	1350.80
2	Total number of SHGs credit linked during the year 2017-18	22.61	47185.88
(i)	Out of total SHGs - exclusive Women SHGs	20.75	44558.74
(ii)	Out of total SHGs – under NRLM/SGSY	12.71	25055.18
(iii)	Out of total SHGs – under NULM/SJSRY	1.06	2424.07
3	Total number of SHGs having loans outstanding as on 31 March 2018	50.20	75598.45
(i)	Out of total SHGs - exclusive Women SHGs	45.49	70401.73
(ii)	Out of total SHGs - under NRLM/SGSY	27.93	38225.29
(iii)	Out of total SHGs - under NULM/SJSRY	2.90	5350.63

Source: NABARD Status on Microfinance in India 2018-19:

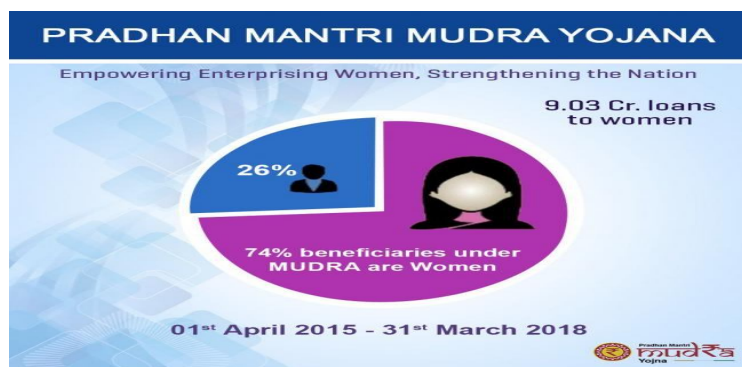
During the past years with the increasing coverage of Pradhanmantri Jan Dhan Yojana and SHG BLP, microfinance provided to women, especially those women who were far away from the financial inclusion movement in the country have being not only provided with proper loans but also with other facilities like financial guidance and other services.

1.4 MUDRA YOJANA

The Mudra Yojana Scheme launched by the Government of India is trying its very best to improve the status of women by providing loans and encouraging them to start new ventures and thereby empowering them by providing a financial security of individual income. A specified sum of money is allotted to be funded to just the women entrepreneurs or the WomenPreneurs, a wise decision implemented by the Indian Government.

Lack of capital income was the main contributing factor that held women back all these days. Without proper education or collateral, loans are also not possible to get. With this issue now cleared, reports show that more and more women are climbing out of their shells into the real world and trying their hand at becoming entrepreneurs.

As the females in India become entrepreneurs, they will find themselves being looked upon with a new found respect. It's with little steps like these that our India will transform from a developing nation to a developed nation.



The MUDRA YOJANA provides loans under the following categories:
SHISHU- up to 50,000
KISHOR- 50,001-5 lakh
TARUN- 5 lakh- 10 lakh.

1.5 E-SHAKTI

E-Shakti or Digitisation of SHGs is an initiative of Micro Credit and Innovations Department of NABARD. Keeping in view the Government of India's mission for creating a digital India, NABARD launched a project for digitisation of all Self Help Group (SHG) in the country. The project is being implemented in 100 districts across the country.

AIMS AND OBJECTIVES:

The project aims at digitisation of all the SHG accounts to bring SHG members under the fold of Financial Inclusion thereby helping them access wider range of financial services together with increasing the bankers' comfort in credit appraisal and linkage by way of:

- Integrating SHG members with the national Financial Inclusion agenda;
- Improving the quality of interface between SHG members and Banks for efficient and hassle free delivery of banking services by using the available technology;
- Facilitate convergence of delivery system with SHGs using Aadhaar linked identity.

The need of digitisation of records of SHGs has been felt for quite some time due to patchy and delay in maintenance of books of accounts. Transparent and proper maintenance of records of SHGs will facilitate in nurturing and strengthening of SHGs.

It is also felt that digital empowerment will help in bringing SHGs on a common web based e-platform by making book keeping easy for low literacy clients. This will help in promoting national agenda of Financial Inclusion and pave the way of credibility of SHG data which can later be used by Credit Bureaus to reduce the issues related to multiple financing by banks.

Attributes of the project:

- e-book keeping for the SHGs
- Regular updates of transactional data
- Reports generated in the formats as required by stakeholders like bankers

- Inbuilt automatic grading of SHGs based on NABARD/IBA(for NRLM) norms
- Auto generation of Loan application for the bankers on input of resolution to borrow by SHG.



The project will also help in

- A comprehensive information base and robust MIS can be developed about poor community covered, which may facilitate suitable interventions and convergence of other programme for social and financial empowerment;
- It will help in identifying suitable interventions and support for proper nurturing and strengthening of SHGs.
- Ease of transfer of social benefits and Direct Benefit Transfer (DBT) through Aadhaar linked accounts and convergence with other Government benefits;
- The USP of EShakti software is 'one-click' availability of social and financial information of all the members of the Self Help Groups.

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E- BANKING, THE INSTRUMENT OF E-COMMERCE: OPPORTUNITIES & CHALLENGES

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INTRODUCTION

The tremendous progress in the field of IT made the world as a global hub by pouring the information and technical know-how. One of the great achievement made by technology in the field of business is Electronic Commerce which has made tremendous growth. It helps organization in sharing their business information, managing business affairs and conducting business transactions by way of information network. "Electronic Commerce" is one of the fastest growing sector and all other sectors like trade & industrial institutions are reliant on this for their smooth functioning and storing information. It is an invention in the field of technology which is not only for sharing information about trade & industry but also a basis of thinking and the way how we can indulge it in our routine. Today the concept of E-Commerce acting as global source and helping to identify the changing need of modern business organizations, vendors and customers. It does not only reduce the cost and improved the quality of goods and services of organisations but made the economy strong, efficient & self reliant by channelizing the information with pace and continuously developing since last three decades in some and other form. But the new force that pouring Electronic Commerce is Internet, which is revolutionizing the companies around the globe to conduct dynamic business activities. Internet based electronic commerce is playing an important role in framing strategies, critical mission & benchmarking targets of the companies and therefore companies are considering it as an integral part of their business.

Today in India we are finding almost every company is incorporating "E-Commerce," or conducting business over E-commerce computer networks. They are using it as a means of developing markets, providing online customer's service, reducing costs, accessing customer's information, enhancing productivity & even for critical analysis. Earlier businesses were using traditional modes and computers for storing and managing their result and customers data. But now due to introduction of e-commerce firms can easily share their data with their suppliers, distributors, (EDI) & even on clouds.

Like others companies, banks are also constantly taking steps to increase their efficiency by using networking technology in their regular business operations & for the above purpose these financial institutions are adopting advance techniques through electronic commerce which are helping them to grab the opportunities and make more competitive as compare to traditional institutions. Whereas initially it was believe that the role e-commerce and Internet is to only deliver those traditional banking products in more efficient ways. In the above study I have also tried to explore which modes of e-commerce banks using to develop new products and delivering to the customers in best possible manner and how is the banking industry responding to the rapid development of e-commerce.

OBJECTIVES OF THE STUDY

- To understand the role of E-commerce in Banking Sector.
- To find out new horizons introduced in banking sector through e-commerce.
- To analyse the problems faced by the banks while inculcating new modes of e-commerce & make recommendations to tackle these problems.

HYPOTHESIS OF THE STUDY

- E-commerce is backbone of modern banking sector.
- Development of E-commerce initiated several opportunities in banking.

METHODOLOGY

The data used in this paper is collected through interviews with bank employees, students & teachers, who are frequently performing on use of E-Banking & also from secondary source that is various journals, magazines, article, web links, Banking sites and books as a source of information. The study is an experimental analysis of the role of e-commerce in banks in the study area. The scope of study is restricted to banks of thane region only.

SIGNIFICANCE OF THE STUDY

It is identified that the banking system growing tremendously and playing a very eminent role in building Indian economy. The descriptive paper aims to study the growing role of e-commerce in banking sector. The banking sector is the most prominent sector and responsible for building of our financial system and strengthening the nation. This study is conducted to find out about the opportunities created by e-commerce model to building and

making stronger to banking system in Indian economy. In the study it is also tried to know about the current trends growing on in this sector.

HISTORICAL BACKGROUND

The first bank which did introduce Internet Banking facility to its customers was ICICI in the year 1996 and thereafter due to increasing use of Internet and reduction in the cost of internet several banks started providing these facilities to their customers. Some of the lead banks among them are HDFC, Citibank, IndusInd and Times Banks

Today Indian banks are operating in highly globalized, liberalized and privatized competitive business environment and for surviving in this competitive environment banks started adopting new tools of IT & its innovations. The IT industry shifted the banking business to new era of modern economy and now continuing with various innovative services.

TRENDS IN E-BANKING

Banking sector achieved tremendous developments in the field of information technology. Some of the functions which are performing by banks through IT are core banking, anywhere banking, Internet banking etc. which not only made easy access to banking facilities but also anywhere banking & transferred the old banking system of bricks and mortar to finger and order. It also channelized other banking functions smoothly and provided opportunities to large number of customers as per their convenience and made the economy functional by channelizing their saving into economic development through capital formation. Apart from this Net banking, Mobile banking, Tele-banking and ATMs allow customers to enquire their account balance, get account statements periodically, transfers funds, request for drafts and cancellation or stoppage of cheques by sitting at home or from any place by performing few steps. Along-with this for dealing in cash withdrawals and deposits use of plastic Card (Debit & Credit) made customers friendly with banking services and helps banks to deduce the problems of long queue at bank site.

The new horizons introduced in the past few decades are:

- Digital saving bank account (Using smart phones)
- Contactless Debit Card
- Investment Banking
- Electronic Data Exchange (EDI)
- Electronic mail
- Electronic Bulletin Boards
- Electronic Fund Transfer (RTGS, NEFT etc.)
- Mobile Banking
- Internet Banking (Balance query, Bill Payments etc.)
- Cheque truncation payments system
- Investment through internet banking (Online dealings in securities)
- Cash Deposit Machines (Cash deposit and withdrawal through machines)
- Passbook printing through banking kiosk
- Automated Teller Machines (ATM)
- Credit, Debit & Smart Cards (Known as Plastic Money)
- Insurance Services (Online Health & Vehicle insurance)

Problems discovered while introducing in E-Commerce in E-Banking

At the initial stage when deposits, withdrawals & credits were made available through e-commerce helped banking to cover almost all its function to deliver through e-banking and also discovered opportunities for widening the banking facilities to their customers for doing transactions as per their convenience but this created extra burden on the bank in the form of technology cost, excess space, secured measures for storing data, internet access for remote areas, labour cost, selling cost, training and development cost etc. Apart from this it also created problems on the side of customers which are:

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- Information gets shared (confidentiality)
 - Problems in making payments (Hacking)
 - Advance technology created complexity in understanding (Authentication, data integrity, training)
 - Absence of strong security measures (Electronic copyrights management systems)
 - Internet Connectivity is very poor (Transaction get declined)
 - Not having access in some remote areas (Rural Areas)
 - Presumption about Cost of transactions is high etc.

Other aspects discovered by regulatory authority are:

1. Technology and securities Issues:

- This issue is of prime importance in internet banking because rests depend upon it. Whereas for dealing with this RBI issued below mentioned guidelines:
1. Banks should have a security policy which should be duly approved.
 2. Banks should introduce systems which have logical access & controls on data, system, application software, utilities, telecommunications lines, system software's etc.
 3. Logical access controls techniques should include user-ids, passwords, smart cards, or other highly secured bio-metric technologies.
 4. All applications of banks should have proper secured measures for their records & for computers accesses including messages received.

2. Legal Issues:

- For dealing with legal issues RBI made banks obligation for not only verifying the identity of user but also to make enquiries about integrity & reputation of the prospective customers.
- Apart from this the customer's protection act, 1986 made obligatory to banks for their banking services.
- To avoid miscommunication about stop payment over internet banking banks should make specific timeframe for their customers due to little scope.

3. Regulatory & Supervisory Issues:

- The Banks are operating under the regulatory & supervisory authority i.e. RBI on regular basis and this is also extended to internet banking for which only such banks are licensed & supervised which have their physical presence in India & will be permitted to offer internet banking products to residents of India.
- Those banks do not have any physical presence or having virtual presence will not allow performing on internet banking.
- Also the products should be restricted to account holders only & not to be offered in other jurisdictions.
- Securities issues like Prevention of computer crimes, Digital Signatures especially related to Electronic Funds Transfer, Copyright and Digital Intellectual Property Rights with regard to Internet and World Wide Web.

RECOMMENDATIONS

- E-banks should create awareness among people about e-banking products and services. More & more customers should be made educate about the use of e-banking and its services which will help for making word of mouth publicity & awareness among the masses.
- Special arrangements should be made by banks to ensure full security of customer's data. Technical defaults should be avoided by employing well trained and expert technicians in the field of computers, so that loss of data can be prevented.
- Employees of banks should be given special technical training for the use of e-banking so that they can further transfer it to their customers about its use.
- Seminars and workshops should be organized on the healthy usage of e-banking services especially at ground level.

- E-banking services should be customized on basis of age, gender, occupation etc. so that needs and requirements of people are met accordingly.
- Government should make an extra effort on investments for building the infrastructure.

CONCLUSION

From the above study it is revealed that E-banking has broken the barriers of branch banking and made anywhere access banking through e-banking. Which not only allow customers to access banking services electronically such as to pay bills, transfer of funds, view accounts, opt any banking information and advice but also made the system efficient & effective for payment and systemisation in work with great pace. And also developed E-banking facilities to build relationships with customers, regulatory authorities, suppliers and banking partners with its digitalization. No doubt Indian banks are making sincere efforts for the adoption of advanced technology and installation of e-delivery channels but still masses are not aware of the concept & younger generation is the beginner to see the convenience and benefits of it.

In a nutshell, we can say that the numbers of banks are planning of offer new products designed specifically for e-commerce. If these initiatives are widely adopt within the industry, the composition of banks' business activities will change. And such change would probably prompt banks to scale the size or alter the scope of their branch networks and to devote more resources to the development and maintenance of computer networks and software. However it is depend in large part on how well they manage the strategic and operational risks associated with doing business in the electronic marketplace. They are offering internet based services and products to their customers, which are reliable and secure.

ACKNOWLEDGEMENT

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A STUDY ON THE FUNCTIONING OF THE COOPERATIVE BANK AND ITS LEGAL ISSUES

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ABSTRACT

The concept of cooperation is as old as mankind and it forms the basis for domestic and social life. The development in field of cooperative sector can be traced after the Industrial Revolution in England. The nation first cooperative society Act, 1904 was enacted by the British which pave the way for the establishment of cooperative credit societies in rural and urban areas. The cooperative movement in India had made remarkable achievement in field of credit and banking sector. All though it as found that the cooperative banks had played a major role in development of nation still it cannot be deny that there is certain problem faced while functioning of the cooperative bank. The finance part of cooperative banks itself remains very poor. They are too small to operate and some of them are existing only on the paper. The non performing assets of the cooperative banks are high in number. The cooperative banking has complex dual reporting structure leads to inefficient functioning. The researcher in his research paper has highlighted the function along with its legal issues and in the conclusion part suggested some ways to overcome legal issues which would enhance their functioning in efficient manner.

Keywords: Cooperative banks, NPA, dual control, KYC

RESEARCH METHODOLOGY

The research is purely a doctrinal research the research is based on collection of data from secondary source such as journal, book, newspaper, reports, and acts. The researcher also collected data from primary source like banking act, BRI Act, RBI Act. The researcher studies the impact of cooperative banking function through impact analysis model.

AIMS AND OBJECTIVE OF THE STUDY

1. To study the functioning of cooperative banks and its legal issue.
2. To study the various legal issues face by the cooperative bank.
3. To study the challenges face by the cooperative bank.
4. To study the effect of noncompliance of the provision of the BRI, RBI Act.

INTRODUCTION

The cooperation means living, thinking and working together to achieve a common goal through co-operative principles it further envisages a group of persons have a common economic needs, voluntarily agree to pool their resources for mutual benefit, through an enterprise/organization. The first act on cooperative was enacted in the year 1904, paving the way for the establishment of cooperative credit societies in rural and urban areas. Due to introduction of this act the credit facilities were provided to the needy person thus result in institutionalisation of cooperative banking in India. This Act was amended in 1912 to facilitate the establishment of central cooperative banks at the district level, thereby giving it a three tier federal character. The Banking regulation Act, defines a cooperative bank as a financial entity whose members are of similar profession or who are employed by a common employer or who had been employed within the same district or have common membership in an association or organization, including a business, religious, social, cooperative, labour or educational group. The Cooperative bank, in a nutshell, provides financial assistance to the people with small means to protect them from the debt trap of the moneylenders. The cooperative bank is engaged in the tasks of production, processing, marketing, distribution, servicing and banking in India. The Cooperative banks differ from other banks in many ways in form of their organization, their goals, their Values and their governance.

The funds of the cooperative banks consist of owned funds and borrowed funds. The byelaws of the cooperative banks stipulate that 25 per cent of profit earned is transferable to a separate account called statutory reserve fund. The cooperative banking structure in India is classified as per following 5 categories:

Primary Cooperative Credit Society

The primary cooperative credit society is an association of borrowers and non-borrowers residing in a particular locality. The funds of the society are derived from the share capital and deposits of members and loans from local areas.

State Cooperative Banks

The state cooperative bank acts as a watchdog of the cooperative banking structure in the state. The main objective of the Cooperative State bank is to finance primary agriculture and rural development banks.

Urban Cooperative Banks

The term Urban Cooperative Banks (UCBs), though not formally defined, refers to primary cooperative banks located in urban and semi urban areas.

Various legal issues and challenges of cooperative banks

The Banking business has done wonders in Indian economy. The simple mechanism of cooperative banks is to accept the money deposits and then lend the same money to the borrower. Even though development in cooperative bank cannot be denied still the cooperative bank is facing several legal issues they are as follows these legal issues have restricted the ability of the cooperative to function smoothly.

1. Duality of control system of co-operative banks

The cooperative banks with paid up share capital and reserves of Rs.1 lakh were brought under the purview of the Banking Regulation Act 1949 and within the ambit of cooperative society's act. This marked the beginning of an era of duality of control over these banks.

2. Nondisclosure of director interested

As per section 10B(2) of Banking Regulation Act 1949, Every Chairman of the board of Directors who is appointed on a whole time basis and every other Managing Director who is in the whole time employment of cooperative has to disclose his personal interest. But it is usually seen that chairman being appointed on a whole time basis is also engaged himself in other business as well as his personal interest are in conflict with the interest of cooperative banks which result in non-application of the provision of the Section 10 B (B) BRI act.

3. Denial of recourse to judicial authority

As per section 10(2)(6) (a) every appointment, removal or reconstitution duly made, and every election duly held, under this section shall be final and shall not be called into question in any court of. This provision of BRI act required due consideration as such some time there are possibility of wrong appointment being made for political motive or in other case. In such a case there should recourse to the judicial authority denial of such provision would be denial of justice.

4. Noncompliance of cash requirement

The cooperative bank shall maintain on a daily basis by way of cash reserve with itself or by way of balance in a current account with the Reserve Bank, or byway of net balance in current accounts or a sum equivalent to 5% of the total of its demand and time liabilities. The cooperative bank unable to meet the current requirement of 5% as such they have to rely upon central bank for their cash requirement.

5. Noncompliance of audit report

As per section 30 of Banking Regulation Act every cooperative bank shall have its account audited by a qualified chartered accountant in each financial year, subject to such directions as the Reserve Bank may issue from time to time. This provision of a Banking Regulation Act is not followed and often accounts of cooperative banks are manipulated to show that they are in losses position in order to avail certain benefits of the government.

6. Noncompliance of the provision lay down under banker books evidence act

The Cooperative bank has to maintain certain books like ledgers, day book, cash book and all other records used in the ordinary day to day business of a bank. The records can be maintained in form of manual records, printouts, micro-film, magnetic tape or any other form of mechanical or electronic data. Such records are not maintained as per the provision of banker books evidence act which shows the inefficiency in the functioning of the cooperative bank.

7. Growth in non-performance asset

The cooperative bank do not follow lender liability act in proper manner, the cooperative bank do not give much importance to credit appraisal and lend to a borrower who have less credit score and thus results in less credit recovery which further leads to increase in bad debt.

SUGGESTION AND RECOMMENDATION

1. There is a need of wide spread institutional reforms at the executive level to initiate action against the erring officials, employees and wilful defaulters to guarantee staff discipline and to promote recovery of bad debt.

2. The functioning of cooperative banks is based on democratic principle hence while appointing the official due diligence should be followed by cooperative banks in terms of disclosure of the individual interest.
3. The dual control aspects of cooperative banks under banking laws and under cooperative societies act leads to complex regulating structure. Hence it suggested that only banking laws should prevail so far as regulating structure is concerned.
4. The success of cooperative banking depend upon its actively participating in competition along with other banks for this purpose cooperative banks have to upgrade its banking functions eg use of information technology, digital payment, NFT, RTGS, data security, introductions of online banking, phone banking etc.
5. The problem of nonperforming assets is a common phenomenon of cooperative bank. The cooperative bank shall ensure disbursement of loan to be made after strict scrutinizing credit worthiness of borrower. The bank should insure strict application of securitization act for recovery of bad debt to convert the stress assets in performing assets

CONCLUSION

Cooperative bank forms an integral part of banking system in India. The Cooperative bank operates mainly for the benefit of rural and urban area. The distinctive character of the cooperative bank is its service at a lower cost and service without exploitation. Cooperative bank being local in nature, they are interwoven within community and have a clear advantage over commercial bank for financial inclusion. As the government intervention in cooperatives bank has increased, often compels them to compromise on the usual norms for credit worthiness, which ultimately affect the quality of the portfolio of the cooperatives bank. The operation of cooperative banks require more technical support such as more internet connection which unable customer to use other banking facilities like find net banking, RTGS etc. as used in regular banking service. In order to function properly necessary credit counselling and technical guidance must be provided along with the supply of adequate affordable and timely credit. The strict enforcement of banking regulation act through a separate regulatory mechanism would increase the efficiency of banking sector. The democratic set up of cooperative bank based on self-help, democracy, equality and self-responsibility and solidarity as well ethical, honesty, openness and social responsibility and caring for other, would fulfil the economic and social development need of their member and the society at large.

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SHAREHOLDER'S WEALTH CREATION- A CASE STUDY OF APOLLO TYRES LTD.

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ABSTRACT

Maximizing shareholder's wealth has become the new corporate paradigm. Managers and researchers have traditionally recognized shareholders wealth maximization as the ultimate corporate goal. The owner of the company i.e. the shareholders are more interested in maximizing their wealth. Maximizing the shareholder wealth means maximizing the net worth of the company for its shareholders. This is reflected in the market price of the share held by them. Therefore wealth maximization means creation of maximum value for company's shareholder which means maximizing the market price of the shares.

1. INTRODUCTION

The management of every business organisation is interested in Shareholders value maximization, which is the core part of financial growth, which in turn results as higher economic output and efficiency through productivity gains, employment growth and higher wages. In today's era the prime role of managers is maximisation of shareholders wealth with proper corporate governance, therefore wealth creation is dependent on management's performance. In order to measure the performance of company's management the stakeholders such as finance manager, investors, analysts and other user use several tools.

At the end of 20th century and beginning of 21st century management accountant has discovered lot of new tools for measuring shareholders wealth created by managements efforts and work performance. from the traditional profit based measures like, Earning Per Share (EPS), Return On Capital Employment(ROCE), Return On Net Worth (RONW), to the new trendier value based performance measures, like Market Value Added (MVA), Shareholders Value Added(SVA), and Economic Value Added(EVA).

Therefore it is needed to evaluate companies financial performance and compare the shareholders wealth created by management with traditional and recent measurement tools for the purpose of the best corporate governance and improving credit worthiness. Therefore it becomes vital to measure the shareholders wealth on the basis of traditional and modern methods and compare them to know relative importance of measurement.

For the case study purpose researcher has selected Apollo tyre ltd. One of the leading and fastest growing tyre company in India and across the globe.

2. OBJECTIVE OF THE STUDY

To study Apollo tyres Ltd. shareholders wealth maximisation through applied parameters.

3. HYPOTHESIS OF THE STUDY

Researcher has formulated following hypotheses relevant to the objectives of study

There is no significant relationship between two traditional parameters of shareholders' wealth creation, viz share price in stock exchange market and the modern parameter 'Economic Value Added'.

4. RESEARCH METHODOLOGY

4.1 Reference period of the study: - The reference period of the study is of five financial years from 2012-13 to 2016-17.

4.2 Universe of the study:- Universe of the study consist of all the 37 tyre companies listed in prominent stock exchanges in India.

4.3 Sampling of study:- There are 19 stock exchanges in India. The Bombay stock exchange and the National stock exchange dominate the Indian capital market. the Bombay stock exchange is purposively selected since it is the oldest and has large number of companies listed on it. There are 37 tyre companies listed on the BSE. Apollo tyres has been selected purposely as it is fastest growing Tyre company in India and across the globe.

5. About the selected company for case study - Apollo Tyres ltd.

The Apollo Tyres Ltd. is leading Tyre manufacturing company in India and the worlds 16th biggest tyre manufacturer. Since its inception in 1972, over the years the company has grown manifold, establishing its footprints across the globe.

With its corporate headquarters in Gurgaon, India, company has manufacturing presence in Asia with nine modern Tyre facilities and export over 118 countries, powered by its key brands Apollo, Dunlop and

Vredestein. The company offers a comprehensive product portfolio speed across passenger car, truck, buses, bicycle tyres, re-trading tyres. At the end of its financial year 31st March 2017, Apollo Tyres had clocked a turnover of Rs. 140.53 billion, backed by a global workforce of approximately 16,000 employees. Apollo Tyres Ltd. is traded in BSE, NSE and Kochi Stock Exchange. The market share of the Apollo Tyres Ltd. in India is 28 percent and 4.8 percent across the globe in tyre industries.

In 1976, Apollo Tyres Ltd. was registered under Companies Act 1956. In 1977, 1st plant established at Perambara, Kerala, India. In 1991, 2nd plant established at Limba, Gujarat, India. In 1994 it started selling tyres for two wheelers. In 1995, 3rd plant established at Kalamassery, Kerala, India. In 2006, company expended operations outside India by acquiring Dunlop's Africa operations. In 2008, company established another new plant at Chennai, Tamilnadu, India. In 2009, Apollo Tyres acquired the Netherlands based winter tyre maker, Vredestein Bandon B.V. from Russia's bankrupt largest tyre manufacture Amtel-Vredestein. In 2010 company started all radial plant in Oragadem, Tamil Nadu. In 2015, Apollo bought Germanys Reifencor for Euro 45.6 million. In 2016 company signed MoU with the government of Andhra Pradesh to set up a new factory in the state. In 2017, they inaugurated plant in Hungary.

company gets 59 percent of its revenue from India, 28 percent from Europe and 13 percent from Africa. company's total turnover was INR 141 billion upto 31 March 2017. Apollo gets 42 percent revenue from Truck-Bus product, 40 percent from passenger vehicles, 10 percent from Off-Highway, 6 percent light truck and 2 percent from other product categories.

6. REVIEW OF LITERATURE

Gupta S (2007) in her studies 'performance management: Creating value for shareholders' examined the financial performance of selected Indian conglomerates in the light of value addition models. She used EVA, MVA, Value scorecard Future growth model to assess companies wealth creation progress. She found that companies who earn good, sustainable profitability and providing good dividend amount having rapid growth rate in their wealth creation activity. She also found that companies who are in their initial period of projects with less profitability but having good future prospects are creating good wealth for their shareholders.

Shah K (2008) in her empirical research worked titled 'A study of corporate capital budgeting practices of selected companies in India.' She attempted to study the types of capital expenditure and the methods of appraisal used by the companies under study. She examined the factors influencing estimation of future cash inflows with various statistical tools such as chi square, correlation and regression analysis. Out of 28 selected Indian companies she found that only one company does not use capital budgeting tools. She classified the collected data according to size of annual capital budget and time frame of capital expenditure. She found that majority of companies are using NPV technique for evaluation of investment project with WACC as discounting rate for estimation of PVFCI and preferring market values of Debt and Equity for assigning weights. She also observed that sensitivity analysis is mostly used for assessing risk for estimation of future cash inflows. The other sophisticated techniques such as decision tree, certainty equivalent, probability analysis got very low ratings means these techniques are rarely used by the firms under study.

Borde, Nilesh Anil (2012) in his empirical study based on Shareholder value creation in Indian companies took 50 Nifty listed companies from cement, automobile, power, steel, pharmaceutical sectors and Zee entertainment to study if the Shareholder Value Creation as measured by EVA and PFM is a good indicator for measuring corporate performance. He used statistical test such as 't' test, ANNOVA for the analyses of financial data and found that 16 companies of the selected 51 companies destroyed shareholder value as measured by PFM (Highest value destroyer was DLF and the highest value creating company was Punjab National Bank) and 21 companies from the total sample were value destroyers as measured by EVA (ICICI Bank was the highest destroyer and Reliance Industries Ltd. Was the highest creator of shareholder value)

7. CONCEPTUAL FRAMEWORK

7.1 Shareholders Wealth Creation Through Economic Value Added (EVA):

Maximizing shareholders' wealth has become the new corporate paradigm. Maximizing the shareholders' wealth means maximizing the net worth of the company for its shareholders'. This is reflected in the market price of the share held by them. Therefore wealth maximization means creation of maximum value for company's which means maximizing the market price of the share.

7.2 Measure and Indicators

Companies are using various measures and indicators for measuring the financial performance. These indicators help in identifying the performance and its strengths and weaknesses and suggesting improvement in its future course of action. It is thus very important for business concern to analyze its financial performance at the end of

each financial year, to extent and change in it. In order to analyze the performance of the selected sector and companies, the following measures and indicators has to be considered as the basis:

7.3 Parameters for measurement:

In the past decade sea changes has been made in the performance and measurement criteria of corporate entities, from the traditional Profit based measure like, Earning Per Share (EPS), Return On Capital Employed (ROCE), Return On Net Worth (RONW), Net Operational Profit After Tax (NOPAT) and Earning Before Interest and Tax (EBIT), to the new 'trendier' value based performance measures, like Market Value Added (MVA), Shareholder Value Added (SVA), Cash Value Added (CVA), and Economic Value Added (EVA). It would be very useful to measure and compare the shareholders wealth created by company on the basis of traditional and, modern measurement criteria for the purpose of the corporate governance and improving credit worthiness. It is important to measure the shareholders wealth on the basis of traditional and modern methods and compare them to know relative importance of measurements.

8. ANALYSIS OF THE DATA

8.1 Return On Net Worth (RONW) = Profit After Tax / Net Worth $\times 100$

**Table - 8.1: Return on Net worth
2012-13 to 2016-17**

Year	Profit After Tax (Rs.in Cr.)	Net Worth (Rs. in Cr.)	RONW Ratio (Percentage)
2012-13	612.61	3,400.86	18.01
2013-14	1,005.06	4,574.62	21.97
2014-15	977.61	5,042.30	19.39
2015-16	1,093.02	6,182.21	17.68
2016-17	1,099.00	7,289.95	15.08
\bar{X}	-	-	18.43

Source: Compiled and computed from Annual Reports of the company.

\bar{X} : Stands for Arithmetic Mean.

From the table 8.1 it is observed that companies Return on net worth ratio is showing fluctuating trend. RONW ratio increased from 18.01 percent in FY 2012-13 to 21.97 percent in FY 2013-14. the RONW ratio increased in FY 2013-14 as compare to previous year because of high increment in profitability. the ratio then reduce to 19.39 percent in FY 2014-15, 17.68 percent in FY 2015-16 and 15.08 percent in FY 2016-17. the companies mean RONW ratio is 18.43 percent which indicates that company has earned good profit over the period under study and has contributed sound ammount to increse the wealth of the shareholders.

8.2 Return on Capital Employed (ROCE) = Profit Before Interest and Tax / Capital Employed $\times 100$

**Table - 8.2 : Return on capital employed
2012-13 to 2016-17**

Year	Profit before Interest and Tax (Rs.in Cr.)	Capital Employed (Rs. in Cr.)	ROCE Ratio (Percentage)
2012-13	858.64	5,684.45	15.11
2013-14	1,231.93	5,967.74	20.64
2014-15	1,330.83	6,030.38	22.07
2015-16	1,570.60	7,589.80	20.69
2016-17	1,435.85	10,818.56	13.27
\bar{X}	-	-	18.34

Source: Compiled and computed from Annual Reports of the company.

\bar{X} : Stands for Arithmetic Mean.

From the table 8.2 it is observed that companies Return on capital employed ratio is showing fluctuating trend. ROCE ratio increased from 15.01 percent in FY 2012-13 to 20.64 percent in FY 2013-14. the ratio then increased to 22.07 percent in FY 2014-15, but dcresed to 20.69 percent in FY 2015-16 and 13.27 percent in FY 2016-17. the companies mean ROCE ratio is 18.43 percent which is similar to RONW, It is concluded from the above analysis that companis pre tax proitability have been increased as compare to previous year figure except in FY 2016-17

**Table - 8.3 :Economic value Added (EVA)
2012-13 to 2016-17**

Year	NOPAT (Rs. in Crore)	Capital Employed (Equity+Debt) (Rs. in Crore)	WACC (in %)	EVA (Rs. in Crore)
2012-13	925.38	5,054.01	8.75	483.12
2013-14	1,288.85	5,288.35	8.09	860.84
2014-15	1,160.40	5,376.24	7.55	754.64
2015-16	1,184.58	6,791.78	4.74	862.85
2016-17	1,201.89	9,445.85	3.46	875.32

Source: Compiled and computed from Annual Reports of the company.

The table 8.3 it is showing continuous increment in value addition o shareholders. companies EVA increased from Rs. 483.12 Cr. FY 2012-13 to Rs. 860.84 Cr. in FY 2013-14. The company has contributed to shareholders wealth by Rs. 754.64 cr. in FY 2014-15, Rs 862.85 Cr. in FY 2015-16 and Rs. 875.32 Cr. in FY 2016-17. it is concluded from above analysis that companies EVA has been increasing since FY 2012-13 to FY 2016-17 except in FY 2014-15.

**Table - 8.4: EPS-Basic & Market Capitalisation Of ATL :Bombay stock exchange (In Crore Rs.)
2012-13 to 2016-17**

Year	Earning Per Share (Basic) In Rs.	Market Capitalisation of ATL (BSE) Rs in Crore
31st march 2013	12.15	4,203.57
31st march 2014	19.94	8,029.12
31st march 2015	19.25	8,564.34
31st march 2016	21.47	8,907.90
31st march 2017	21.59	10,620.80

The table 8.4 is showing incremental trend in both EPS and MPS- Capitalisation. Apollo tyres EPS is increased from Rs. 12.15 in FY 2012-13 to Rs. 19.94 in FY 2013-14. it then decreased from Rs. 19.94. in FY 2013-14 to Rs. 19.25 in FY 2014-15. but again it increased to Rs. 21.47 in FY 2015-16 and Rs. 21.59 in FY 2016-17. it is concluded from above analysis that companies EPS has been increasing since FY 2012-13 to FY 2016-17 except in FY 2014-15.

The table 8.4 also showing MPS-Capitalisation of Apollo Tyres Ltd. companies market cap is increased From Rs. 4,203.57 Cr. in FY 2012-13 to Rs. 10,620.80 Cr. in FY 2016-17 which is almost two and half times. Rom the above analysis it is concluded that company has continuously increased its profitability more than industry standard, which resulted in high EPS and Market capitalisation.

**Table - 8.5: Computation of Correlation between EVA & Market Capitalisation (BSE) Of ATL
2012-13 to 2016-17**

Year	EVA (Rs.in Crore) X	$\bar{x} = \bar{X} - X$	\bar{x}^2	Mark-Cap (Rs.in Crore) Y	$\bar{y} = \bar{Y} - Y$	\bar{y}^2	xy
2012-13	483.12	- 284.23	80,786.69	4203.57	-3,861.57	1,49,11,722.86	1097574.04
2013-14	860.84	93.48	8,738.51	8029.12	-36.03	1,298.16	-3368.08
2014-15	754.64	-12.71	161.54	8564.34	499.19	2,49,190.66	-6344.70
2015-16	862.85	95.50	9,120.25	8907.90	842.75	7,10,227.56	80482.63
2016-17	875.32	107.96	11,655.36	10620.80	2,555.65	65,31,346.92	275907.97
	3,836.77		1,10,462.35	40,325.73		22403786.16	1444251.86

To find out the relationship between EVA and Market Cap, Karl Pearson's co-efficient of correlation is used as bellows:

$$\bar{X} = \frac{\sum X}{n} = \frac{3836.77}{5} = 767.35$$

$$\bar{Y} = \frac{\sum Y}{n} = \frac{40325.73}{5} = 8065.15$$

$$Y = \frac{\sum Y}{n} = \frac{\sum Y}{5} = 8065.15$$

$$r = \frac{\sum xy}{\sqrt{\sum x^2 \times \sum y^2}}$$

$$= \frac{1444251.86}{\sqrt{110462.35 \times 22403786.16}} = 0.92$$

There is a high positive correlation between EVA and Market Capitalisation.

To test the significance of correlation between long-term funds and total fixed assets, t-test is used in the present study as below:

$$t = \frac{r}{1 - r^2} \times \sqrt{n - 1}$$

$$t = \frac{0.92}{1 - 0.92^2} \times \sqrt{5 - 1}$$

$$t = \frac{0.92}{0.15} \times 2$$

$$t = 12.27$$

Table - 8.6: t-test significant relationship between Long-term Funds and Fixed Assets

n	R	d.f (n - 1)	Calculated value of t	Tabulated value of 0.05 significant level	Result
5	0.92	5	12.27	1.943	Rejection of Hypothesis

Since the calculated value of t is much more than the tabulated value, the null hypothesis is rejected. It is concluded that there is a significant relationship between EVA and Market capitalization of Apollo Tyres Ltd..

FINDINGS AND RECOMMENDATIONS:

- The company has followed a sound capital structure policy. Its owned capital has dominated the long-term debt all over the years under study. It depends more on internal equity than external equity.
- Reserves and surplus of the company have been increasing at a good rate. This is evident from the growth rate of Net equity which is almost double (From rs. 3,400.86 Cr. to Rs. 7289.95 Cr.) over five years period under study.
- The solvency position is very sound. This fact has been verified by debt-equity Proportion and debt to total capital ratio. But there is a low financial leverage. Its implications for the shareholders are that debt has not been exploited to the extent of optimum level so as to avail the benefit of trading on equity.
- The companies EVA and market capitalization have been increased nearly in same proportion over Five years period under study.

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MUSHROOMING CASHLESS ECONOMY – AN ANALYTIC STUDY OF LIFE INSURANCE COMPANIES

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ABSTRACT

Demonetisation – A never heard common word has grass rooted the minds of the general public. It creates a sense of cash loss in the mind of the population spending liquid. It is the same situation when the most sensitive share market crashes and creates less cash in circulation and cash penury. Don't we see that the biggest impact of the demonetization is what lies in the country is moving towards no cash economy? The no cash environment made public to pay their dues/premiums online or through the wallets rather pay to the agents or on counters by cash. As we know that India is the fastest growing economy and has the fastest growing insurance industry with a very minimum population insured. The research focuses on the impact of the demonetization on insurance industry leading to digital transactions, reducing cash transactions and supporting cashless economy reducing risk in cash handling and improving performance with profitability and social responsibility.

Keywords – Cashless-ism, Ruralites

INTRODUCTION

India is one of the largest service provider in the world. The services sector chips in 53% of India's total GDP which includes Financial, real estate, professional services, public administration, defence and other services, hotels, transport, communication, software and broadcasting services. Information technology plays an important role for the countries like India which are highly depended on the services sector to bring about sustainable future. Information technology relates to how you apply technical process in communicating the data. It is very clear that the usage of technology will cut transaction costs for insurance companies, which will in turn migrate as lower prices of services to the customers.

The government of India plans to kick in a cashless economy, and public downloading e-wallet and e-payment apps on their smartphones, are expected to auger well for the insurance sector. India is largely been a life insurance market which is currently valued at \$70 billion and growing at a pace of 12% YOY. On the other hand, the general insurance market is valued at \$12.54 billion, growing at 17% each year. Going digital lowers operating costs, and the foredeal will be passed on to the potential customers in the form of rebates, improved line of products, and better service.

BACKGROUND OF THE STUDY

An important objective of the demonetization was to help people move towards a cashless economy. A large number of people have downloaded e-payment applications and e-wallets on their smartphones. This is also expected to bode well for insurers. The Indian life insurance market is estimated at \$60 billion and growing at about 12% per annum. As digitalization becomes widely accepted, the life insurance companies will see a reduction in their operational expenses. These savings would be passed on to the customers through discounts on the premiums, better products, and improved services.

During the short-term, there will be an increase in the number of individuals who opt to pay insurance premium online. For example, people widely used cash to pay for hospitalization expenses. However, cashless settlements are assisting individuals to overcome the need for cash to meet these expenses.

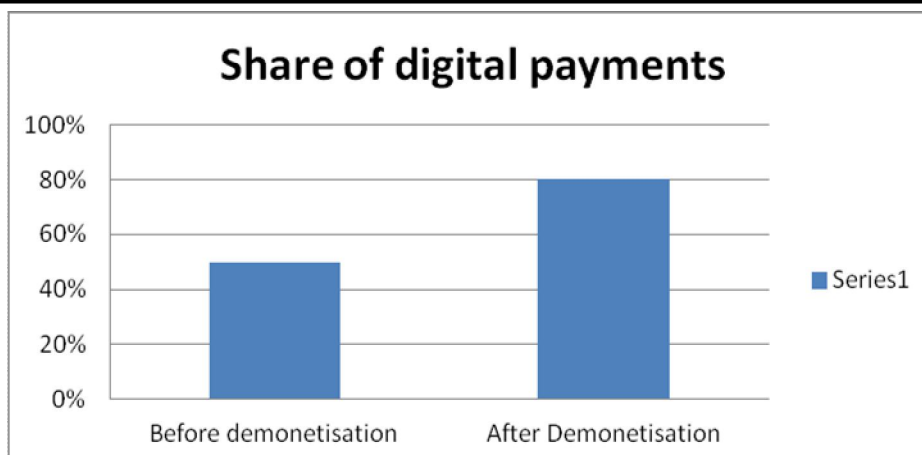
Unified payment interface (UPI), Jan Dhan accounts and Aadhar integration helped lay the foundation towards a cashless economy. Post-demonetization, individuals further understand the benefits of digitalization. Insurance services would now be available to more individuals through Jan Dhan accounts.

OBJECTIVES OF THE STUDY

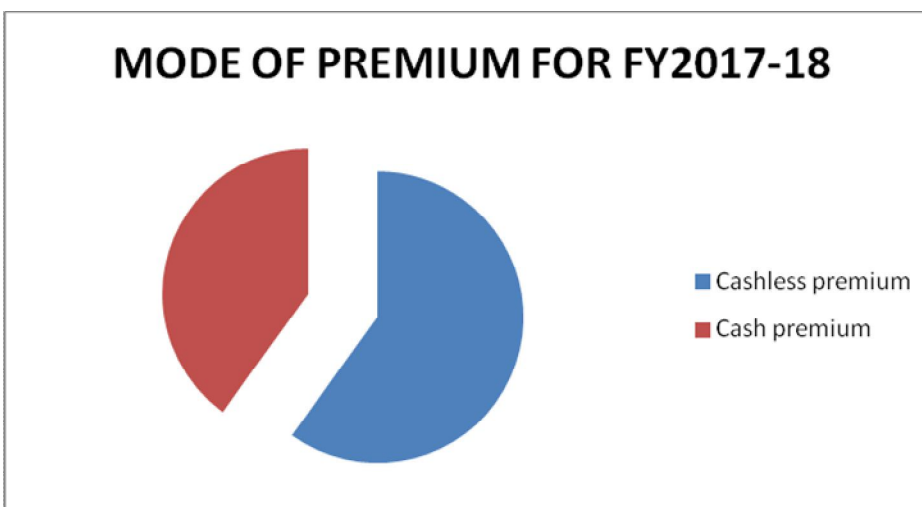
1. Impact of cashless-ism on insurance sector
2. Is Going Cashless beneficial to the insurance industry
3. Development seen through cashless mode in the life insurance industry

Impact of Cashless-ism

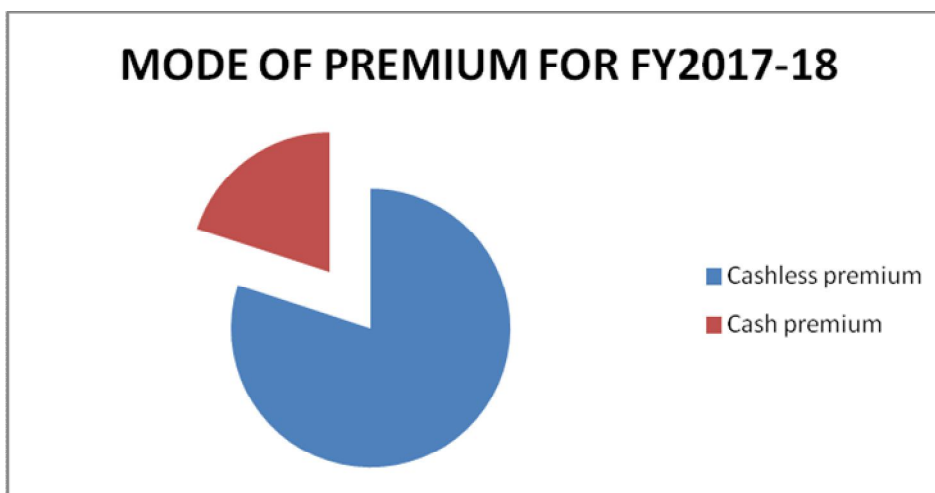
Life Insurance companies have seen a speedy rise in payments of premium after the demonetization move. The below chart depicts that the share of digital payments have shown significant change after Demonetisation.



Cash crunch and increased awareness has turned insurance customers towards cashless payment of premium.



Source - Life Insurance Council data



Source - Life Insurance Council data

The payment of the premium through the cashless way has increased sharply. The above chart depicts the non-banking insurance companies have shown significant move to 80% going cashless in FY 2017-18 when compared with FY 2016-17 through INB, Wallets, Cards...etc

Going Cashless - Benefits to the Insurance Sector

Since demonetisation in 2016, the mantra of cashless-ism is sending signals across all sectors in India. Both the public and private players participate in the insurance sector in India. The life insurance sector in India generates Rs. 4,02,000 crore annual revenue. Evolution of the insurance Industry has been taken into consideration where various types of products offered today, and hand in hand going cashless. But question is about the viability of cashless insurance sector. Considering how millions of population are covered under insurance schemes, Can the industry follow a viable cashless model?

Unlike earlier days, the buying of an insurance policy, either life insurance or general insurance can now be taken online, completely with premium payment. This will less the procedure of being dependent on insurance agents and paying premiums through cash or cheque.

Digitally Paying Premiums

Cashless payment of insurance premiums is a reality now. Insurance premiums, irrespective of whichever company the insurance policy belongs to, can be paid via debit or credit cards, netbanking or mobile wallets such as Paytm, phonepe, bhim, etc. Provisions have also been arranged by the banks in which the premium amount is directly deducted from the bank account.

The cashless model, when it comes to payment of insurance premiums in rural area, the penetration of digital banking in remote areas is less which slightly makes it difficult to implement. Even, Jan Dhan accounts are often with less adequate balance which makes it difficult for deduction of premiums. If ruralites learn how digital banking works, payment of premiums will become easier and regular.

Beneficial for the Sector: Going wholly cashless will benefit the sector as it will lessen the dependency on cash, help in keeping track of premium payers and make it easier to track irregularities. Payments made via digital mediums are fast and reflects on the policy faster, thus reducing the time required to wait when paid via cash or a banking instrument like cheque. But a seamless payment model can only be adopted when people become habituated to paying via digital means, which can happen when penetration of digital banking is even all across India.

For the financial year of 2016-17, following demonetisation, the IRDAI reported that the share of digital payments received by the insurance sector increased to 75 to 80 per cent, but also shared that a major chunk of digital payments came from the urban sector. Private players such as ICICI and HSBC, which have higher urban penetration reported nearly 100 per cent of premiums received via digital methods such as phone banking , net banking or payment wallets. The need of the hour is to bring rural population under the cashless umbrella so that the digital model is fully implemented for the benefit of the sector.

"The penetration of insurance itself is low in rural areas as people are still dependent on cash for emergencies. If the sector is truly looking to become cashless, then rural India needs to be acquainted with insurance policies which can be paid for online, reducing the dependency on cash for any emergency,"

Private Insurers taking Advantage

Bank-run life insurance companies have seen higher growth in premium payment on digital platforms. Insurance companies like the ICICI Prudential Life Insurance claimed that it receives 100 per cent premium through cashless payments. Meanwhile, Canara HSBC OBC Life Insurance Company Limited claims to have amassed 75-80 per cent of their premium collection through digital payments- a trend that has picked up since the Centre's demonetization move.

The chief operating officer and founder member of Canara HSBC OBC Life Insurance Company Limited stated that the company witnessed about 15 per higher premium collection through digital payment after demonetisation. Overall during 2015-16, around 65-70 per cent of the total premium collection was made in non-cash mode, while it reached 75-80 per cent during 2016-17."

According to the industry, bank-run insurance companies are more aggressive in terms of shifting towards a digital platform as they have a ready infrastructure for it. On the other hand, non-bank insurance companies are also pushing towards the cashless mode as it helps them to reduce operational costs.

"In past few years, awareness about digital payments has increased, thereby, pushing non-cash payment in the life insurance sector also. Moreover, cash shortage post note ban has diverted several accounts to switch towards the non-cash mode."

How can a cashless economy help Insurance?

"Cash is King". We have grown up on this mindset. But the recent developments in the country have turned this concept on its head. We as a country are promoting a "cashless" environment and it is inevitable that during the coming years, our economy will move towards this reality.

Take a look at how the macros stack up? A nation of 1.2 billion, GDP growing at 7% and a country which is embracing technology across domains. India is at the cusp of a digital revolution and it is important that we accelerate towards a non cash mode of transaction. The penetration of Life Insurance & General Insurance (including Health) at 3 % & 1% resply, there is a clear untapped opportunity waiting.

In every purchase cycle, payment is the "moment of truth". In a selling process, this is where the rubber hits the road and hence a critical part. In this context, for Insurance a cashless environment works very well. Digital locker, Unified Payment Interface, Mobile wallets are increasingly being adopted. These give a seamless experience for the customer and helps the Insurer crunch the time lag. "Convincing" and "Payment" are areas where maximum time is invested and if you take one out of the equation (time spent perspective), it adds a lot to the productivity of the sales channel. Having said so, the biggest benefit that one has to appreciate in this transitioning eco system is people getting used to a non physical payment world. This is a paradigm and once settled, it would be a great lever of growth for the Industry. It also inches people to a digital world thus opening the doors to a global market where distance is just a number. This is the biggest plus that one can draw from the initiatives that are being undertaken to promote a cashless India.

While the financial system is being geared up, it is time that the Insurance Industry also starts working in areas which would enable a conducive environment for growth. The primary areas that need to be focused are -

- Simple products
- Standardized sales processes which ride on technology
- Customized products to cater to individual needs
- Communicating the security associated with cashless payments
- Increase awareness & value of the solutions offered
- Payments (credit & debit) through the e route
- Service cycle on the digital platform
- Increase engagement with the customer digitally

CONCLUSION

A very big process imperative "payment" will go the digital way. Very soon, we will have a connected country where transfer of money will be seamless. From an Insurance perspective this will be a big boost since it will enable a process without any breaks. It is hence important for the Industry to work on the product proposition and increase awareness of the product value while at the same time coming up with solutions which are customized to the consumers' needs & requirements. The more one is able to adapt to the customer needs, the faster will be the insurance adoption and consequent penetration in the country.

Each of the verticals in the Insurance space ie Life, General & Health are products which offer great value to the consumer. What is needed is to reach out to them and communicate. With a mobile penetration of ~1 billion & smart phone penetration of ~700 million (next 2-3 years) reaching out to the customer directly will no more be a barrier. The objective of the Insurers should be to integrate the large populace into the financial mainstream. The country is at an inflection point. With the power of "e" slated to increase manifolds, we should see a tectonic shift soon.

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A STUDY OF PERSONAL FINANCIAL PLANNING OF WORKING WOMEN WITH REFERENCE TO KALYAN CITY, THANE DISTRICT

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ABSTRACT

"The highest use of capital is not to make more money, but to make money do more for the betterment of life." - Henry Ford

The financial world today provides a wide and complex range of financial products. In the Indian context we find a complete extreme scenario. On one the hand, we have people left out of the mainstream of the financial world, and on the other, we have people financially strong, enough but totally confused about the choices for investing. In recent decades, women have claimed a larger place in the workforce and increased their involvement in financial matters. In today's rapidly changing financial environment, it is critical that individuals not only protect and enhance their current financial resources, but also prepare for future security and loss of income. This requires careful planning and prudent management of one's financial assets. Financial Planning is an ongoing process which helps us to make sensible decisions about money that can help us in achieving our goals in life. . This research aims at assessing the extent of penetration of various financial instruments in the selected areas i.e. in Kalyan city, Thane District. The study aims to throw light on the most and the least popular avenues of investment chosen by working women in the area of Kalyan city, Thane District.

This research aims to study and understand the behavioral pattern of investment and financial planning among the Working women, difference in perception of working women related to various investment alternatives. The study provides reasoning as to what extent the working women contribute to nation building through their financial planning in various avenues. The working women need to be made capable and confident in the financial decision area. This study is an attempt to highlight personal financial planning of working women and their perception regarding various investment avenues. To conclude, here is a quote from a recent survey carried out in this study:

"Ask questions; Seek help; Do your homework; and Set goals". This holds true for all investors."

No one saves us but ourselves.

No one can and no one may.

We ourselves must walk the path.

~ Buddha

Keywords: Working Women

INTRODUCTION

"The highest use of capital is not to make more money, but to make money do more for the betterment of life." - Henry Ford

The financial world today provides a wide and complex range of financial products. For secure life and bright future, people start investing. People are very much confused about financial planning. *It is one of the major issues of the middle class families as their small savings of today are to meet the expenses of tomorrow.* So, even if we focus on past, present or future, Financial Planning is such a topic that needs constant up gradation as economy changes. The research Study is helpful for the investors i.e. Working Women to choose proper investment avenue and to create profitable investment portfolio.

Financial Planning is the key and the first step towards fulfilling one's dreams and aspirations whether it is about providing for the family, buying a home or a car. An important component of a sound financial plan is not only the inclusion of life insurance investment but also provide for adequate insurance coverage in the plan.

This study increases our understanding of the unique financial need of working women by examining key factors associated with their personal finances and identifying issues that are critical to their financial future. The study provides an overview of working women's financial capability and documents how personal financial needs and financial behaviors vary by family status and career stage.

Investing money has become a very complex task because of the huge number of savings and investment companies and products offered, terms and conditions of investments, and prevalent complex rules and regulations (Lokhande, 2015). In the Indian context we find a complete extreme scenario. On one the hand, we have people left out of the mainstream of the financial world, and on the other, we have people financially strong, enough but totally confused about the choices for investing. Obviously, the policy makers have to cater to the needs of both these extremes. Consequently, financial inclusion and financial literacy have become the key elements of financial policies of this day. Now, the economic fluctuations across economies have compelled to focus on financial education, thus providing financial literacy (Bhonde-Saraf, 2014). It may be noted that the Reserve Bank of India has mandated that banks take the initiative to enhance financial inclusion and financial literacy in the country. A draft of National Strategy for Financial Education was prepared and released by RBI (Reserve Bank of India, 2012). The strategy includes observations on not only the role of the banks, but also the need for financial education in schools.

According to the U.S. Bureau of Labour Statistics (BLS), 47% of the labour force is female and the female labour force participation rate is growing faster than the male rate. In recent years, the BLS has consistently reported that women have lower levels of unemployment than men and higher levels of education (Department of Labour, 2012). Women contribute more to the US economy than ever before. As Salaried women's earning power increases, their responsibility to make critical financial decisions for themselves and their household also increases. These decisions are influenced by the unique financial challenges that they face.

The 11th Five Year Plan has projected a savings growth rate of 38% and investment growth rate of 40%. Already the savings and investment rates in 2008-09 were placed at 37.7% and 39.1% respectively as per C.S.O estimates.

In Asia, the saving habit is far surpassing that of developed countries. In today's rapidly changing financial environment, it is critical that individuals not only protect and enhance their current financial resources, but also prepare for future security and loss of income. This requires careful planning and prudent management of one's financial assets.

Nowadays people are more careful about their choices. They are moving beyond the traditional saving options of fixed deposits, post office savings to wider investment options in the form of insurance, mutual funds, bonds, equities and even property.

Concept of Financial Planning

Financial Planning is an ongoing process which helps us to make sensible decisions about money that can help us in achieving our goals in life. It is a long-term planning about profit which aims at generating greater return on assets and growth in market.

REVIEW OF RELATED LITERATURE

1. **Avni Patel (2017)** conducted Descriptive Research to study the respondent's awareness and attitude towards Personal Financial Planning in state of Gujarat. This study was done to assess the financial literacy of the respondents of Gujarat. Results suggested that respondents possessed fair financial literacy. They were aware about all traditional investment avenues. Awareness related to Non-conventional avenues like Derivatives, Money market etc. was less. Attitude towards overall PFP was positive. Awareness for Retirement Planning and Estate Planning was little low and respondents possessed little negative attitude towards them. Respondents felt that their PFP was not balanced and they required experts to manage the same.
2. **V. Venkateshraj (2015)** conducted a research on "A Study On Investment Pattern Among Employed Women". This study showed that women prefer investment in gold and real estate. The study was restricted to the employed women from the southern cities of Bangalore, Chennai and Cochin. The findings of the study may not be generalized to the entire population of employed women.
3. **Indian Journal of Finance volume :10, Issue Number:3 (Monthly) March,2016**

Name of topic: Are women Financially Educated? A Study with Reference to Earning Women of Aurangabad District, Maharashtra PP 43 to 51

This research was done to study the extent of financial awareness and financial knowledge among earning women. This study concluded with an emphasis on financially educated women for financial well-being. The study focussed on two important parameters i.e. financial awareness and financial knowledge among the women. It was found from the study that among the women, investment diversity was uncommon. Because of

having low education, it was found that most of the women were not willing to share their financial information. So the researcher has selected educated women i.e. they should have minimum qualification of HSC. This research may be extended to cover women across different states of India like Maharashtra.

4. Mediterranean Journal of Social Sciences volume :6 Issue Number:4, July,2015

Name of topic: “An Empirical Analysis on Perception of Investor’s Towards Various Investment Avenues” (G. Velmurugan, V. Selvam, N. Abdul Nazar) PP 427 to 435

This empirical study was an attempt to examine the investor’s perception towards various investment avenues in Vellore city, Tamil Nadu, India. This study found that the aged and high income investors prefer to invest only in post office and bank deposits for safety investment reason. Female investors were not given so much importance. To remove research gap the researcher selected the topic named as “Financial Planning among working women with reference to Kalyan city, Thane District.”

5. IOSR Journal of Economics and Finance (IOSR-JEF) volume :5 Issue Number:2, Sept-Oct.2014, PP 09-17 (www.iosrjournals.org)

Name of topic: “A Study on Preferred Investment Avenues among Salaried People With Reference To Pune, India” (Sonalipatil, Dr.Kalpnanandawar)

This research was an attempt to study the different avenues of investments as well as the factors while selecting the investment avenue. This study identified the preferred investment avenues among the individual investors using self -assessment test. It was found from this study that salaried employees consider the safety as well as good return on investment on regular basis. Respondents were aware about the investment avenues available in India except female investors.

6. International Journal of Management and Commerce Innovations ISSN 2348-7585(Online) Vol.3, Issue 1, pp (717-722), Month: April 2015-September-2015 (www.researchpublish.com) by Dr. (Mrs.) T. Tamil Selvi:

This study was an attempt to find out the main objective of investors in Coimbatore District towards making investments and to assess the investors’ attitude towards the investment avenues. The demographic variables and objectives of investors were obtained from the respondents and relationship between these variables and objectives was computed. This study was done to know how far investors are aware of the various investment avenues and their attitude towards investment.

7. Indian Journal of Commerce & Management Studies Volume VIII Issue 2, May 2017(Ms.SubinaSyal, and Dr.NidhiWalia) had studied the topic Investment Decisions of Women in Punjab towards Different Investment Avenues-A Factor Approach. This study aimed at studying various factors that influence the Women Investors of Punjab while taking their investment decisions. The study found a significant difference between an amateur investor and non-investor in their risk preferences. It was further revealed that choice, rationality, perceived risk and risk preference formed a part of the personality and cognitive judgment factors. The study highlighted that the economic factors influenced the decision made by investors in deprived and underdeveloped regions, while political social and cultural factors did not influence the investment decisions to a large extent.

8. Asian pacific journal of research Vol: I. Issue XXVI, April, 2015 (ISSN-2320-5504) ONLINE-E-ISSN-2347-4793(MR. C.SATHIYAMOORTHY AND DR. K. KRISHNAMURTHY) on topic named as “Investment Pattern And Awareness Of Salaried Class Investors In Tiruvannamalai District Of Tamil Nadu.” This study concluded that certain factors like education level, age of investors, number of family members etc. make significant impact while deciding on the avenues for investment. This research showed that majority of the respondents were saving money as bank deposits for the safety of an unpredictable future. This study highlighted investment pattern and awareness of salaried class investors in Tiruvannamalai District of Tamil Nadu. The investors are finding various problems in finding their investment avenues. It was identified from this study that there is a need for research work in the field of investment pattern and awareness of working women in Kalyan city, Thane District.

The studies conducted in the field of personal financial planning are required to be updated frequently. In India, studies on personal financial planning of working women have received little attention in the studies conducted so far. This research study is helpful for working women to choose proper investment avenue and to create profitable investment portfolio.

OBJECTIVES OF THE STUDY

Major objectives of the research work are:

1. To assess the awareness about investment avenues offered by the Government.
2. To enlist the different investment avenues offered by Government.
3. To study the income position of working women of Kalyancity, Thane District.
4. To analyze the personal financial planning of working women with reference to their social, economic, educational and occupational background.
5. To study the purpose of personal financial planning by working women of Kalyan city, Thane District.
6. To suggest suitable investment avenues for the benefit of working women in Kalyan city, Thane District.

HYPOTHESIS OF THE STUDY

The study has been done with following hypothesis:

H1: Most of the working women are aware about the several new investment avenues.

H2: Most of women invest their funds in Housing Loan and Bank Deposits only.

METHODOLOGY OF THE STUDY**Primary Data:**

For the Proposed study, Data has been collected from Primary and Secondary sources. Primary data has been collected through Structured Questionnaire. Direct Personal Interview method has been followed to elicit information of 150 working women in Kalyan city by using Simple Random sampling method.

Secondary Data:

Simultaneously, Secondary data has been gathered from Books, Research Journals, Magazines, Newspapers, Internet websites etc.

LIMITATIONS OF THE STUDY:

The study has certain limitations:

The concept of Financial Planning is like an ocean. So, a detailed study of each and every avenue of Investment is not possible because of the limited time constraint. Due to the paucity of time, the outcome of the research is restricted to 150 working women only and study is undertaken in the area of Kalyan city only, thus the generalization of result may require further validation. Also there is an observable tendency amongst the working women to withhold important information about their Personal Financial Planning. This may have certain effects on the analysis and the results.

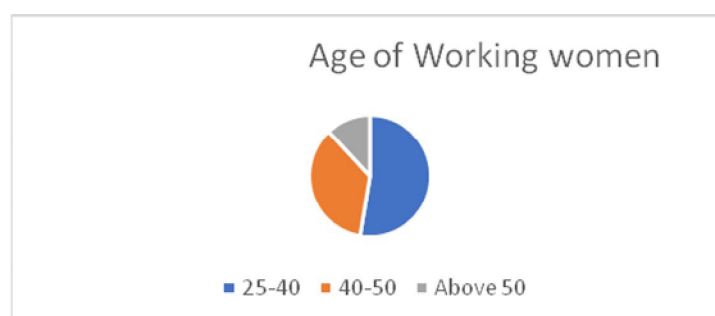
ANALYSIS AND INTERPRETATION OF DATA**Analysis and Interpretation of Data:**

The data has been analyzed by using suitable Statistical techniques i.e. tables and diagrams have been used.

Table - 1: Age of Working Women

Age (years)	No. of Working Women	Percentage
25-40	79	52.67%
40-50	53	35.33%
Above 50	18	12%
Total	150	100%

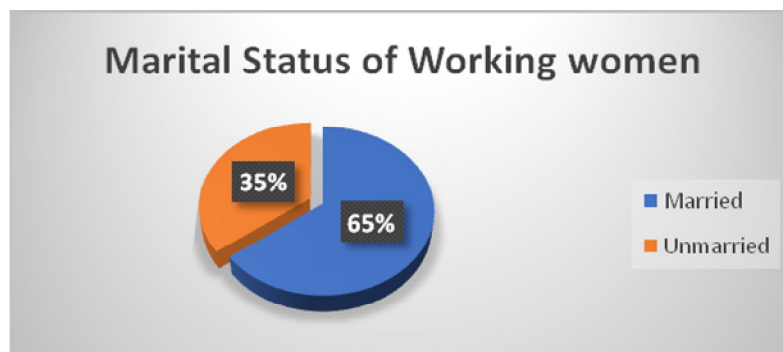
Diagram 1:



Most of the working women in Kalyan city belong to age group 25-40 years.

Table - 2: Marital Status of Working Women

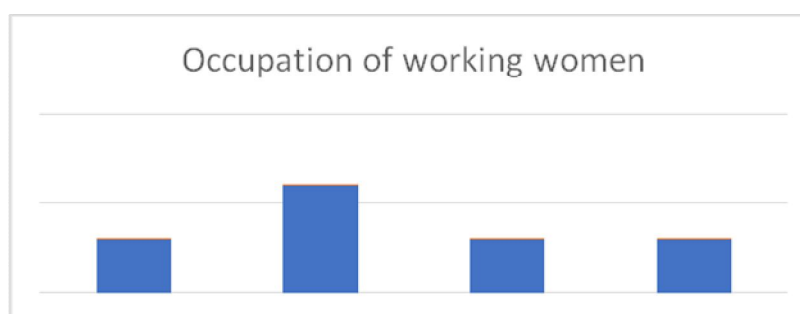
Marital Status	No. of Working Women	Percentage
Married	97	64.67%
Unmarried	53	35.33%
Total	150	100%

Diagram 2:


More than half of working women are married.

Table 3:

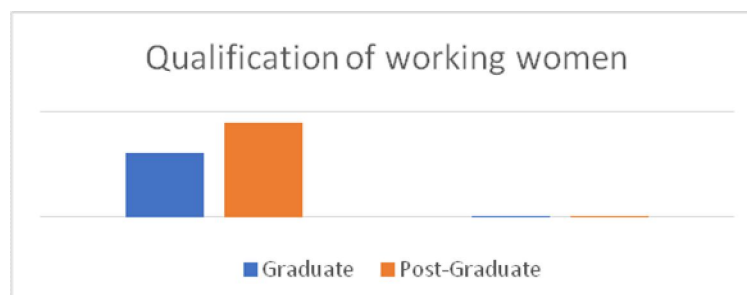
Occupation	No. of Working Women	Percentage
School teachers	30	20%
College teachers	60	40%
Bank Managers	30	20%
Others	30	20%
Total	150	100%

Diagram 3:


Most of the working women in Kalyan city are College teachers.

Table - 4: Qualification of Working Women

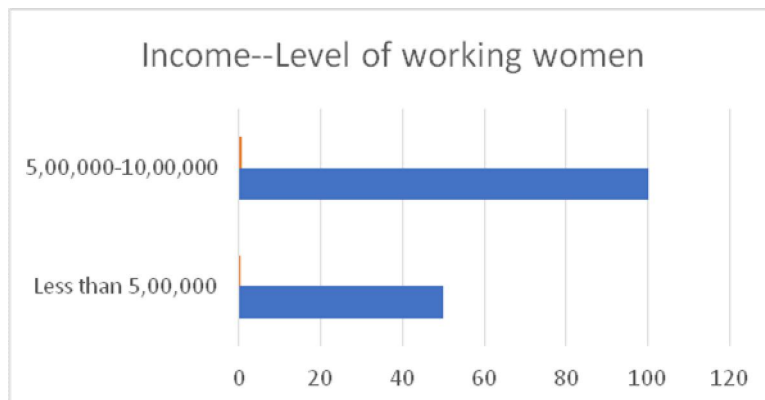
Qualification	No. of Working Women	Percentage
Graduate	60	40%
Post-Graduate	90	60%
Total	150	100%

Diagram - 4


Most of the working women are Post- Graduate.

Table - 5: Income level of Working Women

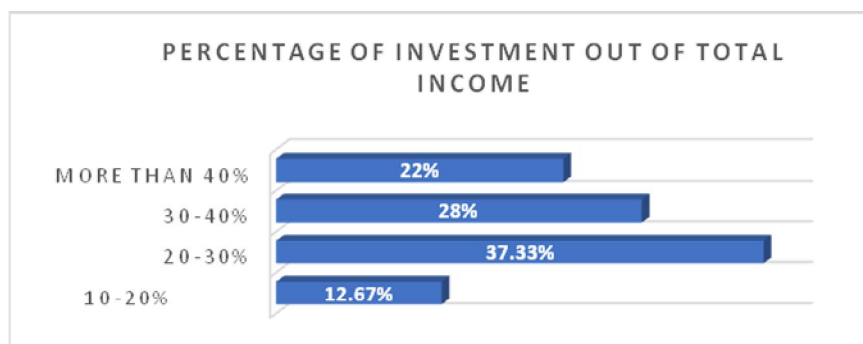
Income level	No. of Working Women	Percentage
Less than 5,00,000	50	33.33%
5,00,000-10,00,000	100	66.67%
Total	150	100%

Diagram 5:


More than 50% of working women earn income between Rs. 5,00,000-10,00,000

Table - 6: Percentage of Investment out of total income

Percentage of investment	No. of Working Women	Percentage
10-20%	19	12.67%
20-30%	56	37.33%
30-40%	42	28%
More than 40%	33	22%
Total	150	100%



37.33% i.e. more than half of of working women invest 20-30% of their income.

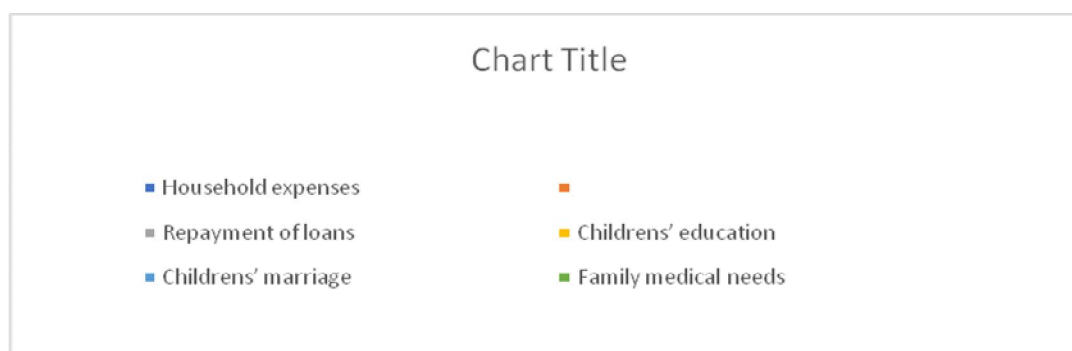
Table - 7: Investment Avenues

Investment Avenues	Percentage	Rank
Mutual Fund	7%	IX
LIC	33.33%	III
Housing Loan	61.33%	I
Gold Coins	16.67%	IV
Bank Fixed Deposits	14%	VI
Bank Recurring Deposits	49.33%	II
Post Office Saving Schemes	15.33%	V
PPF	5.33%	X
Mediclaim	8%	VII
Others i.e. NSC etc.	7.33%	VIII

Housing Loan is the main avenue of investment preferred by working women

Table - 8: Objective of Investment

Objective of Investment	Percentage
Household expenses	11.33%
Repayment of loans	14%
Childrens' education	23.33%
Childrens' marriage	21.33%
Family medical needs	12.67%
Old age security	83.33%
Getting regular monthly/annual income	44.67%

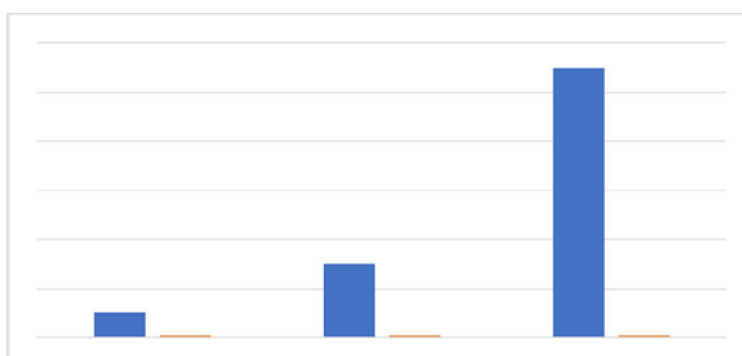


Old age security is the main objective of investment

Table - 9: Sources of making Investment Decisions

Sources of making Investment Decisions	No. of Working Women	Percentage
Advertisement	10	6.67%
Advice from friends/Relatives	30	20%
Advice from Financial Consultants	110	73.33%
Total	150	100%

Diagram 9:



Advice from Financial Consultants is the main source of making investment decisions

FINDINGS OF STUDY

1. The awareness level towards risk free investment products was found to be higher among the working women.
2. The working women were found to be more inclined towards Housing Loan.
3. Investment in risk prone avenues even today is observed to be a far off dream for working women under study. The working women were, however, observed to be better aware about various credit products like housing loan, education loan, and so forth.
4. It may be noted that awareness about the life insurance schemes was observed to be cent percent among working women considered for the study.

5. The analysis of data further indicates that substantial proportion of working women under study was not aware about health insurance and general insurance schemes.
6. Quite surprisingly, a huge majority of working women did not have their health insured.
7. They were unable to apply the concept of time value of money, diversification of investment and cost-benefit relation. This indicates the dire need of providing financial education for better financial decisions.
8. The working women also showed inclination towards investing surplus funds, but they did so largely in risk free banking products.

CONCLUSION

Financial decision should no longer be a dominated by the male fraternity alone. Hence, the women investors need to be exposed to better financial education. The banks as well as other financial institutions should impart financial literacy by conducting workshops, distribution of brochures among their customers, as well as make use of SMS services to educate their investors. This will help in giving a momentum to the Indian economy.

To conclude, here is a quote from a recent survey carried out in this study:

"Ask questions; Seek help; Do your homework; and Set goals". This holds true for all investors."

No one saves us but ourselves.

No one can and no one may.

We ourselves must walk the path.

~ Buddha

SUGGESTIONS

On the basis of the research findings, the following suggestions can be given to the different authorities attracting investments from the households:

1. More focus should be on the housewives, students and the senior citizens who can be given extra incentive to save more and invest more.
2. The system of investment must be made very transparent and easy, so that more and more housewives, students and senior citizens interest can be created. People afraid of technicalities involved in investments must be ejected for ensuring more investments.
3. More number of the banks, insurance offices, share brokers and investment agencies must be established to attract more investors.
4. Hoardings and other modes of advertisement to attract more savings and investments must be done by the different agencies.
5. The technical infrastructure in the form of undisturbed internet facility must be provided to such areas.
6. More and more people should be diverted towards organized investors groups which are promoted through various media.
7. Regular involvement and transparency must be adopted to gain confidence of investors.
8. Academicians and researchers can contribute immensely by way of conducting meaningful and comprehensive research on real estate as the main purpose of savings in different suburbs. Such dedicated and persistent efforts will certainly aid in constructing influential and result-oriented data that can accomplish the larger goal of social welfare. Further the research area can be extended to whole of Thane district covering more number of investors and investment options.

SCOPE FOR FUTURE RESEARCH

The present study was an attempt to study the Personal Financial Planning among working women in Kalyan city, Thane District. However, the same research can be done in the actual city of Mumbai. The problems faced by the Mumbai investors largely differ from the problems faced by the suburban investors. Therefore, further research in the area is possible. Also there can be in-depth research in the focused area of stock market investments and the role of different monitoring agencies in influencing such investments. This will highlight the real penetration of stock market in the selected suburbs.

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A REVIEW OF BEHAVIOURAL FINANCE THEORIES: AN ANALYTICAL STUDY

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ABSTRACT

The research study is an analytical attempt to explore behavioural finance from the psychological and sociological lens. The purpose is to understand and identify the role and applicability of the theories in the financial markets segment. Behavioural finance is an area which considers and analyzes the investor's mindset behind financial decision making process. The field explores investor's psychology, the emotions, perceptions and attitudes of the investors while they take their investment decisions.

Keywords: Behavioural Finance, Heuristic Bias, Prospect Theory, etc.

INTRODUCTION

Anchoring theory is based on the aspect wherein the individuals anchor certain events and everything else is than anchored to the preceding event. Kahneman and Tversky introduced the award winning theory in 1979, prospect theory. Prospect theory later on was improvised to cumulative prospect theory and thus contributed different weigh's to losses and gains.

In availability heuristic an individual relies on the information which is readily available rather than exploring some other information. Affect heuristic aims to understand the effect of certain things on the financial decision making process. Financial behavior is also dependent upon similarity aspect, so the individuals tend to repeat similar behavior, in the chance of profits the same financial decisions are repeated and in the event of losses the similar decisions are repeated.

Behavioural Finance

Behavioural finance is the interception of psychology in the field of finance. It involves the application of psychological theories in the understanding of financial behaviour. During the past decades, a number of behavioural theories have been introduced. The applicability of these theories has been tested and inferences have been drawn by a number of researchers. The research study focuses on three main theories of behavioural finance consisting of herding, overconfidence and mirror imaging. The consumption habits of women are influenced by the behavioural theories of herding, overconfidence and mirror imaging. While taking consumption decisions women might tend to copy the group behaviour. This might be due to the close association and influence of group perceptions and attitudes on their buying behaviour. The consumption habits include watching a movie, clothing, accessories, cosmetics, jewellery, and beauty services and so on.

Anchoring theory is based on the aspect wherein the individuals anchor certain events and everything else is than anchored to the preceding event. Kahneman and Tversky introduced the award winning theory in 1979, prospect theory. Prospect theory later on was improvised to cumulative prospect theory and thus contributed different weighs to losses and gains.

In availability heuristic an individual relies on the information which is readily available rather than exploring some other information. Affect heuristic aims to understand the effect of certain things on the financial decision making process. Financial behaviour is also dependent upon similarity aspect, so the individuals tend to repeat similar behaviour, in the chance of profits the same financial decisions are repeated and in the event of losses the similar decisions are repeated.

Braberis and Sheilifer (1998), discuss that in the stock market over reaction and under reaction to the prices is a very common reaction. The argument was criticized on the grounds that it could wither be over reaction of prices or it could be under reaction, but under majority of the circumstances both the alternatives have been taking place. Daniel and Subrahmaniyam (1998) propose a theory that overconfidence with respect of precision of private information is a common phenomenon in the stock market prices. That also leads to overreaction and under reaction of the prices in the stock market.

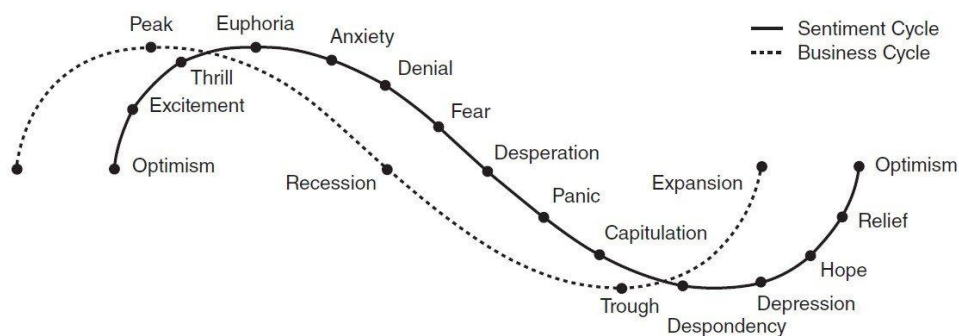


EXHIBIT 15.1 Investor Sentiment and the Business Cycle

Note: This exhibit depicts the relationship between investor sentiment and the business cycle. The points on the investor sentiment curve (solid line) correspond to the various stages of the business cycle, with a certain lag time.

Diagram 1.1- Source: www.valuewalk.com

The above diagram represents how the different forms of emotions are arranged in the cyclic order reflecting the changing sentiments of the markets and how these markets are influenced by the changed reactions of the consumers.

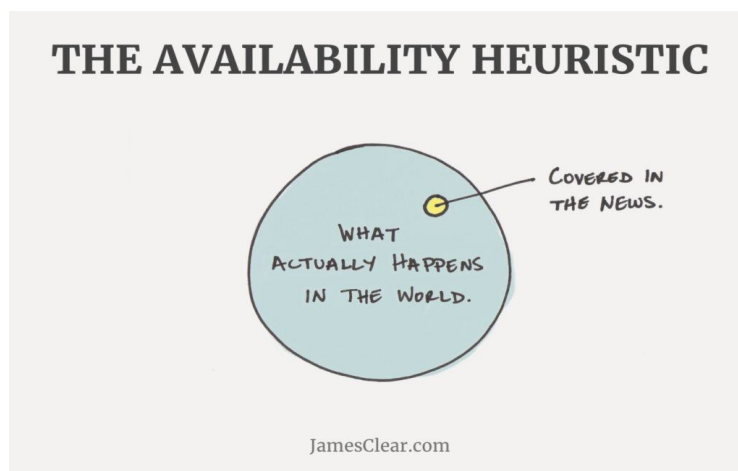


Diagram 1.2: Source www.valuewalk.com

The above diagram 1.2 reflects that a small piece of news makes a large amount of impact on the market sentiments and the investor's decision making process. The investors tend to overweigh the small news spread in the market and this information than spreads through the word of mouth and many of times the consumers jump to conclusion in a state of panic and bubbles happen in the stock markets.

OBJECTIVES OF THE STUDY

- 1) To study the Behavioural Finance Theories.
- 2) To understand the applicability Behavioural Finance Theories.
- 3) To explore the impact of Behavioural Finance Theories.
- 4) To infer and offer suggestions on the changing behaviour and attitudes of the investors.

SCOPE OF THE STUDY

The study focussed on the recent trends which have been taking place in the world of Behavioural Finance. The study was limited to the specific Behavioural Finance theories. Investment decisions are dependent upon their expectations as well as the current business conditions.

Changing Scenario

The research presents insights about the Behavioural finance includes Hindsight Bias, where in people believe that they can easily predict the outcome of the events, whether it is election result, budget predictions, football game, and cricket match, share prices and so on. They also tend to overweigh there assumptions. The outcome predictions are measured on the basis of past outcomes and previous experiences. Sometimes many other external factors also tend to influence the results of the investments.

FUTURE SCOPE OF STUDY

The research study will add to the pool of information on the theories in the field of Behavioural Finance. The outcome is than exaggerated under many circumstances, when they tend to feel that the same events have the possibility of getting repeated over and over again. Under prospect theory also the assumption is that people tend to overweigh gains and losses as compared to the final assets.

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A STUDY OF EMERGING MODES OF PAYMENTS BY CLOTH MERCHANTS WITH RESPECT TO ULHASNAGAR

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The study was done to find out the modes of payments by cloth merchants in Ulhasnagar. The primary data was collected through a Questionnaire. It was found through the study that the cloth merchants in Ulhasnagar preferred going cashless to a greater extent. The reasons behind going cashless was the convenience of the merchants and to some extent it was due to Demonetization. The merchants at the initial stage faced problems while adopting but later on enjoyed the benefits of going cashless. The transactions were affected mainly due to the problems such as network issues and overcharges.

INTRODUCTION:

Merriam Webster define the term Cashless as not having or involving cash; specifically relying on monetary transactions that use electronic means rather than cash. Cashless economy is a platform where there is little flow of cash and all the transactions are done through a medium called Electronic Media. In this type of transaction there is no or less scope for the circulation of physical or hard money. On 8th November, 2016 our honorable Prime Minister Narendra Modi took a decision to ban Rs.500 & Rs.1000 notes with a vision to eradicate the problem of Hawala transfers, Black money, Terrorism, Corruption, Counterfeit currency and gave the idea of cashless to the society along with revolution of Digital India.

The media through which Cashless transactions are done is Net Banking (NEFT & RTGS) which is also termed as Electronic fund transfer, Mobile Banking, Debit Cards & Credit Cards which are often known as plastic money, POS (point of sale) & payment applications like Paytm & Google pay. To support digital transactions in rural areas Government introduced Adhar pay, UPI, BHIM etc.

Cash less transactions are more convenient than cash transactions as the person don't need to carry money with them and also can do payments or transfer money from anywhere at any time. Cash less transactions avails more Discounts, Offers and Cash back facilities so people prefer using it in comparison with cash. Instant transactions takes place when payment is done through Cashless means. No Risk of fake notes, theft & fraud avails as cash is not used as a medium of exchange and has led to an increase in purchase by the people. There has been increased in the speed of services provided to the people because of various modes of cashless transactions.

The biggest disadvantage of Cashless is that the people do not have knowledge and might face difficulty while using digital modes of payments. Lack in trust, unaware customers, Network issues, Limited POS & Over charges are some of the problems faced while doing cashless modes of transactions. People do not prefer using electronic medium due to increased rate of cyber-crime or cyber frauds. Due to over charges imposed on the transactions people prefer paying cash rather than using any of the mode of cashless transactions.

REVIEW OF LITERATURE:

Mary Anne Cristobal and Miss Tonie Marie in their paper presented that Cashless transaction is a type of transaction used by different consumers by means of debit/credit cards, bank transfers, cheques, and online payment mobile applications, with no physical money handed from one person to another. Consumers use this for convenience and minimal risk to incur. They tend to endorse it to others to share the satisfaction that they've enjoyed.

Bharat Kumar Meher presented that this paper is an attempt to study the various problems faced by the people during demonetization and the need to transform India into a Cashless economy. It also discusses the various electronic payment methods used by the people, the frequency of using these methods during demonetization and after the expiration of it and also to examine the reasons of changing habits in using electronic modes of payments. Apart from that this paper also focuses on the various challenges or hurdles that India is facing in transforming itself into a Cashless Economy.

Dr. Maitanmi O Stephen research paper results indicate that: majority of Nigerians are already aware of the policy and majority agree that the policy will help fight against corruption/money laundering and reduce the risk of carrying cash and can also foster economic growth. Major problems envisaged that can hinder the implementation of the policy are: cyber fraud, limited point of sales and numeracy illiteracy. Based on the findings some recommendations made are: the government should adopt a different strategy to educate the non-

literate Nigerians about the cashless economy; and the Federal Government of Nigerian should establish a Cybercrime law.

OBJECTIVE OF THE STUDY:

1. To study various modes of payments adopted by Cloth Merchants
2. To study the benefits of cashless transactions to Businessmen
3. To study problems related to cashless payments
4. To study challenges in adopting cashless transactions
5. To suggest measures to overcome these problems

RESEARCH METHODOLOGY:

✓ Research design:

This research is based on the questionnaire and survey conducted to study the emerging modes of payments among the cloth merchants. The survey was restricted to the merchants in Ulhasnagar.

✓ Sample size:

The size of data selected for the survey was 50 cloth merchants from Ulhasnagar.

✓ Sources of data:

Primary data

The data was collected based with the help of Standard Questionnaire.

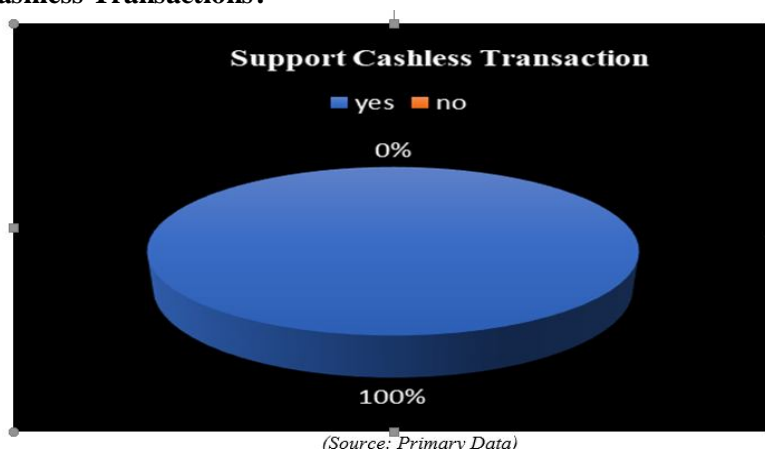
✓ Data collection method:

The data was collected based on the Questionnaire, which contains the modes of cashless transactions used by merchants, challenges while adopting it, benefits gained from cashless transactions and problems attached with the same.

FINDINGS ANALYSIS AND INTERPRETATION:

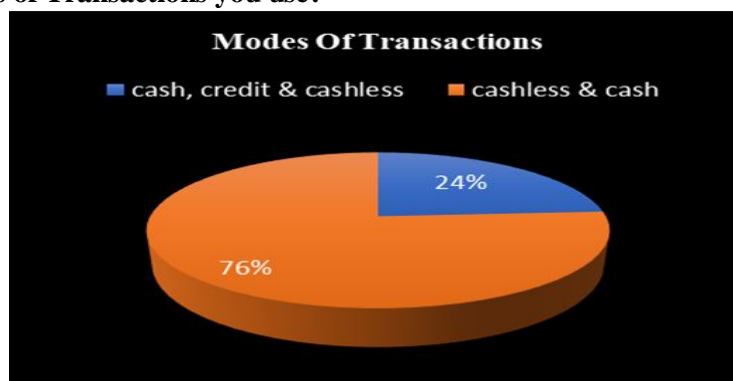
For our Research, we surveyed 50 cloth merchants in Ulhasnagar, and our findings are from their preference and choice of answers. Following are the Analysis and Interpretation of our findings.

1. Do you Support Cashless Transactions?



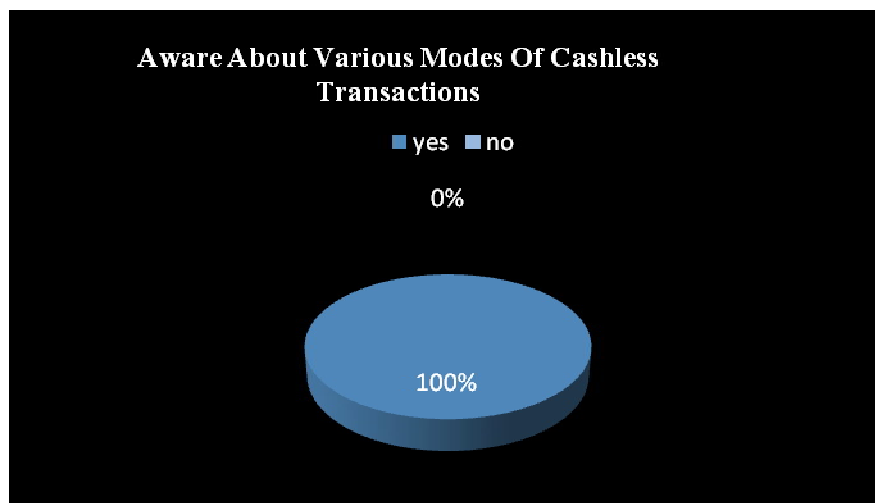
➤ It is found that, 100% i.e. all 50 cloth merchants support Cashless Transaction.

2. What are the Modes of Transactions you use?



- Here we try to find what the Modes of Transactions used by Cloth Merchants.
- It is found that, 24% i.e. 12 Cloth Merchants use all modes of transaction which is Cash, Credit and Cashless.
- 76% i.e. 38 Cloth Merchants use Cash and Cashless modes of transactions.

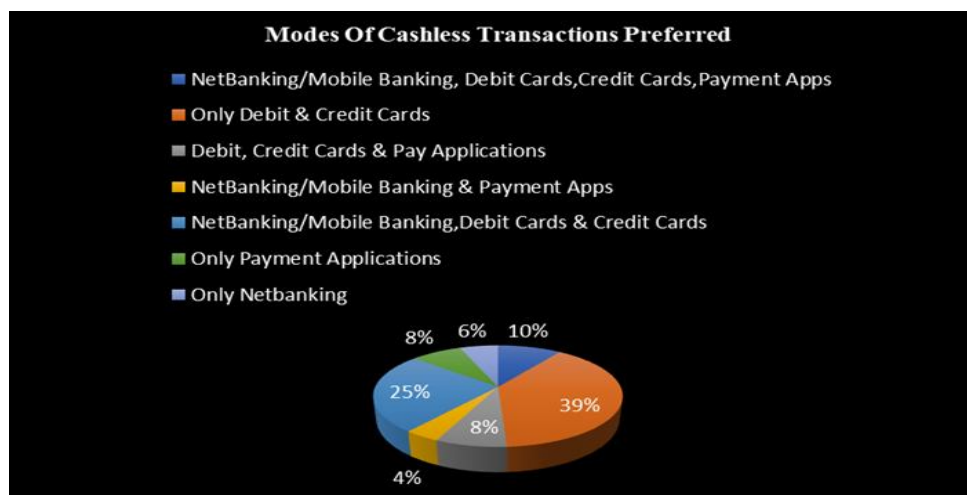
3. Do you know about the various Modes of Cashless Transactions?



(Source: Primary Data)

- Here we try to find, do Cloth Merchants are aware of various modes of cashless transactions.
- It is found that, 100% i.e. all 50 Cloth Merchants knows various modes of cashless transactions.

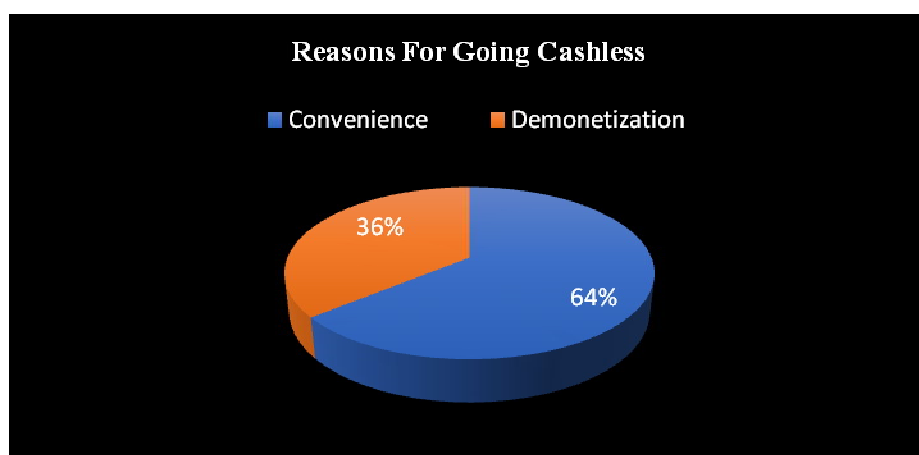
4. Which Mode of Cashless Transactions you Prefer?



(Source: Primary Data)

- Here we try to find out, which modes of cashless transactions do cloth merchants prefer.
- It is found that, 39% i.e. 20 Cloth Merchants use only Debit and Credit cards (Plastic Money) for their cashless transactions.
- 25% i.e. 13 Cloth Merchants uses Net Banking/Mobile Banking, Debit Cards or Credit Cards for their cashless transactions.
- 10% i.e. 5 Cloth Merchants uses All modes of Cashless Transactions i.e. Net Banking/Mobile Banking, Debit Card or Credit Cards and Payment Applications for Cashless Transactions.
- 8% i.e. 4 Cloth Merchants uses Debit or Credit Cards & Payment Applications for Cashless Transactions.
- 8% i.e. 4 Cloth Merchants use only Payment Applications for cashless transactions.
- 6% i.e. 3 Cloth Merchants use only Net Banking for Cashless Transactions.
- 4% i.e. 2 Cloth Merchants uses Net Banking/Mobile Banking & Payment Apps for Cashless Transactions.

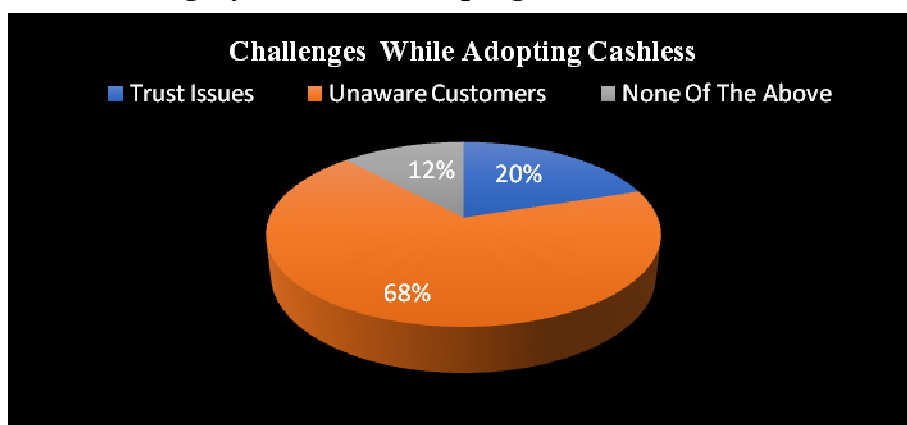
5. What are the Reasons behind going Cashless?



(Source: Primary Data)

- Here we try to find out, what are the reasons behind adopting cashless transactions.
- 64% i.e.32 Cloth Merchants adopted cashless transactions for their Convenience.
- 36% i.e. 18 cloth merchants adopted cashless transaction after Demonetization.

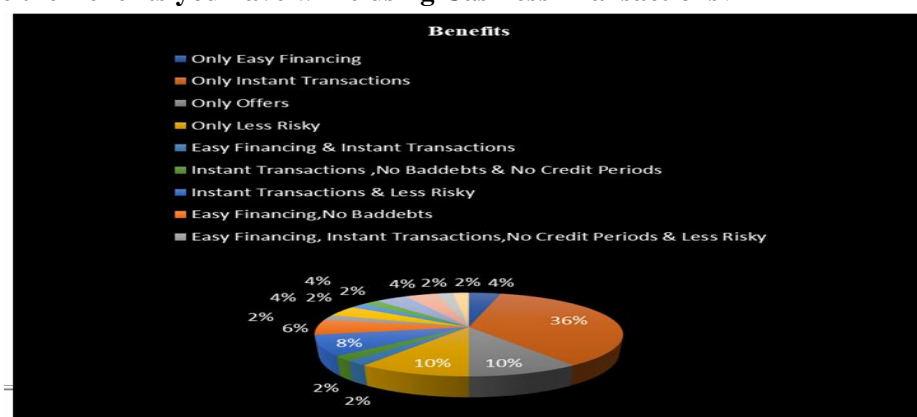
6. What were the Challenges you face while adopting Cashless Transactions?



(Source: Primary Data)

- Here we try to find out, what were the challenges for Cloth Merchants while adopting Cashless Transactions.
- We found out that, 68% i.e. 34 Cloth Merchants think that Unaware Customers is biggest challenge while adopting cashless.
- While 20%, i.e.10 Cloth Merchants, thinks trust issues are stepping stone in going cashless.
- 12%, i.e. 6 Cloth Merchants find No challenges while adopting Cashless.

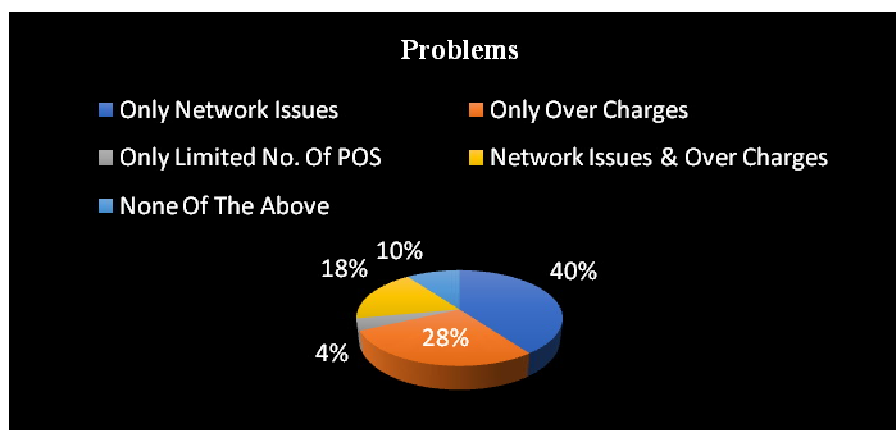
7. What are the Benefits you have while using Cashless Transactions?



(Source: Primary Data)

- Here we try to find out, what are the Benefits Cloth Merchants has of Cashless Transactions.
- In this we found out that, 36% i.e. 18 Cloth Merchants has benefit of Instant Transactions.
- 10% i.e. 5 cloth merchants thinks Cashless Transaction has benefit of Offers over other modes of transactions.
- 10% i.e. 5 cloth merchants thinks Cashless Transactions has benefit of Less Risk than other modes of transactions.
- 8% i.e. 4 Cloth Merchants thinks cashless transactions give benefits of Instant transactions and Less Risk.
- 6% i.e. 3 Cloth Merchants has benefits of Easy Financing and No Bad Debts because of Cashless Transactions.
- 4% i.e. 2 Cloth Merchants think they has benefit of Easy financing because of Cashless Transactions.
- 4% i.e. 2 Cloth Merchants think they has benefits of Easy financing and Offers because of Cashless Transactions.
- 4% i.e. 2 Cloth Merchants think they has benefits of No Bad Debts and Less Risk because of Cashless Transactions.
- 4% i.e. 2 Cloth Merchants has benefits of instant Transactions, Offers & Less Risk because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant has benefits of Easy Financing & Instant Transactions because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant has benefits of instant Transactions, No Bad debts & No Credit Periods because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant has benefits of Easy Financing, Instant Transactions, No Credit Periods & Less Risk because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant has benefits of Easy Financing ,Instant Transactions, Offers & Less Risk because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant has benefits of Instant Transactions & No Bad debts because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant has benefits of Instant Transactions & No Credit Periods because of Cashless Transactions.
- 2% i.e. 1 Cloth Merchant think he has benefits of Easy Financing, Instant Transactions, No bad debts, Offers, No credit periods & Less Risk because of Cashless Transactions.

8. What are the Problems you face while doing Cashless Transactions?



(Source: Primary Data)

- Here we try to find out what are the problems cloth merchants face while doing cashless transactions
- In this we found that, 40% i.e. 20 Cloth Merchants face problem because of Network issues.
- 28% i.e. 14 Cloth Merchants have problem of overcharges while doing Cashless Transactions.

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- 18% i.e. 9 Cloth Merchants face dual problems of Network Issues & over Charges because of Cashless Transactions.
 - 10% i.e. 5 Cloth Merchants said they don't face any problem while doing Cashless Transactions.
 - 4% i.e. 2 Cloth Merchants face problem because of Limited Number of POS (Point Of Sale) in Cashless Transactions.

SUGGESTIONS:

- Internet services or more Wi-Fi services should be provided at various places to avoid Network or Technical issues.
- More awareness program should be conducted for customers, related to Security and Safety of Transactions.
- Banks should minimize or reduced the charges on Transactions.
- Applications or Net Banking/Mobile Banking process should be available in all regional languages to overcome Language Barriers.

CONCLUSION:

As every coin has two sides, so adopting Cashless Economy in a vast and developing country like India is a major challenge, but at the same time going for Cashless helps us to overcome problems like Black money, Terrorism, Corruption, Counterfeit currency. And also because of Cashless there is more transparency in the country. It will eventually prove beneficial for overall Economy towards Development.

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FINANCIAL INCLUSION THROUGH RUPAY CARD IN INDIA'S LESS CASH ECONOMY

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INTRODUCTION

A card, whether debit / credit card, is a plastic card which is used as a mode of making payments instead of cash. Generally they are issued by the Banks and several Financial Institutions in India. Initially banks used to issue an ATM card which was mainly used for cash withdrawal from ATM machines of the corresponding bank and also making payments. The first such ATM was introduced by HSBC bank in 1987 in India. The use of these cards was limited or restricted in terms of its application. With the rapid advancement of technology and more openness to the market worldwide, it became inevitable to introduce a card for making payments which has international acceptability and which can also serve a better option for cash transactions for the achievement of sustainable economic development of the country.

In India, Banks replace their ATM cards with the VISA or MASTERCARD for wider network of transactions. These are both American companies who provide their services as gateways for the card networks across the world. Like these two dominant networks there are other networks like American Express, Amex, Citi etc. which are all global card companies doing their business in India. They all used to issue a debit or credit cards through banks across the world and banks have to pay fees and processing charges per transaction which is generally high to join their network.

As India is becoming one of the major economies of the world, the Reserve Bank of India (RBI), desired to create our own payment solution as an alternative to global giants like VISA and MASTERCARD to consolidate and integrate various payment systems in India. In India, 90% of the credit card and debit card transactions are domestic in nature. But for these transactions we have to pay high transaction fees to the foreign payment gateways and we also share our personal data with these foreign terminals. So to benefit and safety of Indian economy a '*desi*' (domestic / Indian) version of payment gateways was necessary. The task to introduce such scheme was given to the National Payments Corporation of India by the Government of India.

Progress of RuPay card so far-

- (a) Launch of RuPay card: In order to promote the efforts of financial inclusion in the country, the Government of India introduced the RuPay card. This scheme allows all the banks and financial institutions in India to participate in electronic payments. The NPCI is a body promoted by the RBI, to operate in the field of retail payments in India. By its very nature, objectives and initiatives it is incorporated as "Not for profit company" under the provisions of section 25 of the Companies Act, 1956 and under section 8 of the Companies Act, 2013. Its main initiative is to the necessary infrastructure required in Indian economy to move towards a 'less cash economy'. To increase worldwide acceptance of RuPay card, NPCI maintains ties with several other networks such as Discover Financial, Diner's club, UnionPay, NETS, BCard, Dinacard, JCB etc.
- (b) RuPay Pay Secure started operations in June 2013. It is a payment service which allows customer's of card issuing bank to use RuPay debit card for the payment of online transactions. It uses a simplified yet secure architecture which offers additional security. Registered information and other personal information to NPCI is not disclosed or shared neither with the merchant nor bank.
- (c) RuPay card was dedicated to the Nation by the President of India. RuPay card was formally launched by the then President Pranab Mukherjee in May 2014. The word RuPay envisaged the sense of nationality in it. It symbolizes for Rupee (India's National currency) and Payment. The Words RuPay along with the orange and green colour (representing colours of our national flag) arrows indicates that the Indian economy is substantially and consistently moving ahead. It is a card which offers a domestic, open-loop, multilateral system which allows banks and financial institutions in India to participate in electronic payments platform.
- (d) Types of RuPay cards: Apart from the RuPay Debit card there are other types of RuPay cards launched by NPCI to increase the penetration of use of electronic gateway payment platform for ' less cash' economy.
1. RuPay Prepaid card: It was launched in July 2014. Its objective is to offer services to those people who are outside the orbit of the banking sector. These cards are issued through co-branding arrangements with the banks in the form of physical, virtual and mobile wallets.

2. Introduction of PMJDY card : was launched in September 2014. The RuPay cards were issued to all the account holders of PradhanMantri Jan DhanYojana. Around 242 million RuPay cards were issued through this scheme until 2018. A large section of the population was tapped through this scheme for the promotion of RuPay card. Small finance banks played a significant role in spreading the use of RuPay cards through PMJDY.
3. Introduction of RuPay Virtual card: it was launched by NPCI in June 2016 in India. It would be replacement of physical card and it is also easy to operate as it requires single factor authentication.
4. Introduction of RuPay Contactless card: With the advancement of technology it became possible to make payment without swipe or inserting the card into a point-of-sale machine. Cardholders just have to wave their cards in front of contactless payment terminals.
5. Introduction of RuPay Credit card: the facility of credit card was launched in June 2017. It operates just like any other credit card of the banks and financial institutions.
6. Introduction of Kisan card: Such special purpose cards are issued by all the public sector banks to the farmers across the country to enable them to operate ATMs and PoS terminals. Like Kisan card, Milk procurement cards (in Gujrat and West Bengal), Grain procurement cards (in Punjab), Financial inclusion cards are also issued under this scheme.

The banks and financial institutions play an important role in successful initiation and operation of RuPay cards in India. NPCI is getting help in the promotion of the cards by 10 core promoter banks (nationalized and private) viz. State Bank of India, Canara Bank, Punjab National bank, Union Bank of India, Bank of Baroda, Bank of India, ICICI Bank, HDFC Bank, HSBC and Citibank. RuPay cards are also initiated through scheduled cooperative banks, state and urban cooperative banks, RRBs and many financial institutions. The number of participating banks is increasing with their savings and current account holders in operations of RuPay card.

Benefits / advantages of RuPay card

It is a 100% made in India card which offers a customized product and services to Indian consumers suitable to Indian market. The transaction charges are as low as Rs. 2.50/- per transaction compared to other international network of Rs. 3.25/- per transaction. On the part of the banks, the fees which they have to pay to enter the network of RuPay is either zero or very low. Since around 90% of the online transactions are domestic in nature, the transaction history and other personal information remain within the cloud networking of India. So it is more safe and secure. The speed of transaction with respect to time is high since the processing is done within India.

Apart from the above general benefits there are some special features of the RuPay card such as:

1. Complementary lounge access located in the major domestic and international airports in the country.
2. Cash back and waiver and merchant offers :RuPay Platinum card holders gets a surcharge waiver of 1% at petrol stations in India. IRCTC also offers a waiver of surcharge for train travel and a cash back offer of Rs. 25/- per month. The RuPay card also provides a 5% cash back offer on payment of Utility bills like water, electricity, gas etc.
3. Comprehensive insurance cover: It is special benefit given by the Government to all RuPay card holders. Under this scheme a personal accidental death and permanent total disability insurance is covered of Rs. 2 lakh.

CONCLUSION

NPCI has made a tremendous progress in the history of retail payment system in India during the last seven years since the launch of RuPay card to initiate a less cash economy. But still it's a long journey ahead because though the number of cardholders is increasing more specifically in rural areas, people are still reliant on cash instead of payment by card. The fruits of less cash economy can be achieved when participating consumers are encourage and made aware about the uses, availability and benefits of cashless transactions. Banks also needs encouragement in promotion of the uses of these cards.

RBI's vision of less cash economy is possible through made in India RuPaycard product in Make in India era of Indian economy.

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NEW DYNAMICS ON EFFECTS AND SPENDING BEHAVIOR W.R.T. PAYTM

Prof. Monika Chandiwal¹ and Prof. Darshana H. Pednekar²Vice Principal¹Lecturer², Balbharati's MJP College of Commerce, Kandivali (West)**ABSTRACT**

The Indian economy was traditionally based on cash transactions. However, after the midnight of November 8, 2016, India moved towards cashless transactions. The present study deals with suburban youth of India from 18 to 21 years and their perception towards use of Paytm. For this they were requested to participate in this study in February, 2019. Smartphones have brought a huge change in the lives of youth, that enjoy comfort with technology and find things much easier. Smartphones play a vital role by providing a great platform for communication and access to a wide range of applications. Paytm is the Indian mobile-first financial services company that offers Digital payment system and lending to consumers through its mobile app. The Paytm app has both pros and cons among common respondents. The aim of this research paper is to analyze the usage of Paytm among youth.

Keywords: Suburban Youth, Paytm, Smartphone, Digital Payment System.

INTRODUCTION

The new generation is entering into a new era in payment system by using digital Paytm filled with offers, In this today's world youth can't afford to have their time to sit and relax so how they should manage their personal works like to recharge their phones, to pay electricity bill, insurance or to shop etc. So to reduce stress new application has been introduced like Paytm.

People are using this application in their mobile phones in higher percentage and made help them to do their works easier. The present research paper is focusing on the impact of these new digital payment systems on customers and problems encountered if any.

OBJECTIVES OF STUDY

1. To study the acceptance level of Paytm in under graduate youth.
2. To study the services offered by Paytm.
3. To study the impact of Paytm after demonetization on the spending behavior.
4. To study the role played by Paytm in digital India.

METHODOLOGY

The study is based on Primary Data Collection. Questionnaire was formed for a sample size of 100 students studying in senior college. Primary research was done by circulating questionnaire among the youth of 18 to 21 years studying in senior college. Simple random sampling method was used. Nearly 100 students were sent a questionnaire and data is gathered from 100 students.

Secondary research was conducted by using information from internet, magazines and data available and published by various sources.

BACKGROUND

Digital India is a campaign launched by the government of India to ensure the Government's services are made available to citizens electronically by improved online infrastructure and by increasing Internet connectivity or by making the country digitally empowered in the field of technology. The initiative includes plans to connect rural areas with high speed internet networks. Digital India consists of three core components: the development of secure and stable digital infrastructure, delivering government services digitally, and universal digital literacy.

It is to ensure that government services are available to citizens electronically. It will focus on providing high speed internet services to its citizens and make services available in real time for both online and mobile platform. Digital India also aims to transform ease of doing business in the country.

Digitization also coined a new era for cashless economy. Cashless transactions are not the blessings for progress, these are all only one form of transaction, developed from barter and currency. They are the only facilitators. Cashless transactions, can't produce goods for consumption. World over, the currency is still

holding a very important position. Any transactions through digital way or online way well as through cheque, can be termed as cashless transaction.

After demonetization in 2016 many of the online Apps as well as many online services started taking the place of Cash transactions. Which somewhere or the other helped the economy to flow smoothly. But few of the Apps were working even before demonetization took place. One the famous App is Paytm which started in 2010 and it grew immensely from that time and it kept on increasing its standards from that day.

Paytm is Noida based E-commerce start -up founded by Vijay Sharma in 2010 with mobile and DTH recharge. It is an Indian e-commerce payment system. The initial investment was just \$ 2 million. It started off as an only prepaid mobile and DTH recharge platform, and later it added data card, postpaid mobile and landline bill payments in 2013.

From 2014 the company launched Paytm wallet, and the Indian Railways and UBER was added as its payment options. It also started with bus ticketing services.

From 2015, it started with more and more services like education fees, metro recharges, electricity bill, gas bill and water bill payments.

By 2016 they launched movies, amusement parks ticketing as well as flight tickets and events tickets. in the same year they started with Paytm QR code option.

Register user base of Paytm is 104 million in August 2015. Paytm became first Indian app to cross over 100 million downloads. It also launched Paytm gold.

Paytm also launched Business app for day to day settlement. It also allows merchants to keep track of the transactions.

From 2018 it started accepting Paytm, UPI and card payments directly into bank with 0% charge. Company also launched two new products: Paytm gold savings plan and Gold gifting plans which are wealth management products. Paytm is valued at \$ 100 billion.

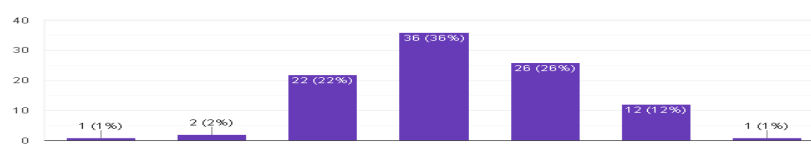
Paytm is available in 10 Indian languages. It offers online platform for bill payments as well as in store payments at grocery stores, fruits and vegetables shops, restaurants, parking, tolls, pharmacies and education institutions etc. The company also uses advertisements and paid promotional content to generate revenues.

Paytm has a license from RBI for starting India's first Payment Bank. Payment Bank is a separate entity. It has 51% stake of Vijay Sharma the founder of Paytm. Parent company One97communications Pvt. Ltd. has 39% and 10% stake is held by subsidiary of One97 communications Pvt. Ltd. and others. Paytm, One97's flagship brand, is India's largest digital goods and mobile commerce platform. Paytm is also a leading payment solutions provider to e-commerce merchants using its RBI approved semi-closed wallet.

DATA ANALYSIS

Data was collected from the youth of 18 to 21 years. Around 35% of the respondents are aging 19 years.

Age of Respondent
100 responses



Youth of today mainly transact using online Apps and online services. Around 95% of the population prefers to pay online. And 99% of the population prefers Paytm App. Paytm is the most popular App among the youth.

Do you prefer making payments online?

100 responses



Which type of online App you prefer for making payment?

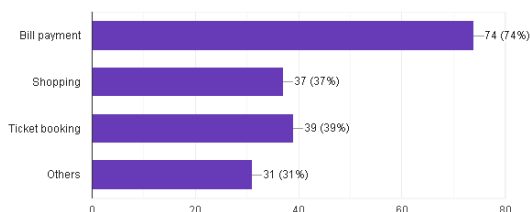
100 responses



Paytm is popularly used for bill payments, ticket bookings, online transfers, shopping as well as for paying to nearby Kirana stores and transferring funds to other's account. From the data collected it is observed that around 74% of the population use Paytm for bill payment purpose. And around half of the population uses Paytm for Shopping and ticket booking. Majority population use Paytm App rarely or monthly. It can be assumed that population might use app for monthly bill payments.

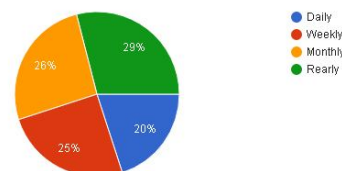
Purpose for which Paytm is used by you oftenly?

100 responses



How frequently you use the Paytm App?

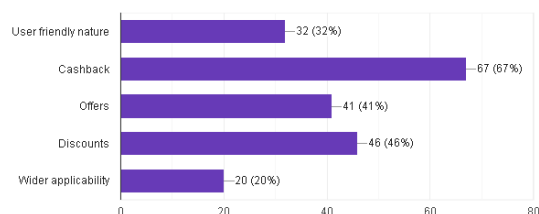
100 responses



Paytm provides various features but it is most famous for its discounts and cash backs. According to the data collected around 67% of the population is also of the opinion that they are attracted towards cash back feature. Around 40 to 46% population likes discounts and offers provided by Paytm App. Around 35% of the youth population spends less than Rs. 1000 on Paytm App.

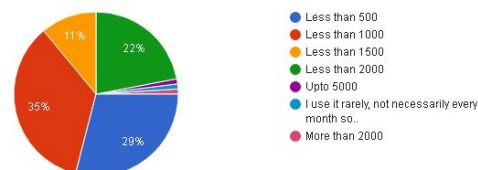
What feature of Paytm App attracts you the most?

100 responses



How much average monthly amount spent by you on Paytm?

100 responses



98% of respondents think that Paytm offers safety and security. 76% of the population has not faced any difficulty while transacting. It can be said that Paytm offers safety and security. Some of the difficulties faced by Paytm users are Delay in confirmation of transaction, problem in detecting barcode, sometimes payment gateway fails, sometimes cash backs are not received in time or even if they are received they are sometimes they cannot be redeemed properly.

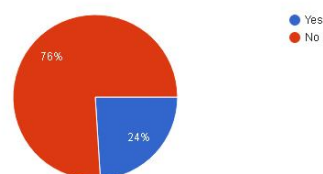
Do Paytm offers Safety and security while transacting?

100 responses



Have you faced any difficulty while transacting?

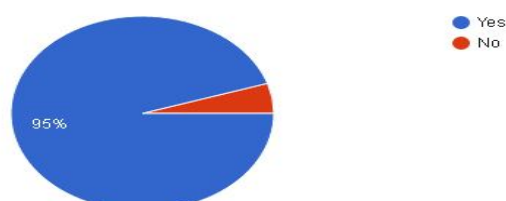
100 responses



Cashless economy is today's need. All transactions should be done online or should be done through Apps. 95% of the population believes that Paytm can become a solution for Cashless economy.

Do you think Paytm can be a solution for Cashless economy?

100 responses



RECOMMENDATION

One group of consumers thinks that the Paytm app is both easy to use and wallet free. Advantage of Paytm App is that it is a direct P2P transfer by using Paytm Wallet. Number of retailers and merchants offers deals on daily basis. From Adani electricity to Swiggy and Food Panda offers hottest deals.

Some of the researches have shown that Payment App face connectivity issues i.e., it cannot be connected without internet facility. Paytm network also faces traffic between 10.00 am to 2.00 pm and 6.00 pm to 10.00 pm.

Paytm is working hard to become most trusted mobile commerce brand in India. Paytm currently offering all the facilities online but with large number users in toe Paytm can explore some of the facilities offline.

Paytm can also offer more and more banking services with existing payment services. Security from hacking the customer information is the major concern of Paytm today. They should involve high technology for safety of customer data and transactions.

CONCLUSION

The total number Paytm users crossed more than 300 million users till July 2018. There are 80 million active customers around India. On an average there are 5 million transactions takes place every day.

Around 7 million merchants are connected with Paytm. Some of them are offline merchants. Around 850,000 merchants accept Paytm money offline. Around 70 to 80% Paytm use is through mobile with Android based system. Around 65-70% people use offline Paytm transaction facility.

Paytm saves customer's valuable time of switching from one site to another site for payment. It is very handy and user friendly in nature. Moreover is freely available on Google play store.

To overcome these cons and increase the pros of Paytm app, the app can be improvised to work without internet. This will pave way towards making digital India a reality. (AS PER OUR ANALYSIS)

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CUSTOMER RELATION MANAGEMENT: A STUDY ON LEVEL OF AWARENESS OF CUSTOMERS ABOUT E-CRM AND USE OF E-CRM FACILITIES PROVIDED BY BANKS IN MUMBRA REGION.

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ABSTRACT:

Customer Relationship Management is the most important factor in today competitive commercial world. Even Service sector like banks are not out of it. Customer Relationship management (CRM) became essential for survival and growth of banks in India. With rapid growth and development in Information and Communication Technology, CRM is expanding itself to Electronic form called E-CRM. In the above context, this paper makes an empirical study on level of awareness about the E-CRM facilities provide by the banks of Mumbra regions and also use of different E-CRM facilities by the Customers of Mumbra Region. Mumbra is semi urban area which is rapidly developing in field of Infrastructure and education and having greater scope for the Service Sector like Banking.

Keywords: Customer Relationship Management, Banking Sector, E- CRM, Customers.

INTRODUCTION:

In the era of globalization, there is intense competition in the entire sector of economy and being the fastest growing field, Service Sector is also experiencing the same. The Banking Services are the need of hour. Banking Services are very essential for supporting the both Industry and Agricultural Sector. The Citizens of the country are related to banks in direct or indirect way. The ever-increasing demands of the customers are compelling bank to increase their efficiency and to fulfill the expectation of the customers. To attract new Customers and to retain the existing one's is the major challenge for every bank operating in the market.

In this competitive market to achieve the competitive edge over others, Customer Relationship Management (CRM) can be used as the effective tool. In the 21st century CRM has been the center of attraction for both, Customers and for Banks. Different banks are following different strategies of Customer Relationship Management (CRM) in order to make their current and potential Customers happy and satisfied. CRM is related to reaching the touch points of the Customers.

CRM has been explained by certain management philosophers and experts in their own studying pattern. Some of the definition of the CRM can be given as follows:

“The purpose of a business is to create and keep a customer.”

This business truth is given by Peter Drucker in his book *The Practice of Management* (1954) is a apt and insightful definition of CRM (Customer Relationship Management).

“A business process of understanding, collecting and managing all of the information in a business environment relating to a customer. The goal of CRM is to more effectively communicate with customers and improve customer relationships over time.” – JamesWong, Avidian Technologies

CRM follows the mainstages:Acquisition to Extension to Retention

With advancing Information and Technology, Customer Relationship Management strategies have taken Electronic form. E-CRM became the modern technique of connecting banks to it Customers. For extending CRM to larger number of Customers E-CRM plays important role and make it east to banks to be in touch with their Customers and also satisfying Customers without being bounded in the time limit. The Electronic Customer Relationship expands the traditional customer Relationship Management techniques by integrating technologies of new electronic channels such as web wireless and voice technologies and combines them with E-business application into the overall enterprise customer Relationship Management strategy. They further say “the ability to capture, integrate and distribute data gained at the organization's web site throughout the enterprise”. The purpose of e-CRM is to serve the customers in better way, retain valuable customers and enhance analytical capabilities in an organization.

There is difference in Traditional CRM techniques and E-CRM. This difference is presented in the table no. 1

Traditional CRM	E-CRM
Telemarketing	Emails blasts
Direct mails	Web Registration
Inbound Calls	Online Reply
Press Release	Instant messaging
Responses	Online Customer Services
Meetings	Web Demo's
Product Demo	Video Conferences
Referrals	Automated Services

Table no. 1: Data as per information available

The changed or added approach of the CRM is to provide better services to the Customers and also create Customer Loyalty which can give competitive edge to the Banks.

THE OBJECTIVES OF E-CRM ARE:

- To provide best and efficient services to the Customers.
- To attract new customers and retain the existing customers.
- To enhance Customer Loyalty.
- To help to serve customers faster.
- To simplify the procedures and make easy the deal for both seller and buyers.
- To reduce cost and to save time.

The banks are using E-CRM more than any other service providers. The e-CRM techniques are used by banks to make the banking process easy and efficient for both the banks and the Customers. As banks are directly related to the transactions and payments of Money, E-CRM services of banks become most essential to serve the needs of customers especially off the time. The following are some of the E-CRM techniques and Services followed by the banks:

Table no.2 : E-CRM Techniques used by Indian Banks.

Automated Teller Machines (ATMs)	INFINET and VAST Network
Phone Banking / Tele Banking	Electronic Clearing Services
Internet Banking – e-Banking	Wireless Banking Services
Mobile Banking	Data Warehousing and Data Mining
Total Branch Mechanization (TBM)	Point of Sale Terminal
Electronic Funds Transfer (EFT)	Communication Technology (SWIFT)

(Data as per Banks available data)

The above techniques mention in the Table no.2 also includes services provided by the banks to other banks and commercial outlets as they too are the customers of the banks.

This Study is related to the Awareness among the Customers about the E-CRM techniques and services provided by the banks of Mumbra region. In Mumbra, there are National, Public, Private and Co-operative banks operating with lakh of Customers. As the subsidies linked directly to the banks account like LPG, the number of Women Customers has also increased. And hence the awareness of all the customers regarding E-CRM techniques used by banks is important as it can make banking easier for the customers.

OBJECTIVES OF THE STUDY:

This Study is concern with the Customers of Banks of Mumbra Region about the E-CRM techniques. The following are the objectives of the Study:

- To determine the level of awareness among the Bank Customers of Mumbra about
- E-CRM techniques followed by banks in Mumbra region.
- To Study about the E-CRM services provided by the banks of Mumbra region.
- To Study about the extent of use of E-CRM services by the bank Customers of Mumbra region.

HYPOTHESIS OF THE STUDY:

H0: E-CRM do not play significant role in making banking process easy for the Customers of Mumbra Region due to unawareness about E-CRM techniques.

H1: E-CRM plays significant role in making banking process easy for the Customers of Mumbra Region due to awareness about E-CRM techniques.

RESEARCH METHODOLOGY AND DATA COLLECTION:

The Data for the Research is collected both through Primary and Secondary Methods. There are total 12 banks in Mumbra of which 5 are National (Public banks), 3 private banks and 4 co-operative banks. This study is conducted by including data of 2 national bank(Canara and Indian bank), 1 private bank (AXIS Bank) and 1 co-operative bank (Abhinav Co-operative Bank). A Close ended questionnaire is prepared and the responses were taken from total 100 Customers (25 customers each bank). The findings are presented from the analysis of the responses. The Secondary Data is collected through the banks of Mumbra region about the E-CRM services provided by them.

FINDINGS OF THE STUDY:

E-CRM is the one of the important factors for the Customers to select the banks for subscribing their services. This Study reveals different facts and finding about use of E-CRM by the Customers of Mumbra region. The Banks of Mumbra region are providing number of E-CRM facilities to the customers like ATM, Mobile banking, Quick SMS Alerts, Net banking, Online Transaction, Dropboxes for Cheques, Passbook printing machines etc. But the awareness about and usage of these E-CRM facilities varies from Customers to Customers. The respondents Customers of the study include equal number of male and female Customers. But the awareness level and the usage rates are different in both males and females' customers which is evident with the analysis of the data presented below.

ANALYSIS OF DATA:

The data collected through the responses of Customers where they were provided with the Close ended Questionnaire. The Criteria for finding the awareness and the usage level was limited to some of the basic E-CRM facilities which is presented below.

Responses by Male and Female Customers of Bank

E-CRM facilities	Awareness (Total 100)			Usage (Total 100)		
	Males (50)	Females (50)	Total (100)	Males (50)	Females (50)	Total (100)
(ATM)	50	45	95	40	30	70
Net/ Mobile banking	35	20	55	20	10	33
Online Transaction	45	20	65	30	10	40
Drop boxes for Cheque	40	25	65	35	15	50
Passbook Entry Machine	38	18	56	29	10	39

(Table no. 3 : Data as per responses of Customers of banks, Mumbra)

The above data of table no. 3 shows the response of the male and the female Customers regarding awareness and usage of the E-CRM facilities provided by the banks of Mumbra region. There is notable difference between the awareness level of Males and Females Customers. The male customers are much more aware than female customers about E-CRM facilities. Similarly, the usage level of both the category of customers are different. There is also difference between the Awareness and usage level of the customers which can be shown as follows:

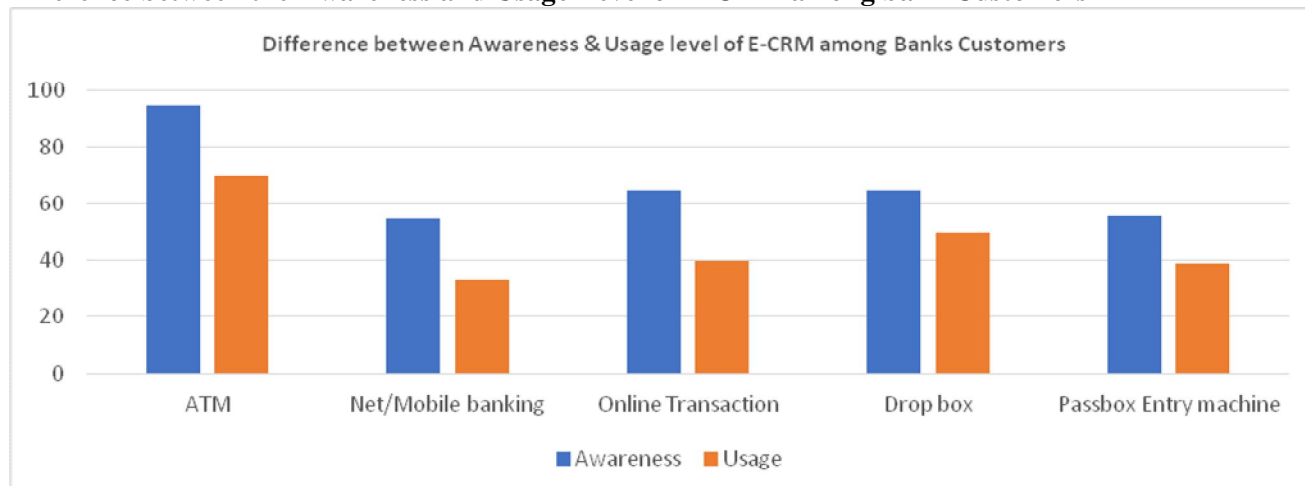
Difference between the Awareness and Usage Level of E-CRM among bank Customers

Figure no. 1 (Data as per responses of the Total number 100 bank Customers)

There is difference between the awareness level and usage level of the E-CRM facilities provided by the banks among the Customers of Mumbra region. The overall awareness level is positive for ATM, Online Transactions and Drop boxes but the usage level is low. And comparative the awareness level of Female Customers is very low compare to male Customers and the condition of Usage level is even worst in case of female customers. Due to the traditional use to habits, illiteracy of use of Internet, modern instruments and low confidence on modern techniques is it evident that Customers knows about number of E-CRM services but they tend not to use them.

SUGGESTIONS:

The following suggestion can be considered to reduce the gap between the Awareness and Usage level of E-CRM facilities:

- The promotion of E-CRM facilities by the banks especially among the female customers.
- Making E-CRM more customer friendly by providing training to the Customers.
- Providing manuals in local, regional languages for better understanding of services.
- Including Offline Services like SMS banking if possible which can easily use on non-Smart Phones.

CONCLUSION:

E-CRM is essentially become important for the Banks in Mumbra Region. E-CRM in banks has enabled banks to reach more customers. E-CRM help the banks in understanding their needs and wants and providing them various services. All this make the customers loyal and happy. The awareness level is good but needed to improve in case of services like net/mobile banking especially for female customers. The Gap between the awareness level and usage have to be address by the banks of Mumbra region-CRM is a tool majorly used by the banks to reach and serve more and more customers easily and also useful for the Customers to make banking process easy and quick. Overall E-CRM is beneficial to banks and to the Customers.

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MOBILE MARKETING: THE EVOLUTION OF DIGITAL WALLETS THROUGH SMARTPHONE TECHNOLOGY

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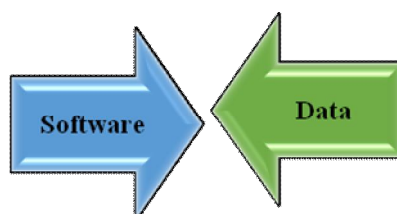
ABSTRACT

Technology is getting enhanced day by day and so is commercial world. Moving from traditional marketing the consumers have started relying on mobile marketing. Buying things online has been incorporated by number of consumers today, so the pattern of traditional marketing has been shifted to electronic marketing and now to mobile marketing. Every marketing variant has their own significance, and so as payment options. Buying things irrespective whether it's into a traditional format or on electronic format, the consumer needs to make payment in return, however this payment can be in any form. Exchanging goods and services with that of money is something which we are aware of. Talking about paying in money format, then there is an enhancement in this as well, that is one can make use of paper money while buying something, or one can make use of their plastic money in the form of debit or credit card, or the payment can be made in an electronic way, that is one can make payments online through electronic wallet system. Consumers can make digital payments with the use of their mobile wallets through their smartphone device.

Keywords: Traditional marketing, Mobile marketing, Mobile payments, Electronic wallets, Digital payment, Smartphone device.

INTRODUCTION

Mobile marketing is a concept which has been opted by number of consumers today. Emphasising on online marketing a consumer can avail themselves with multiple payment options. Earlier during buying of any good or availing of any service consumers had the only option of paying cash in return. Wherein in today's time consumer buying goods on line or availing of any service on line can avail themselves with multiple options such as, cash on delivery, use of debit card or credit card, mobile banking, internet banking, and finally one of the novel innovation of digital wallet.

**OBJECTIVES:**

1. To study the concept of digital wallet
2. To understand the pattern preferred by consumers in making digital transactions.

What is Digital wallet and how it works.

Digital wallet is an innovation designed basically for financial transactions which are made through one's own smartphone device. Consumers can easily access these wallets by installing applications in their smartphone, available in Google Play Store.

It's an electronic version of what is known as physical wallet. Digital wallets allow consumers in performing their transactional activities electronically. In simple words the payments can be made not by paying physical cash, in the form of paper money, but making payments electronically, digitally. The basic objective of using digital wallet is to eliminate the need of carrying physical wallet. These digital wallets consist of two things: Software, basically stores the entire information wherein the data is related to all the information that is provided by the users. Data includes user's name, debit or credit cards details as such.

Features of Digital Wallet:

1. **Store Money:** Consumers using digital wallets can store money in their digital wallets. Simply means instead of using paper money can make use of the money which is been stored in their digital wallets.
2. **Money Transfer:** Consumers can transfer money to other contacts, money can be transfer to any of their friends or known's digital wallets, in simple words can transfer money in someone else digital wallet

3. **Bill Pay:** Utility bills can be paid, through digital wallets. Bills inclusive of Electricity, Telephone, and Post paid bill as such. Consumers at any point of time and from anywhere can make use of their digital wallets to pay their utility bills.
4. **Transfer to Account:** Consumers can connect their bank account details with that of digital wallet, and funds can be easily transferred.
5. **Split Bills:** Another most important feature of digital wallet is bills may be split or divided into multiple payers, and accordingly one can pay one's own partially used service and pay for the same.
6. **Cash Pickup:** Cash pickup in simple words can be explained as a payment made by World Remit to the recipient that can be collected in the form of cash, Western Union helps in the following flow of transaction.
7. **Budgeting Tool:** Digital wallet also allows its users to keep a track on their expenses. A formal statement regarding transactions is provided to the consumers.
8. **Big Offers:** Digital wallet applications provide their customers with internal offers, these are timely offers differs depending of the application used.

SCOPE OF THE STUDY:

The study was conducted with a view to understand the concept of online paying system. There are varied options available in making payments. The traditional one is wherein the goods were bought in exchange of paper money; however due to enhancement in the commercial field today consumers have multi options in making payments. The study is conducted in order to understand the concept of the modern paying system, and consumer's perception towards the same.

LIMITATION OF THE STUDY

The study was limited on various factors, due to time constrain. In designing of questionnaire demographic factors were not taken into consideration. Data was purely collected from smartphone users. During data collection it was very clearly as only those respondents' data was considered who make use of their smartphone devices and who are making use of digital wallets.

RESEARCH DESIGN

Descriptive research design has been opted for the specific study. The study give due importance to the characteristics of the concerning individuals.

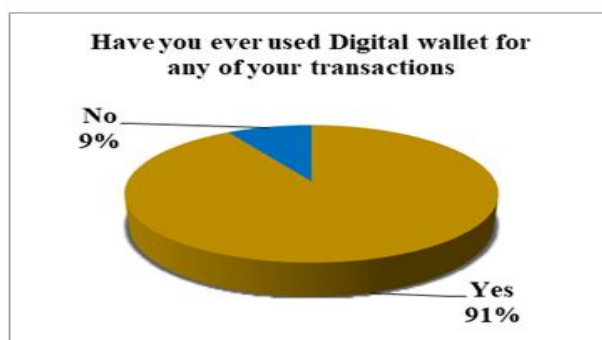
Sample Design and Methods of Sampling

Primary data was collected, within the boundaries of Mumbai. A small area with Mumbai city was selected wherein the questionnaire was distributed to 80 respondents.

Probability method of sampling was opted for the specific study, wherein each element of the population designed under sample was given equal chance of getting selected. Simple random sampling was preferred while collecting primary data.

Sources and Methods of Data Collection

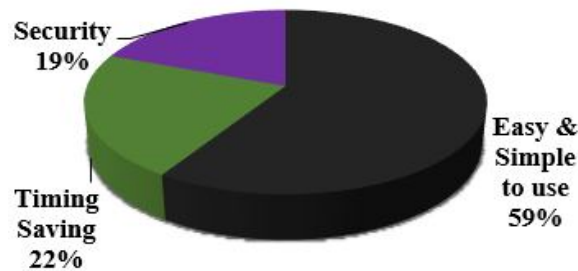
Primary as well as Secondary sources both were given due importance. Primary data was collected through well defined and simple framed questions. It was through questionnaire that primary data was collected. Secondary data was collected through online available information, journals and articles which were available on website.



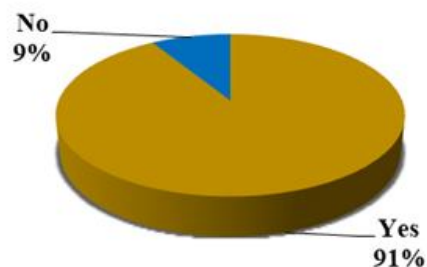
DATA ANALYSIS AND INTERPRETATION

Primary data initially was collected with 80 respondents, amongst which 7 of the respondents were not making use of digital wallets for transactions, and hence the respondents who were using digital wallets for transactions their response were considered. So, 73 respondents were considered for analysis purpose.

Your preference in using Digital wallet in comparison to other mode of pyement



Have you ever used Digital wallet for any of your transactions

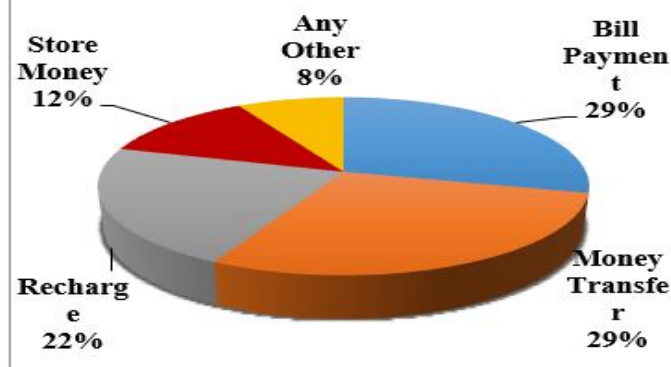


Amongs 80 respondents it was observed that 91% of the respondents are making use of digital transactions, they are making use of their digital wallets through smartphone devices. However there were 9% of the respondents who have never made used of their digital wallets.

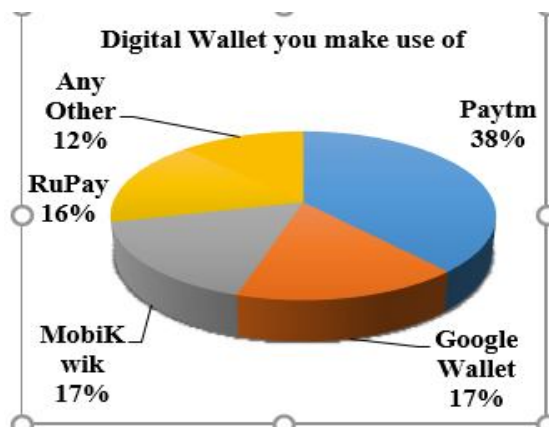
On the basis of kind of digital wallets the consumers use, 38% of the respondents are currently using Paytm, 17% respondents are making use of MobiKwik and Google Wallet, 16% are using Rupay, there were 12% of the respondents who are using other known digital wallets, such as Free Charge, and their specific sim provider wallets.

Respondents are making use of these digital wallets as 59% of the total respondents feel that digital wallets are easy and simple to use. 22% supports using digital wallets as they fell using these wallets saves their time and 19% feels that making use of digital wallets are secured in comparison of using other electronic mode of payments.

Your purpose of using Digital Wallet



In analyzing the purpose of consumers making use of digital wallets, their responses were as under, 29% make use of these wallets to transfer money and for paying of their utility bills, 22% of the respondents use for recharge purpose, 12% to store money, and 8% for other reasons such as shopping, or for personal use.

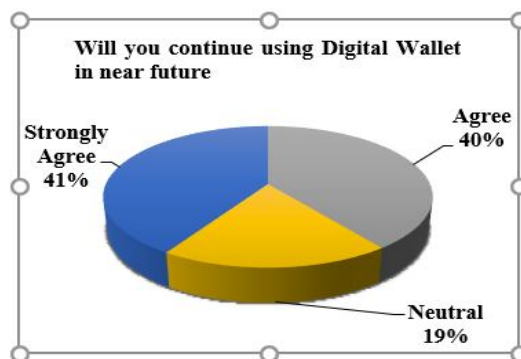


The consumers who are making use of digital wallets were finally asked to answer their perception on continuing using digital wallets. It was 19% of the respondents who were neutral on such question, where as there were 40% who agreed and 41% who strongly agreed.

CONCLUSION

With the enhancement in the field of technology, consumers are hardly making use of their wallets, maximum of their transactions are done either through debit or credit cards, or they are making use of their digital wallets. Making payments through mobile wallets are simple, easy and faster than making payments through debit or credit cards.

With the help of their smartphone devices, consumers can make an effective use of their digital wallets. This application helps with varied features; an every feature has its due importance. Security, safety, easy, simple and convenient, consumers are highly satisfied with this digital form of payment. It's a transformation way of paying. However, there are certain consumers who are not comfortable in making use of digital transactions, they still rely on traditional mode of making transactions, they don't find digital use comfortable, and security is one of the major reasons why they don't make use of such applications. May be in future they might get consider themselves as a part of digital family. They might support digital wallets in near future, through their smartphone devices.



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A STUDY ON DIGITAL BANKING AND ITS IMPACT ON THE MILLENNIALS

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ABSTRACT

The road to cashless economy is filled with many challenges , but also presents number of opportunities , the biggest of them all is technology and the youth , which in today's day and age are inseparable . Digital banking in the Indian banking sector has present since a very long time, but thanks to the technological growth and awareness , it has picked up pace and is very famous amongst the banking habits of the younger generation . This study focuses on digital banking aspects and its impact, advantages, concerns and challenges to the younger generation bracket called the Millennials

Keywords: Digital banking, demonetization, NEFT, RTGS, e-wallets, plastic money, cashbacks

INTRODUCTION

This study focuses on the growth of cashless transactions in India which is replaced by electronic banking services such as NEFT RTGS IMPS and also mobile e wallets such as PayTm, Google pay etc and its viability and impact on the younger section of the society, especially the millennials

The study also includes primary data collected from the millennial age group and tried to find the impact digital banking and e-wallets have had in their life in various aspects.

OBJECTIVE OF THE STUDY

The study has the following objectives:

- To understand the awareness level and usage patterns of digital banking amongst the youth
- To analyse the impact digital banking has created in the daily life of the millennial
- To analyse the pros and cons of digital banking amongst the youth

Hypothesis

H₀= There are no differences of opinions about security as a biggest concern w.r.t. trust factor among millenials.

H₁= There are differences of opinions about security as a biggest concern w.r.t. trust factor among millenials.

RESEARCH METHODOLOGY

- Keeping the Objective of the Research in the Focal Point, under Primary data we have Chosen Survey Method to address and throw light upon the digital banking and e-wallets.
- Sources like websites , newspaper articles , magazine articles have also been used as a part of secondary data for the study

In the recent times especially after demonetization , a generational and tectonic shift has taken place , and all businesses now must accept that “millennials” are expecting practically every product and service to be right at their doorstep , digitally. Banking, the most popular and the most common financial service is also not immune to this shift.

A recent study by the Intelligent Finance indicates that the most important factor attracting millennials to select one banking service over the other is a user friendly easy smart phone app , that allows them to do perform majority banking activity via a smart phone. In another report by the Boomers , it was found out that millennial are more likely to change their banks for the sheer absence of a Smartphone app

Two thirds of India's population is currently below the age of 35 and financial services like banking, insurance are the edge of a great opportunity to attract the “millennial” savings. The millennials now constitute over 47 percent of the country's total working population and will be responsible for being major contributors to economic growth as consumers, business owners and investors. Millennials in India are currently the strongest untapped economic potential source in the world. These are the people who you will find sitting in star bucks, browsing through twitter on their smartphones. This generation has a robust 400 million people with disposable income, a stable internet connection and a smart phone.

A recent study by Morgan & Stanley states that a staggering 89.5% millennials in India have access to a smart phone and steady high speed internet connection

These are India's Millennials, and they're the driving force behind what could well be the country's mobile economic revolution. As the largest millennial population in the world, the sheer number of India's 18- to 35-year-olds doubtlessly will hold significant sway over the country's immediate economic future. Their influence could far exceed their numbers. Their embrace of online shopping through mobile devices, bolstered by the rapid expansion of broadband Internet availability and reliability, is set to revolutionize the business landscape in India, and perhaps beyond.

Services like NEFT RTGS and IMPS have made it very easy and convenient and easy for consumers to have a quick access to banking facilities. Gone are the days where people used to stand in long queues to just make a simple cash transfer. In an era where the millennial age bracket even has access to groceries on their phones, it's only fair that they get this kind of ease for their banking needs too. The emergence of E-wallets in the Indian banking sector has also attracted a lot of millennial eyeballs off late. PayTm being one of the leading market leaders in e-wallets in India has provided ease, access and convince who want cashless transactions.

E-wallets are much more convenient to the Indian youth than even traditional e-banking services as it is more widely accepted everywhere and involves far-less paper work and other obligations. Adding to this majority of the e-wallets offer great cash back deals, which is again an attractive plus point towards e-wallets .

Online banking and plastic money in India has been present since a very long time, but always failed to pick up momentum owing to various factors like lack of internet infrastructure in India and also lack of awareness amongst people, but with the change of technological pace and growing number of smart phones, online banking services and use of plastic money has seen a significant bump, majority of its users are from the millennial age bracket.

The advent of online shopping is also one of the contributors in the significant number of people using digital banking, even though online shopping apps offer cash on delivery, majority of consumers prefer digital payments owing to the discounts and cashbacks offered on such transactions.

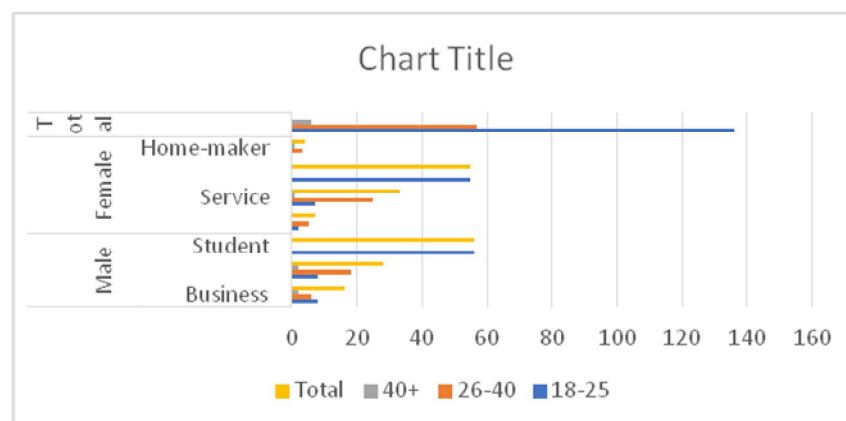
Among the potential beneficiaries of the rise of India's Millennials are mobile service providers and online retailers, says Gupta. Meanwhile, sectors with still low rates of usage, including many content and service providers, hold out plenty of room for growth over the next few years, and many traditional players, ranging from brick-and-mortar-only retailers to banks and beyond are likely to face the disruptive consequences of the Millennials' rising influence and market clout.

DATA ANALYSIS AND INTERPRETATION

The primary data study was based on samples between the age groups of 18 to 40 + years of age , males and females from various walks of life , namely students , services sector ,business sector and homemakers , following chart depicts the trend in sampling of the study

Age-group	Male			Female				Total
	Business	Service	Student	Business	Service	Student	Home-maker	
22-27	8	8	56	2	7	55	0	136
27-33	6	18	0	5	25	0	3	57
34-37	2	2	0	0	1	0	2	7
Total	16	28	56	7	33	55	4	N=200

The respondents were asked various questions, which help throw light on various objectives of the study;

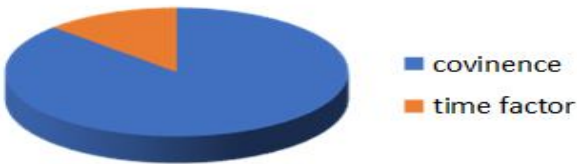


Usage



98% of the respondent's of the survey have used or are currently using digital banking services like NEFT, RTGS etc. This reflects how the millennial age bracket relies heavily on online banking services provided by the banks.

Factors for opting online banking services



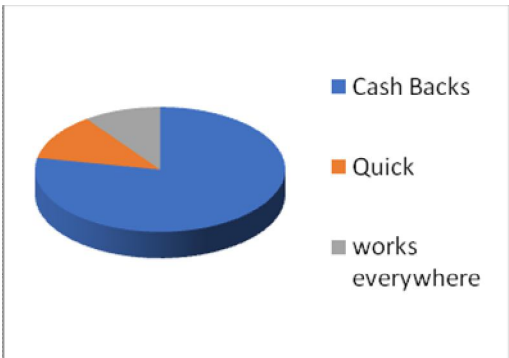
The respondents were asked to give out a few factors which they consider while opting for online banking services , majority of the respondents said convenience and ease was one of the major factors for them to opt for online banking services , while a few of them also thought the quick transactions saves them an ample amount of time .

Online banking transactions



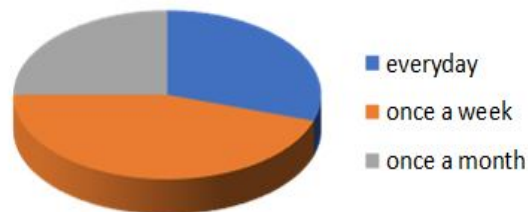
The respondents were also asked as to what kind of transactions they perform via digital banking. 70 % of the respondents said they use digital banking for online shopping while 15 % use it for making online und transfer and another 15 % use digital banking services to pay various utility bills

Use of e-wallets



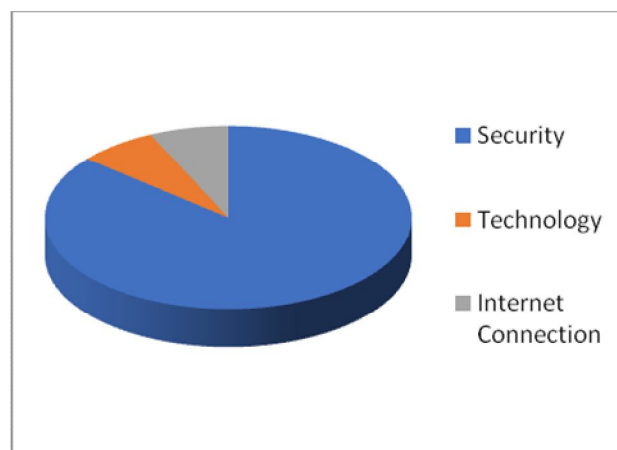
The respondents were also asked the reasons for using or opting for e-wallets like PayTm, Amazon Pay etc. 78% respondents said huge cash backs on every transaction are one of the major attraction for them to opt for e-wallets, 12% respondents opt for e-wallet because it quick and time saving, whereas 10% choose e-wallet as a payment method because of its wide acceptability even in the smallest of the smallest shops, auto rickshaws etc.

Frequency of transaction



The respondents were asked to mention the frequency at which they use digital banking transactions , 30% of the respondents use digital banking everyday for various purposes like buying vegetable , ordering food etc , 45% of the respondents use digital banking at least once a week for activities like grocery shopping , apparel shopping etc. Whereas 25 % of the respondents use digital banking once a month for paying utility bills like electricity , water or making fund transfers to other accounts

Concerns



The respondents were also asked to share some concerns that they might have about digital banking , majority of the respondents had security as their top most concern , respondents were vary and cautious of hacking , identity theft etc. While some respondents felt technology was a concern for them and while others felt there is still lack of proper internet connection for them to completely shift away from traditional banking to online banking

HYPOTHESIS TESTING

Hypothesis: There are no differences of opinions about security as a biggest concern w.r.t. trust factor among millenials.

trust factor	concerns				
	security	technology	internet	total	
yes	176	92	12	72	176
no	27	19	3	5	27
total	203	111	15	77	203

concerns			
trust	security	technology	internet
yes	96.23	13	66.75
no	14.76	2	10.24
total	110.99	15	76.99

O	E	(O-E)^2/E
92	96.23	0.1859389
12	13	0.07692308
72	66.75	0.41292135
27	14.76	10.1502439
19	2	144.5
3	10.24	5.11890625
5	76.99	67.3147175

$$\chi^2 = \sum (O-E)^2/E = 227.759651$$

$$\text{Degrees of freedom} = (2-1)(3-1) = 2$$

$$\chi^2(0.05, 2) = 5.991 \text{ (Table Value)}, \chi^2(0.01, 2) = 9.210 \text{ (Table Value)}$$

$$\chi^2(\text{calculated}) > \chi^2(0.05, 2)$$

Hence, the **hypothesis is rejected**, There are differences of opinions about security as a biggest concern w.r.t. trust factor among ,millenials.

CONCLUSION

Following conclusions can be drawn from the study:

- Digital banking platforms are gaining immense popularity especially amongst the younger crowds
- Major reason for its popularity is ease of use and 24x7 availability
- Digital banking platforms have the full potential to replace traditional form of banking
- Digital banking has few concerns one of them being safety of transactions

SUGGESTIONS

Following suggestions can be suggested with the help of the study:

- Safety being the major concern, digital payment platforms should provide an extra layer of security in high amount transactions
- Such payment platforms have a number of myths associated with them, need of the hour is to create proper awareness and burst baseless myths specially concerning safety issues
- A wide range of respondents want to opt for the government supported BHIM app , but cant opt for it as it is still not available on iOS software platforms. Accessibility to every mobile device is highly recommended
- Many respondents also felt that the digital payment systems should also be available offline as , internet connectivity is still a big issue even in urban areas .

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CONCEPT OF ARTIFICIAL INTELLIGENCE AND ITS UTILIZATION IN THE BANKING INDUSTRY

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ABSTRACT:

In the field of computer science, artificial intelligence, sometimes called machine intelligence, is intelligence demonstrated by machines, in contrast to the natural intelligence displayed by humans and other animals. AI is the ability of a machine or a computer program to think and learn. The concept of AI is based on the idea of building machines capable of thinking, acting, and learning like humans. In every line of business, customer experience or mundane task can be improved or automated respectively via AI. By involving the right set of people in technology implementation can yield the best desired output. However, it has its drawbacks as currently random data is being used that infers incorrect conclusion or non-personalised tailored products or services. Globally, we are still a long way, while we lead towards AI we must improve consumer privacy, data security & create stringent laws so that no information is misused.

Keywords: Artificial Intelligence, Banking, Financial Sector, Digitalisation, Technology

JEL Classification: O32, O33

1.0 INTRODUCTION:

Artificial Intelligence (AI) is taking businesses to the next level mainly because of the services offered under this technology. Every industry has started seeing improvements in their business processes, costs and work efficiencies due to the introduction of AI in their field. The insurance industry has already implemented AI in their field. Today, 54% of insurance companies have started using AI for their processes but only 34% of banking and finance institutions have adopted AI. There are huge amounts of data being generated in the Banking and Finance Industry (BFSI) and there are a lot of insights in those huge amounts of data which need to be analyzed. AI can easily examine the data fed to it and provide outcomes which can be used to create more opportunities and understand the current scenarios.(4)

In the traditional banking, the core objective was to perform the basic functions such as depository institutions, maintain deposits, make loans, and control the check-able deposits portion of the economy's money. Now with modern banking system and advent of technologies, loads of services are being rendered which were either not there in traditional banking) or getting fulfilled unsatisfactorily(1)



2.0 OBJECTIVE OF THE STUDY

The paper aims to analyse the concept of Artificial Intelligence and its utilisation in Banking and Financial Services Industry in India.

3.0 RESEARCH METHODOLOGY

The study is based on the secondary data. The information has been collected from government reports, consultancy reports and various web articles.

4.0 Artificial Intelligence banking in India(2)

According to Accenture's recent Accenture Banking Technology Vision 2018 report, 83% of Indian bankers believe that AI will work alongside humans in the next two years — a higher than the global average of 79%. Banks are now offering digital services which has lead to an increase of online transactions. Customer experience is one such area which can be enhanced through AI.

Customer Support: State Bank of India, the largest bank in India, last year conducted "Code for Bank" hackathon to encourage developers to build solutions leveraging futuristic technologies such as AI and Blockchain into the banking sector. Private banks like HDFC Bank and ICICI Bank have already introduced chat-bots for customers service. Some have even gone ahead with placing robots for customers service. Last year, Canara Bank installed **Mitra** and **Candi Robots** at some of its offices. Humanoid Chatbot interfaces can be used to increase efficiency and reduce cost for customer interactions. "Payment companies are using AI to offer personalised payment experience to consumers. By applying AI and analyzing past payment patterns, payment systems can prompt the preferred payment instrument which best suits a purchase at the time of checkout.

Fraud Detection: Anomaly detection can be used to increase the accuracy of credit card fraud detection and anti-money laundering.

Risk Management: Tailored products can be offered to clients by looking at historical data, doing risk analysis, and eliminating human errors from hand-crafted models.

Security: Suspicious behaviour, logs analysis, and spurious emails can be tracked down to prevent and possibly predict security breaches.

Digitization and automation in back-office processing: Capturing documents data using OCR and then using machine learning/AI to generate insights from the text data can greatly cut down back-office processing times.

Wealth management for masses: Personalized portfolios can be managed by Bot Advisors for clients by considering lifestyle, risk appetite, expected returns on investment etc.

ATMs: Image/face recognition using real-time camera images and advanced AI techniques such as deep learning can be used at ATMs to detect and prevent frauds/crimes

Technology: Banks started introducing technology in banking in order to streamline the processes and better customer experience. Few of the key milestones were(1):

- Manual Banking to Advance Ledger Posting Machines
- Advance Ledger Posting Machines to centralized banking solution
- Lending Automation Solutions
- Different Packages for work like Pensions, Tax Collections etc
- Different SMS Alert Services
- E lobby and different Transactions machines like ATMs, Cash deposit and Passbook printing machine.
- Introduction of Call Centres
- Different apps of view and transaction activity: Online account opening, Loan application

Categories of Financial technology automation/ innovation:(3)

Financial automation can be segregated into two main categories —

Internal activities of financial professionals and institutions:

- This includes financial contracts between the bank and the customer such as Mortgage, Credit Card, Mutual Fund or Account opening application.
- These activities can be raced up exponentially through AI assisting in taking decisions; who gets to enter contracts, calculate and execute the contract terms, value the contracts once created and to transfer them. E.g.: Credit Scoring System

Financial institution's points of interaction with customers

- These can take the form of chatbots equipped with natural language processing (NLP) capabilities that allow them to interpret human speech or writing.
- Thus, the 'old' model in which a customer walks into a branch to consult with a manager or a financial advisor—who looks over their business plan and makes a loan decision or provides them with investment advice and plans for their retirement—may be replaced with a customer inputting some data via a smartphone into a machine-learning model that can approve or reject your application.

Challenges of using Artificial Intelligence in the banking / financial industry:(3)

- Automation lead to financial surveillance: Handing over ever richer data sets to the organizations—Personal, financial, social and location data
- Automation reduce the ethical awareness and responsibility of financial professionals: We inherently think that the ethical awareness of financial professionals is already very low, so bringing a third-party AI based platform that is making decisions for them, will more or less make these professionals feel less responsible for these decisions.
- Automation reduce accountability to financial customers: If your loan application gets rejected by a branch manager, it affects your economic well-being. In a world before AI, financial institutions were in the position to offer accountability when rejecting applications.
- Artificial Intelligence implications for cybersecurity: On one hand, AI has taken a great leap forward in the war against cyber-crime and hacking EG. through robust password protection and user authentication, discovering phishing and spam attempts, identifying fake news and so on. But on the flip side, AI can also be used for malicious purposes. EG. large-scale, finely targeted, highly efficient attacks, e.g. on our financial apps and databases.
- Automation reduces customer awareness of ethics& autonomy: 'Friction' has a negative connotation in the digital world. Eg. Shopping online can feel "less cumbersome" than shopping for perfume in a store. In the same way, interacting with a robo advisor online can feel frictionless than a real face to face interaction with a branch advisor.

Considerations while using Artificial Intelligence: How to improve (3)

- Consumer privacy / Consent, Data security & privacy: Everyone has the right to the protection of their personal data. Most of us have likely never bothered to read Privacy Policies nor think too hard about what that data might be used for beyond just the usual "improvements to our service."
- Explainability: This will help consumers to understand, trust and manage these AI machines/systems. Able to explain how the algorithm spewed out a particular result, assumptions, data used, patterns detected, reasoning behind a particular recommendation all these would be able to help us to understand how machine learning models work and hence allow us to trust the AI applications
- Transparency of AI technology: Companies do not allow the public scrutiny of their AI algorithms due to proprietary reasons. However, being transparent about how AI algorithms work, what kind of data is being used to drive these algorithms is an important step in eliminating unjustified fears and thereby increasing consumer trust.
- Fairness / Biases / Equal treatment of all market participants: AI systems should ideally be free from biases most of these biases derive either from minority population being poorly represented in a data set that is used to train an algorithm OR when human judgment and bias are encoded into the training data itself. AI is supposed to be rational, fair, and dispassionate and we hope it can deliver us a world of equal opportunity
- Workforce impact: Since AI would and is automating a lot of routine tasks and performing them in a more efficient and reliable manner, the roles and responsibilities in a workplace are going to transform. We'd need to keep a lookout for what kinds of roles are getting to eliminate by AI and have an alternative plan of action to upskill such employees through training and education.
- Accountability: Ideally the parties/companies/organizations who have produced the algorithm should take responsibility of all the decisions taken by the AI model.
- Accuracy: AI systems should be able to produce precise and reliable results. It is also important that organizations set appropriate accuracy levels to determine clearly their expectations and what an acceptable standard is for them.

5.0 FINDINGS

Artificial Intelligence is one such area which has taken Banking industry by storm lately although. With increased transactions, wide services offering and fathoms of data getting generated every day, but the key is to utilize these data at right time which makes continuous technology upgrade imperative.

- It needs parental oversight—AI technologies will help with black-and-white decisions, but shades of gray will still be decided by humans.
- There should be a human co-pilot that can course-correct what the algorithm is doing. Applications that use AI techniques should have some kind of rollback or override as part of their learning process.
- We also need to make sure we arrange for accountability, responsibility and ownership of the data and the algorithms—in short, we just need to get our data / digital governance right.
- Lastly, maybe as consumers we should be more tolerant as well and give the market some time and space in order to get AI right.

6.0 CONCLUSION

It's believed that AI will work alongside humans in the next two years. In every industry, Customer experience is one such area which can be enhanced through AI as quick support can be easily provided to the customer and he can even be offered tailored banking products. Involving the right set of people in technology implementation can yield the best desired output. Automating various processes within the banking sector to achieve agile phenomena, improved efficiency and better customer satisfaction.

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GST AND INDIAN ECONOMY

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ABSTRACT

Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. GST will make India a progressive and inclusive economy worldwide. It seeks to address and overcome challenges present in the current indirect tax regime by broadening the tax base, eliminating cascading of indirect taxes, increasing compliance and reducing economic distortions caused by inter-state variations in indirect taxes. Various initiatives have to be taken by various state governments for making GST applicable from April 2017. Goods and services have been bifurcated the rates into five categories such as 0%, 5%, 12%, 18% and 28%. Objectives of the Study: a) To understand Goods and Service Tax Act b) To study impact of GST on Indian Economy. Primary data was collected through a Google form and data was collected from Chartered Accountants, Advocates and Professor in Economics and Accountancy of different colleges of Mumbai city. Sampling technique: Simple random sampling techniques were used for data collection. Tools used: This is a likert type scale with 5 options ranging from strongly agree, agree, neutral, disagree and strongly disagree. The concept of sharing the tax revenue among the state government and central government was used by India for sootheour economy and peace in India as both central government and state government will depend on each other.

Findings & Recommendations: a) GST is the biggest indirect tax reforms in India. b) GST will help country in improving national income of the country. c) It will not improve per capita income of the country, which is important parameter of Indian Economy. d) Respondents were having opinion that GST will not reduce inflation in India as claimed by various economic and financial experts. e) GST will have negative impact on manufacturing industries in India, it affected unorganized manufacturing sector drastically. f) It has impacted positively service sector industries in India as suggested by respondents. Hotel Industries particularly as early they have to pay 12.50% service tax now they have to pay 5% GST (Composition Scheme).

Keywords: GST, Indian Economy, GDP, Per Capita Income and Inflation.

1. INTRODUCTION

Indian Economy depends more on agricultural in earlier days, now it depends more on service sector as it is second largest country in the population. Indian Economy is divided in three sector primary, secondary and Tertiary sector. Service sector has gained momentum after New Industrial policy of 1991. Impact of Industrial policy was witnessed in 2000-01. Liberalization, Privatization and Globalization (LPG) was need of the hour in 2000-01 for all the countries of the world. Every country had to adopt standardization policy in sales, marketing, accounting and taxation. If Countries have to survive in International market. In India, Two types of taxes are imposed by the government, one is direct tax (Income tax, Wealth tax) and second one is indirect tax (Sales tax, VAT, Excise duty, Service tax). Service tax is indirect tax imposed by central government after 1995 and MVAT in 2005 in Maharashtra. Businessmen and Traders were finding difficulty in business as they were not earning huge profits because of heavy taxes. The concept of GST was invented by a French tax official in the 1950s. In some countries, it is known as VAT, or Value-Added Tax. Today, more than 160 nations, including the European Union and Asian countries such as Sri Lanka, Singapore and China practice this form of taxation. About 90 percent of the world's population lives in countries with VAT or GST. Goods and Services Tax (GST) is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. India's biggest tax reform in 70 years of independence, the Goods and Services Tax (GST) was finally launched on the midnight of 30 June 2017. GST is one indirect tax for the whole nation, which will make India one unified common market. GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

The Goods and Services Tax (GST) is an indirect tax levied by India on the sale of goods and servicesto the final consumers . Goods and services have been bifurcated the rates into five categories such as 0%, 5%, 12%, 18% and 28%. Petroleum products and alcoholic beverages are separately taxed by the state governments. The

special rate for rough gemstones and semi-precious gemstones is 0.25% and gold is 3%. In addition, the rate of tax above 28% of consumption tax is 22% or other tax rates apply to a few items such as inflatable drinks, luxury cars and tobacco products. In the pre-GST, the statutory tax rate for most products was approximately 26.5%. After GST, most products are expected to be within the 18% tax rate.

2. REVIEW OF LITERATURE:

Impact of GST on Indian Economy Meenakshi Bindal and Dinesh Chand Gupta International Journal of Engineering and Management Research Page Number: 143-148

Products that have become cheaper after GST

FMCG products like Bathing & Washing soaps, Hair oil, Detergent powder, Tissue papers, Napkins, Matchsticks, Kerosene, LPG domestic, Agarbatti, Toothpaste. Stationery items like pens, books, pencils School Bags, Printer, Papers. Healthcare items like Insulin, X-ray films for medical use, Diagnostic kits Glasses for corrective spectacles, Medicines for diabetes, cancer. Apparels like Silk, Woollen fabrics, Khadi yarn, Gandhi topi, Footwear below Rs 500, Apparel up to Rs 1,000.

Products that have become dearer after GST

Ghee, Cold drinks, Chocolate, Packaged chicken, Ice cream, Ayurvedic medicines, Movie tickets greater than Rs 100, AC restaurants, Electronic Home Appliances, Furniture, Cell phone bill, Insurance premiums, Bank services, credit card services, IPL tickets, AC train tickets, Business class air travels, Advertising services, Motorbikes with more than 350 cc engine, Telecom, Hotel room more than Rs 5,000, five star hotel restaurants.

3. METHODOLOGY:

A Google form was used to collect data from Chartered Accountants, Advocates and Professor in Economics and Accountancy of different colleges of Mumbai city.

Sample and Sample size:

The sample size was 49 Chartered Accountants, Advocates and Professor in Economics and Accountancy of different colleges of Mumbai city.

Sampling technique:

Simple random sampling techniques were used for data collection.

Tools used:

This is a likert type scale with 5 options ranging from strongly agree, agree, neutral, disagree and strongly disagree.

Statistical techniques used:

Mean, Standard Deviation Likert Scale, Pie Chart and Percentage were used for data analysis.

For each question, mean, standard deviation and Z score was calculated [Z score was calculated by following formula, $Z = (\text{Mean} - 0) / \text{S.D.}$ Expected mean is 0 because scale has been created on 2 agree, 4 strongly agree, -1 disagree and -2 strongly disagree].

With 95% confidence level $Z=1.96$. If score is positively more than 1.96, then total result is general agreement. If score is negative and less than 1.96, there is general disagreement.

If score is between +1.96 and -1.96, respondents are neutral.

4. DATA ANALYSIS AND INTERPRETATIONS:

Objectives: a) To understand Goods and Service Tax Act- Secondary Data

b) To study impact of GST on Indian Economy- Primary Data

Hypotheses:

Mean	1.86	H0: GST doesn't improve national income of the country. H1: GST improve national income of the country.
SD	2.00	
Z	1.86	Z Score is 1.86, which is less than 1.96. Hence, respondents were neutral.

Mean	0.73	H0: GST doesn't improve per capita income of the country. H1: GST improve per capita income of the country.
SD	1.82	

Z	0.73	Z Score is 0.73, which is less than 1.96. Hence, respondents were neutral.
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H0: GST doesn't reduce inflation in India.

H1: GST reduce inflation in India.

Mean	0.08	H0: GST doesn't reduce inflation in India. H1: GST reduce inflation in India.
SD	1.55	
Z	0.08	Z Score is 0.08, which is less than 1.96. Hence, respondents were neutral.

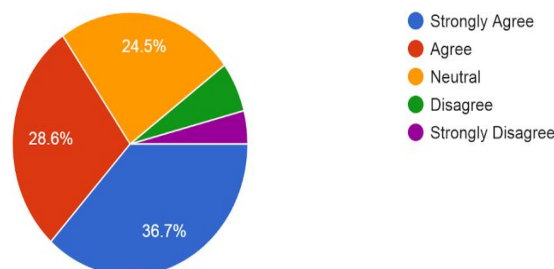
Mean	0.14	H0: GST doesn't enhance productivity of manufacturing industries in India. H1: GST enhance productivity of manufacturing industries in India.
SD	1.43	
Z	0.14	Z Score is 0.14, which is less than 1.96. Hence, respondents were neutral.

Mean	1.02	H0: GST doesn't enhance GDP of India. H1: GST enhance GDP of India
SD	1.70	
Z	1.02	Z Score is 1.02, which is less than 1.96. Hence, respondents were neutral.

From the above analysis, it is clear that respondents were neutral, when different questions were asked relating to different parameters of Indian Economy such as GDP, Per Capital Income, National Income, and Productivity. They were having mixed opinion regarding GST whether it will have positive impact or negative on Indian Economy in future.

Is GST improve national income of the country?

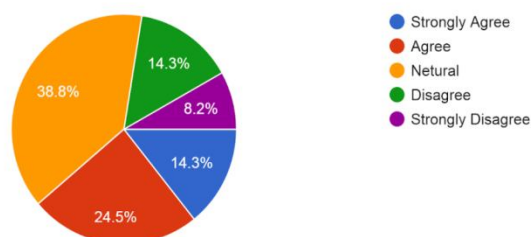
49 responses



65.30% respondents agreed that GST will improve national income of the country.

Whether GST improves per capita income of the country?

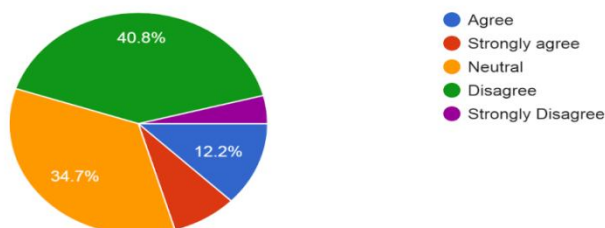
49 responses



38.80% respondents were agree that GST will improve per capita income of the country but 38.80% were neutral and 22.50% were disagree when above question was asked by research scholar.

Is GST reduces inflation in India?

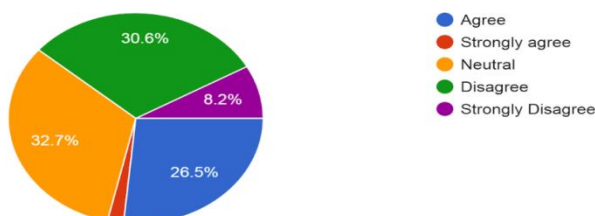
49 responses



53% respondents were disagreeing and 34.70% respondents were neutral, when research scholar asked GST will reduce inflation in India.

Is GST enhances productivity of manufacturing industries in India?

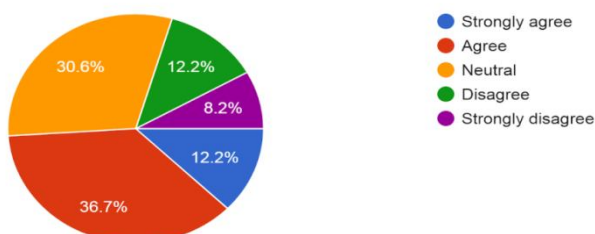
49 responses



32.70% respondents were neutral and 30.60% respondents were disagree on question of GST will enhance productivity of manufacturing industries in India.

Is GST enhances Gross Domestic Product of India?

49 responses



48.90% respondents were agreed and 30.60% respondents were neutral when above question was asked by research scholar. So we may conclude that GST may enhance GDP of India.

5. FINDINGS & RECOMMENDATIONS:

Indian Economy is largely depends upon the different parameters such as national income, GDP, per capita income, production of manufacturing industries and performance of service sector. When research scholar asked different questions from sample population on the research topic "GST and Indian Economy", he founded that:

- GST is the biggest indirect tax reforms in India.
- GST will help country in improving national income of the country.
- It will not improve per capita income of the country, which is important parameter of Indian Economy.
- GST is not Good and Simple Tax as suggested by respondents as there are 5 tax slabs and procedure for registration/filing of return is also complicated.
- Respondents were having opinion that GST will not reduce inflation in India as claimed by various economic and financial experts.

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- vi. GST will have negative impact on manufacturing industries in India, it affected unorganized manufacturing sector drastically.
 - vii. It has impacted positively service sector industries in India as suggested by respondents. Hotel Industries particularly as early they have to pay 12.50% service tax now they have to pay 5% GST (Composition Scheme).
 - viii. Quality of services has not increased in service industries in India after implementation of GST.
 - ix. Research scholar has concluded that GST has increased rate of services in India. Services have become more costly in India after implementation of GST.
 - x. GST may enhance Gross Domestic Product of the country as it has affected service sector industries and manufacturing industries in India positively.

6. CONCLUSION:

Unity and Peace is important for any country. GST helps India to achieve both objectives. The concept of sharing the tax revenue among the state government and central government is new concept and it will be good for stabilizing our economy and peace in India as both governments will depend on each other. GST may have positive impact on Indian Economy, if it is implemented appropriately with people's expectations, without any greed on the part of Government and in gradual and pace manner.

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TO STUDY THE FINANCIAL LITERACY AMONG THE WORKING WOMEN STUDENTS OF THE DEGREE COLLEGE

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ABSTRACT

Financial Literacy is must for every person who is earning. If a person is merely earning without proper financial management, it is a mismanagement of the resources. Mostly an earning woman's decisions regarding savings depend on either her father or husband or male member of the family. A minimum basic level of financial literacy is very essential for every woman so as to live a dignified life. This research paper tries to find out whether working women students of the S. P. N. Doshi Women's Degree College are aware about the different sources of savings or not. Are they able to save their part of the income or not? With 80 working students researcher has tried to find out the awareness level and the pattern of savings among them.

Keywords: Financial Literacy, Savings Schemes, Working Women Students.

INTRODUCTION:

Since few years the saving rate among the Indians has gone down from 34.6% in March, 2012 to 30% in March 2017 due to various reasons. Savings habit of a person depends on many factors such as his income, financial literacy, income certainty, earning members of his family, his life style and so on. Among all these factors, financial literacy plays an important role in saving habits. Financial literacy can be defined as, "it is the education and understanding of knowing how money is made, spent, and saved, as well as the skills and ability to use financial resources to make decisions. These decisions include how to generate, invest, spend, and save money. As per a global survey by Standard & Poor's Financial Services in 2014, for 76% Indian, financial literacy is yet to become a priority. Report says that women's financial literacy levels are lower than men's and the young are a vulnerable group and an important target for financial education programs.

Women play a very important role towards the growth of the economy hence a financially literate woman can be a great source of economic development. According to the Visa World Financial Literacy Survey, 2012, Indian Women ranked on 19th position among 27 countries for financial literacy (Figure 1.1). In this research paper, Researcher tries to study the awareness of working women students for financial literacy.

Figure 1.1 Women's Overall Ranking Country wise:



(Source: Visa World Financial Literacy Survey 2012)

II REVIEW OF LITERATURE:

Mahammad Rizwan & Sadhik (2015) in their paper mentioned that there is a need for financial education in schools and colleges as youngsters are unaware about financial products of the banks. They took sample of 30 college students to study the changes in the savings habit of the students before and after the financial literacy program by the Jnana Jyothi Trust in Belthanga Taluk of Karnataka.

Anshika and Anju (2017) state various initiatives undertaken by the government to improve the awareness on financial literacy among Indians in their research paper. According to them, alone improvement in literacy level does not help in the improvement of the financial literacy. Seminars, workshops, lectures etc should be organised in the schools, colleges, offices and in the various organizations to pick up the awareness for the financial products.

Chetna and Raj (2017) have discussed Indian scenario of Women's financial literacy in their research paper. They mentioned that since the financial literacy among Indian women is very low, government should undertake various programs and schemes to strengthen it. According to the paper government should ensure the reach of their programs to women especially in rural and tribal areas. They should train the potential women to teach and help others in financial management. Financial institutions must communicate in vernacular/regional/local language to ensure more participation of the people.

III OBJECTIVES:

The following are the objectives of the study:

1. To study the awareness of different saving sources among the working students of the S. P. N. Doshi Women's Degree College, Ghatkopar west.
2. To analyse the saving pattern of the earning students.
3. To study the need of different programs to enhance financial literacy for the students.

IV RESEARCH METHODOLOGY:

Primary data was collected through questionnaire from 85 working students of the S. P. N. Doshi Women's College through convenient sampling method for this descriptive research. In structured questionnaire objective type questions were asked. Informal talks were also carried out with the students. Microsoft Excel is used for data analysis. 80 completely filled questionnaires were received back. Journals, Websites and online resources were used for the secondary data.

V FINDING:

Demographic information of the sample: 85 students were approached from the different classes and streams with a condition that the student should be earning since at least six months. Out of that 80 students gave their details through the questionnaire. 16 students are self employed that is, either they are doing tuitions or organizing events or doing stitching work and rest of the students are doing jobs. Out of 80, 59 students are working part time. 5 students have permanent jobs, 6 are on contracts basis and rest are on temporary basis. Following tables will give further information on demographic details of the students.

Table 1: Different Classes and number of students approached:

Class	Number of Students
F.Y.B.Com	10
S.Y.B.Com	20
T.Y.B.Com	07
T.Y.B.A.F.	17
S.Y.B.C.A.	04
T.Y.B.C.A.	03
S.Y. B.Sc.	01
S.Y.B.M.M.	02
T.Y.B.M.M.	01
M.Com I	06
M.Com II	09
TOTAL	80

Source: Primary Data

Table 2: Working Period of the Students:

Working period	Number of Students	%
Less Than A Year	17	21.25%
More than 1 year Less than 2 years	35	43.75%
More than 2 years Less than 3 years	14	17.5%
More than 3 years Less than 4 years	08	10%
More than 4 years Less than 5 years	03	3.75%
More than 5 years	03	3.75%
TOTAL	80	100%

Source: Primary Data

Table 3: Income Earned by the Students per Month:

Income Per Month	Number of students	%
Less than Rs 5,000	54	67.5%
Rs 5001 to Rs 10,000	18	22.5%
Rs 10,001 to Rs 15,000	07	8.75%
Rs 15001 and above	01	1.25%
Total	80	100%

Source: Primary Data

According to the above table 54 students are earning less than Rs5,000; 18 students are earning between Rs 5,000 to Rs 10,000; 8.75% students are earning in the range of Rs 10,001 to Rs 15,000.

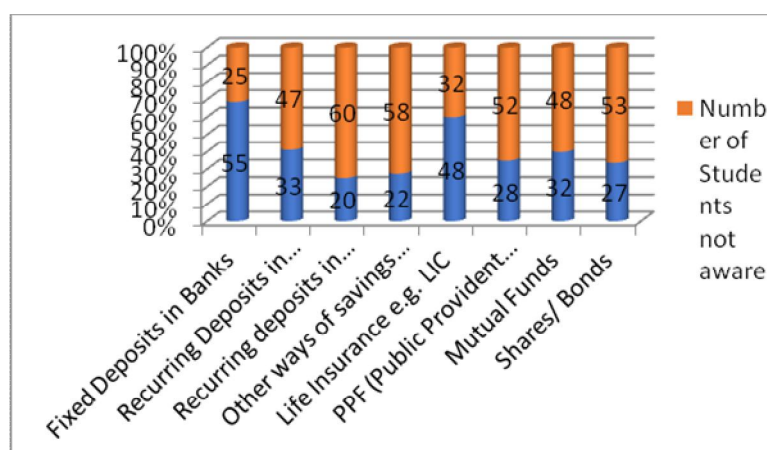
Table 4: Awareness among Students for Different Savings Sources:

Different Savings Sources	Number of Students aware	Number of Students not aware
Fixed Deposits in Banks	55	25
Recurring Deposits in Banks	33	47
Recurring deposits in Post Office	20	60
Other ways of savings in Post office	22	58
Life Insurance e.g. LIC	48	32
PPF (Public Provident Fund)	28	52
Mutual Funds	32	48
Shares/ Bonds	27	53

Source: Primary Data

According to the feedback received, students are aware about the fixed deposits schemes and LIC more than the other savings sources. Out of 80 Students, 37 students are saving the earnings and 43 students are not saving at all. Mutual funds, post office savings are unknown to many students. In the informal talks many students told that their parents are investing in unorganized sectors such as chit funds, bisi etc.

Figure 2: Awareness among Students for Different Savings Sources:



Source: Primary Data

Table 5: Students Savings in Different Sources

Different Savings Sources	Number of Students investing/savings	Number of Students not savings
Fixed Deposits in Banks	25	55
Recurring Deposits in Banks	09	71
Recurring deposits in Post Office	01	79
Other ways of savings in Post office	01	79
Life Insurance e.g. LIC	12	68
PPF (Public Provident Fund)	06	74
Mutual Funds	01	79
Shares/ Bonds	00	80

Source: Primary Data

Out of 80 students, only two students' salary includes Mediclaim and provident funds. 25 students said their parents do save in different schemes. 75 students shared their either part or full earnings to their parents.

Let us check the co-relation between the awareness among the students and their savings habits with the help of excel. The equation for the correlation coefficient is:

$$\text{Correl}(X, Y) = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sqrt{\sum (x - \bar{x})^2 \sum (y - \bar{y})^2}}$$

$$r = 0.210095445$$

The above correlation shows positive relation between the awareness of the students and their savings habits. It means if students are aware about the different ways of savings and benefits of it then they can be motivated for the savings.

VI HYPOTHESIS TESTING:

Let us test, the hypothesis.

H_1 = There is a relationship between the awareness among the working students about savings and the habit of savings.

H_0 = There is no relationship between the awareness among the working students about savings and the habit of savings.

T Test: Two Samples Assuming equal variances is calculated in Ms Excel.

Table - 6 T Test:

Mean	12.70886076	17.25316456
Variance	7.491074327	1.012009088
Observations	79	79
Pooled Variance	4.251541707	
Hypothesized Mean Difference	0	
df	156	
t Stat	-13.8513685	
P(T<=t) one-tail	2.91597E-29	
t Critical one-tail	1.654679996	
P(T<=t) two-tail	5.83194E-29	
t Critical two-tail	1.975287473	

In the above calculation, P value is less than 0.05, so it means null hypothesis is rejected and alternative hypothesis is accepted. It means there is a relationship between awareness about savings and savings habits of the working students. So if the financial literacy is more, there will be more savings and investments.

VII SUGGESTIONS AND CONCLUSION:

Colleges, financial intuitions, organizations, NGOs, local bodies and governments should work towards the financial literacy of youth and women. A financially literate population will help in more capital formation, which is a key to economic growth and development. With increasing inflation and demand for better life style, spending has increased tremendously, indirectly affecting the savings. According to a report, financial literacy in India was 24%, less than BRICS which has about 28% and EU 52% in 2015. Without financial literacy, mere

earnings won't serve any purpose. If utmost concern is taken for raising the financial literacy among the students, eventually not only will it lead to one's welfare but also it will help in their later stages of life like higher education of children, retirement and so on. Thus, persons having right mindset and attitude towards money will start early financial planning and investments. This will hold back their chances of going insolvent or fail to enjoy the benefits of early investments. So in the Indian scenario, where on one hand the government is withdrawing from the pension scheme for the organised sector and on the other hand the huge unorganized financial sector which is not regulated properly and where a number of chit fund scams are happening, financial literacy is the need of an hour. Otherwise the poor section of the society and the middle class will have dreadful experiences in the coming years as the gap between the have and have-nots is increasing drastically.

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**A STUDY ON THE IMPACT FACTOR OF MOBILE WALLET-GOOGLE PAY FOR INDIA –
“FORMERLY TEZ” CONTRIBUTING TOWARDS CASHLESS ECONOMY**

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ABSTRACT

With the technological growth, transactions are becoming simpler day-by-day. The world is becoming a cashless economy when it comes to modes of payments, funds transfer and transactions. There are many ways in which deals and payments taking place with cashless modes such as E-banking, Plastic Money, Mobile Wallets and many other digital transaction modes. The study offers the impact factor of Mobile Wallet specially Google Pay for India an app which was formerly known as Tez as one platform contributing towards cashless economy. The study acknowledged the increasing number in the usage of Google pay because of its unique features, transactions taking place in the past year with comparison to other e-commerce modes of transactions and its increasing popularity among personal level and professional level transactions.

Keywords: Mobile Wallets, Digital Transactions

1. INTRODUCTION

There are different modes of transactions from ancient time i.e. from coins, to paper currencies, to banking instruments, to plastic money, to e-banking and now the trend is of mobile wallets & related mobile applications. Mobile wallets is the trend of the decade because when it comes to usage there is convenience attached to it, that it can be used as per the need of the user as and when required by removing the complication of desktop or laptop handling, in short mobile has become need of the hour. But previously e-commerce, e-wallets or digital transactions was great words to worry about because of its security factor, risk factor, fraud, cheating, but this worry is reducing day by day with the growing competition in the ICT companies. As ICT companies are coming with many e-wallets with unique security features to make the users life at ease and risk free. Hence there is major growth seen in the development of various mobile payment models and system. Which leads to mobile transactions growth and its importance in e-transactions for payments, money transfer, trade and commerce at personal level as well as at professional level.

List of some mobile wallets are Paytm, MobiKwik, Freecharge, Airtel Money, SBI Buddy, Citrus Wallet ItzCash etc. Among this some are from private industries, banking industries and even from telecom industries. The methods of transactions are USSD transaction, UPI, GVM etc. Hence there are different methods, system and styles of payment. The study here is on a specific mobile application used to be known as Tez and rebranded now as Google Pay for India.

1.1 History

It was originally launched as Android Pay, the service was released at Google I/O 2015. Android pay was a successor and a base for Google Wallet. Initially the service was compatible with 70% of Android devices and supported by Master cards, Visa cards and debit cards. In other words it transmits the information of card by using Near Field Communication (NFC) for payments and funds transfer. It was initially released in US then in UK, Singapore, Australia, Japan, Russia, Canada and in many other countries. Google released an UPI based app Tez in India on August 17, 2017 and launched on Sept 18, 2017 at an event in New Delhi attended by the Finance Minister Mr. Arun Jaitley. On August 28, 2018 it was rebranded as Google Pay.

1.2. Application Requirement

The application requires to sync the bank account and mobile number linked to it which helps the user to access to the wallet from the app drawer, it is protected by two way level security wherein a 4-digit Google PIN, and the security settings on the device, such as passcodes, fingerprints, or pattern locks is required. It is based on UPI (Unified payments Interface) a platform build by the National Payments Corporation of India (NPCI) wherein it allows the users to make payment without requiring the bank details of the recipient such as its bank account number, IFSC code or any other details as its UPI ID does a work of proxy for the other required details. The application is available and works on any smart phones whether an Android or iOS.

2. REVIEW OF LITERATURE

1) Slade, Emma L.; Williams, Michael D.; Dwivedi, Yogesh K. (2013) stated in their research the different ways for adopting mobile payments. The purpose for their study was to contextualise m-payments and examine existing research relating activity to m-payments. Authors has also prescribed about the limitations in existing m-payment adoption research which was included in the UK research context, comparison of adoption factors

of different m-payment systems, and analysis of attitudes of merchants and under-represented demographic sectors.

2) Technical Committee Report, RBI (2014) in this report the committee has stated the potential of mobile banking as a channel in offering the financial service in the country. Report described that the Mobile banking transaction is economical compared to the traditional banking channels and hence there is need for banks to encourage the mobile banking channel. Bank-specific applications and individual platforms have a major role in building brand loyalty, an alternate uniform/common platform, interoperability and similar seamless transactional experience to the users/customers of all banks would encourage mobile banking.

3) Clark (2008) stated that the mobile as a channel of transaction which delivers convenience, immediacy and choice to consumers as there is low cost self service option attached to it. But there are large number of different mobile phone devices and it is a big challenge for banks to offer Mobile banking solution on different types of devices.

4) Sharma and Singh (2009) found that the m-commerce users in India were more concerned with security issues like, privacy, trust, fraud, risk perception, account misuse and user friendliness issue, difficulty in remembering the different codes for different types of transaction, application software installation & updation due to lack of standardization.

5) Technical Committee Report, RBI (2009) stated that banking services are adopted and used by many stakeholders from urban as well as rural areas but still some who does not have an access or use the banking services. They further stated that ICT has brought about a revolution in all aspects of financial services and use of ICT solutions and mobile banking for furthering the objectives of the LBS will need to be explored sufficiently. They gave various measures and options for availing increase number in the usage of banking services and outlets through various forms viz. mobile banking, extension counters, satellite offices as also business correspondents (BCs).

6) S. S. Rana (2017) the researchers attempt to study the students behaviour on different mobile wallet applications, its acceptance, number of usage, transactions among the students of University of Lucknow. He made a comparative study on leading mobile wallets players.

3. OBJECTIVE

- 1) To study the comparative analysis of different modes of transactions in comparison to mobile wallets
- 2) To analyse the growth in number of mobile wallet transactions.
- 3) To study the contribution made by mobile wallet - Google Pay for India towards cashless transactions.

4. RESEARCH METHODOLOGY

The study is analytical as well as descriptive in nature, it make use of secondary data collected from books, articles, journals, news paper, internet and blog post to gather an in-depth understanding of contribution made by mobile wallets in today's era and Google pay's contribution in Indian economy.

5. DATA ANALYSIS & INTERPRETATION

- 1) Comparative study on cashless modes of transactions

Table - 1

Modes of Transactions	Growth in Volume- %	Growth in Volume - Millions
Mobile Wallets	14 %	38.64 Millions
Plastic Money	(5.3) %	(65.83) Millions
E-banking	(0.5) %	(0.07) Millions

RBI data – From May to June 2018.

The value of transactions made through mobile wallets touched a record Rs. 14,632 crore in June 2018, Reserve Bank of India (RBI) data. Transactions went up by around 14% to 306.42 million in June as compared to 267.78 million in the month of May. The value of transactions increased to Rs. 1.9 trillion in June from Rs. 1.7 trillion in May. Debit and credit card transactions hit a new record of Rs. 3.62 trillion in June, up by around 1% from Rs. 3.59 trillion in the month of May. However, the volume of card transactions declined by 5.3% to 1172.75 million in June from 1,238.58 million in May. Payments using real-time gross settlement (RTGS) fell marginally by around 0.5% to 11.43 million in June from 11.49 million in May month.

Table - 2

Modes of Transaction	Growth in Volume-%	Growth in Volume - Millions
Mobile Wallets	(5.7) %	(21.13) Millions
Plastic Money	(4)%	(62.83) Millions
E- banking	(7.6) %	(0.89) Millions

Source:- RBI data – From October to November 2018.

The above table refer RBI data from October to November, around 347.32 million transactions worth Rs. 16,108 crore took place in November, against 368.45 million transactions amounting to Rs.18,786 crore in October, where the transaction volume is 5.7% lower. The volume of card transactions went down by around 4% to 1362.14 million in November from 1424.97 million in October. Payments using real-time gross settlement (RTGS) decreased by around 7.6% to 10.97 million in November from 11.86 million in the preceding month.

Table 2 shows the decline in the mobile transactions because the government levied a condition on mobile wallet companies to add e- KYC and Aadhaar based identification to sign up new customers. Since then, some wallet companies moved to an offline identification mechanism. The cost of authentication went up from Rs.15 per person under e-KYC, to Rs. 100-150 per person for a physical KYC. Whereas on other hand Google pay till now does not require any e- KYC thus making transactions cost efficient and simple with the use of UPI- ID. In the last one year, the monthly UPI transaction volume has gone up by more than 2,000%, according to NPCI data.

6. Impact

Unlike other application (excluding BHIM) it does not require to add money in the wallet, directly the bank account is added and the payment is made. Money is safe in the bank account without hampering the interest of the unused money. As per Economics Times there are 25 million monthly active users in India who have collectively carried out about 860 million transactions over the past year, for doing the bill payments like electricity, credit card payments, rent payments and many more. This mode of payment is accepted and seen widespread from Kanyakumari in Tamil Nadu to Mandvi in Gujarat and Dimapur in Nagaland. The users are seen from college students, to house wife's, to salaried person, even to chaiwala, plumber etc. as it makes payment simpler for any kind of transactions. As of being simple to use, the application is also attracting it users by giving them reward money in way of scratch cards on every transactions. As India is a multi lingual country, Google Tez interface offers language support in English, Hindi, Bengali, Kannada, Tamil, Gujarati, Marathi, and Telugu. To gain greater attraction among digital natives, Google has brought out an introductory offer on referrals which allows users to pocket Rs.51 whenever the new user makes a transaction. Looking at its increasing popularity Google has also launched business Tez app for entrepreneurs and organisations. Dominos, RedBus, and PVR have already joined the bandwagon in embracing Google's latest offering. Here they can link their current account and can do transaction up to Rs.50,000 free of charge. Beyond the said limit the bank will charge the ceiling value for the same. Here in organisations can create their own business channels that allows their customers to view the business on Tez home screen. They can also send their custom offers to their customers through this app. The app also helps its customer 24 x 7 for resolving any issues related by their customer service team. There is a further growth seen in the app wherein banks will provide pre-approved offers and instant loans to their customers. Till date Google had partnered with four Indian banks-HDFC Bank, ICICI Bank, Federal Bank and Kotak Mahindra Bank for this.

7. LIMITATION

1. The study is descriptive in nature based on secondary data, wherein official site may reflect biasness towards their likings.

2. More in-depth comparative studies can be conducted on different cashless payment modes.

8. CONCLUSION

As being India's leading mobile wallet apps for transactions, it is making life easy of many natives. Even News 18.com has stated that more than 55 million users have downloaded the Google pay app on their Android phones and iPhones. Google also says in its blog post that more than 22 million individuals and businesses actively use the app for digital transactions every month in India. Which comes up to 750 million transactions over the year, which can be counted as high as worth US\$ 30 billion. This has linked up well with the push towards cashless transactions, for everything from buying groceries to paying for high-value purchases. Hence the above study gives a clear idea of Google pays contribution towards India's cashless economy.

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IMPLICATIONS OF BASEL NORMS ON THE PERFORMANCE OF SELECT SCHEDULED COMMERCIAL BANKS IN INDIA

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ABSTRACT

The government and respective institutions entered with prudential norms (Banking Regulation) indulge a goal to ensure the financial stability of individual institution and a safe and sound banking to protect the interest of the depositors and to promote healthy and stable investment environment in the financial system. In this backdrop, capital adequacy obligations possess a critical role in augmenting the banks' efficacy. With the global co-ordination, Basel norm, a capital adequacy requirement formed by the Basel Committee on Banking Supervision (BCBS), under the auspices of the Bank for International Settlements (BIS). Due to the external environmental forces and economic shocks results in strong amendments in the consequent years. Hence, this study contemporarily persists in identifying the impact of Basel Norm/ Capital Adequacy Ratio as per RBI Norms on the performance of select Scheduled Commercial Banks in India during the tenure of both Basel II and Basel III using Multiple Regression Model.

Keywords: Basel II and III, Capital Adequacy Ratio, Data Envelopment Analysis, Technical Efficiency, Pure Technical Efficiency, Scale Efficiency, Multiple Regression Model.

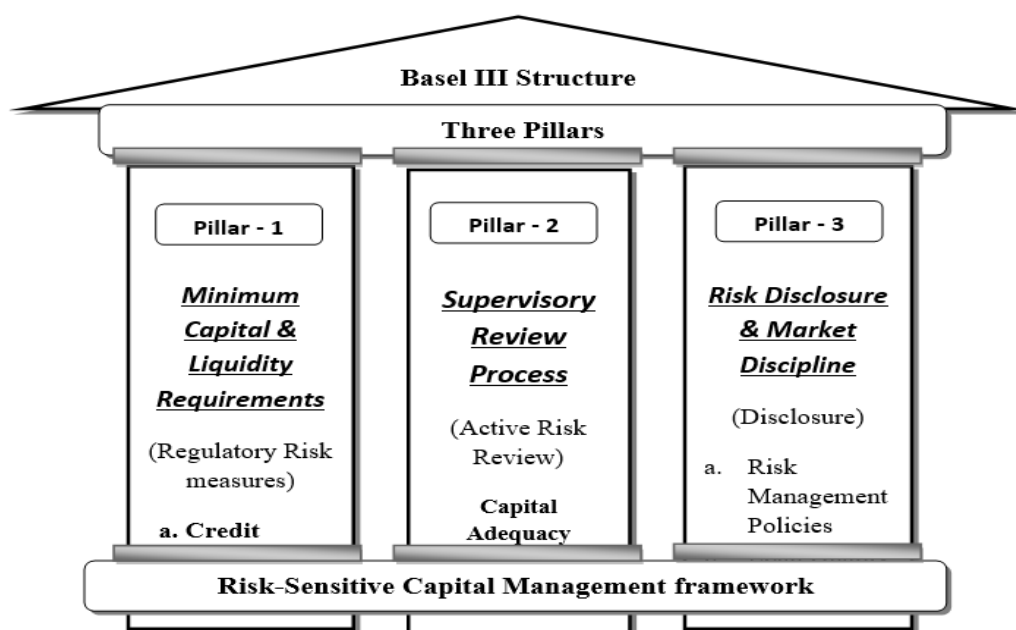
JEL Classification: G21, G28, G32, E58, C33.

INTRODUCTION

Despite Basel II norms, many banks experienced the difficulties to manage liquidity during the early stage of the financial crisis in 2007. This global financial crisis revealed the need for improved regulation and supervision of financial entities. Of course, Basel II norms were not suitable to deal with some of the characteristics of the crisis. Therefore, the committee (BCBS) decided to repeal the entire framework of Basel norms with higher capital standards and additional liquidity buffers, etc. On December 16, 2010, the Basel Committee released the **Basel III regime**, and this was approved by the G-20 Countries.

The detailed structure of the Basel III Accord shown in Figure 1 below:

Figure 1: The Structure of Basel III



On July 1, 2013 RBI officially released a master circular on Basel III capital regulations to all Scheduled Commercial Banks (excluding Local Area Banks and Regional Rural Banks) in India with effect from April 1, 2013, in a phased manner. From 2019, Basel III will completely implement in aforesaid Indian banks.

The following Table 1 represents the transitional arrangement of Basel III in India as per RBI:

Transitional Arrangement of Basel III in India as per RBI

(% of Risk Weighted Assets)

Minimum Capital Ratios	Basel II	Basel III						
	Before April 1, 2013	April 1, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019
Minimum Tier 1 Capital	4.5	6	6.5	7	7	7	7	7
Minimum Total Capital	9	9	9	9	9	9	9	9
Capital conservation buffer (CCB)	-	-	-	-	0.625	1.25	1.875	2.5
Minimum Total Capital + CCB	9	9	9	9	9.625	10.25	10.875	11.5

Source: RBI Notification - March 27, 2014

Earlier literature has mentioned that banks' performance may decline initially and would then take a secured turn in the future. The contemporary banking system engages many universal banking features with technological advancement to face the competitive environment and this may be influenced by the Basel compliance.

LITERATURE REVIEW

Shah (2013) evaluated the impact of Basel III norm on economic growth of the country by considering the factor of inflation. The researcher identified that by the implementation of the Basel III norms, the capital of many banks will reduce by around 60% because of the phased removal of certain components of capital from Tier 1. Also, the risk weights are expected to grow by nearly 200%. The twin impact of these two stipulations will greatly reduce the return on equity and profitability of banks.

Narayanaswamy & Muthulakshmi (2014) examined the various types of efficiencies of private sector banks for the period from 2008 to 2013 using output oriented data envelopment analysis (DEA). This study was also observed the correlation between Efficiency scores with Non-performing Assets (NPA) Ratio and Return on Asset (ROA) and the correlation result was found to be negative in case of NPA and positive in ROA for all the years except 2008-09.

Roy (2014) encompasses various aspects of the Performance of the Indian Banking Sector in the Basel Regime. Using Panel Data Analysis, the researcher evaluated the impact of Basel norm using Capital Adequacy Ratio (CAR) on selected indicators. The efficiency indicator depicted through Data Envelopment Analysis (DEA) scores. It was found that the CAR had a positive impact on the profitability and efficiency of the banks and the negative impact on productivity but no impact on asset quality.

RESEARCH OBJECTIVE AND METHODOLOGY

In this study, the following objectives elucidate the impact of Basel Compliance on Select Scheduled Commercial Banks in India as per RBI notification. The objectives of this study are:

- ✿ To assess and evaluate the efficiency of Selected Public, Private and Foreign banks in India.
- ✿ To evaluate the implications of Basel norms on the performance of Selected Public, Private and Foreign Banks in India.

Among the total population, a sample of fifteen banks, i.e., top 5 leading banks from each sector was selected for this study. Based on the Total assets, the selected banks are as follows:

Sl. No.	Public sector banks	Private sector banks	Foreign banks
1.	State bank of India	ICICI Bank	Standard Chartered Bank
2.	Punjab National Bank	HDFC Bank	CITI Bank
3.	Bank of Baroda	Axis Bank	HSBC Bank
4.	Canara Bank	Kotak Mahindra Bank	Deutsche Bank
5.	Bank of India	IndusInd Bank	DBS Bank

The study period confined from 2010-11 to 2015-16 that is three years of Basel II and three years of Basel III. The choice of variables is by *Intermediation Approach* using output orientation to assess the relative efficiency of the decision making units (banks) in this study. The input variables are *Number of Employees*, *Operating Expenses*, *Physical Capital (Fixed + Other Assets)* and *Loanable Funds (Deposits + Borrowings)* and the output variable is *Total Income (Net Interest Income + Non Interest Income)*.

RESULTS AND DISCUSSION

The result of scale efficiency is shown in Table 2 and its descriptive statistics represented in Table 3. The Scale Efficiency is measured as *Constant Returns to Scale Score (CRS)* to *Variable Returns to Scale (VRS)* Score of Decision Making Units (Select Banks). The results of *CRS* and *VRS* of DMUs are shown in Annexure A and Annexure B. The compilation of input and output variable to find out efficiency scores, the researcher has been used OSDEA solver software package.

Table 2 shows the Scale Efficiency scores of selected banks in India with descriptive statistics from 2010-11 to 2015-16. Only the banks like Axis, Deutsche and Standard Chartered Bank, are 100% efficient. This means, the banks which record a score of 1 in both *CRS* & *VRS*, and those are managerially efficient and scale efficient. Rests of the banks were denoted as either managerially efficient or inefficient during the study period. Based on observation, DBS bank ltd. is found to be the highest percentage of Coefficient of Variance (21.17%) in Scale Efficiency due to inconsistency in the respective scores with a maximum deviation among all other selected banks.

Overall Descriptive Statistics of Scale Efficiency Scores

Description	During Basel II			During Basel III		
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Average Scale Efficiency Score	0.9806	0.9688	0.9651	0.9772	0.9238	0.9501
Standard Deviation	0.0425	0.0470	0.0492	0.0757	0.1177	0.1182
Coefficient of Variance (%)	4.3313	4.8505	5.0961	7.7461	12.7358	12.4416
Minimum	0.8970	0.8823	0.8898	0.7856	0.5902	0.6022
Maximum	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Number of Efficient bank	8	8	6	6	5	5
Number of Inefficient bank	7	7	9	9	10	10

Source: Calculated and compiled by the researcher

Table 3 exhibits the overall descriptive statistics of Scale Efficiency score from 2010-11 to 2015-16. In the year 2014-15, it can be observed that all the selected banks were performed less efficiently during the study period since it records lowest in Average Scale Efficiency Score, Minimum Score, and Number of Efficient Banks. Percentage of Coefficient of Variance is higher in the period of Basel III than Basel II Period by the effect of inconsistency in both *CRS* & *VRS* scores. During the study period, initially 8 (53.33%) banks among 15 banks were found to be Scale Efficient, but in the end, it reduced to 5 (33.33%) banks.

The credential objective of this study is to evaluate the impact of Basel Norms on the performance of the Indian Banking System. Therefore the researcher also accesses the impact of Capital Adequacy Ratio (CAR) on Efficiency scores by using Multiple Regression Model to evaluate the performances of respective banks. The results have been summarized in Table 4.

Results from Multiple Regression

Independent Variable	Dependent Variables Scale Efficiency
Intercept	0.828721 (0.000)***
CAR	-0.007699 (0.0945)*
PSATA	0.008187 (0.000)***
R- Square	0.7245
Adjusted R ²	0.6641

Source: Calculated by the researcher

Legend: CAR = 'Capital Adequacy Ratio'; PSATA = 'Ratio of Priority Sector Advances to Total Advances' (Control Variable)

Note: p -value in parenthesis;

*** indicates significance at 1% level of significance;

** indicates significance at 5% level of significance;

* indicates significance at 10% level of significance

The calculated Scale Efficiency (SE) scores are significantly impacted by the Capital Adequacy Ratio (CAR) at 10% significant level and even by the control variable (PSATA) at 1% level of significance. However, CAR has found a negative impact on SE scores. Thus, it can interpret as an increase in CAR (Basel II to Basel III) may reduce the overall efficiency indicators. Here, high R-Square indicates that the changes in the CAR are relatively changed in the efficiency scores and which explains a lot of the response variability.

CONCLUSION

Impact of Capital Adequacy Ratio (CAR) on the performance of selected banks in India exhibits both positive and negative influences on different performance indicators. While the Scale Efficiency (SE) found the negative impact of CAR. This can assert that capital compulsion may reduce the quantum of Non-Performing Assets and may restrict the overall efficiency viz., Loans & Advances, Interest and Non-Interest Income, etc. of the selected banks.

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A STUDY ON AWARENESS OF CASHLESS HEALTH INSURANCE AMONG PEOPLE WITH SPECIAL REFERENCE TO MUMBAI CITY(INDIA)

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ABSTRACT

Health insurance is demand of contemporary society. Every individual has witnessed that span of life has been reduce due to several reasons. In the dynamic society every now and then people are suffering from dangerous diseases. Usually everyone wants to be secure for it. Hence a person wants to be careful and alter to face the challenges. Government bodies, insurance companies, agent should play a positive role in providing information, selling policy. The importance of health insurance to be communicated, proper information must be supplied, terms and conditions should be clear. Settlement of claim should be fast; in case of rejection valid reason should be there. A large part of society is not aware of such insurance. The cost is very nominal still people do not want to buy health insurance. Hence the researcher has selected this topic to study the cashless health insurance, and its awareness among the people and behaviour of individual towards it. In cashless health insurance hospitalization bills are borne by insurer. In cashless health insurance there is no involvement of cash. Hospitalization expenses are directly settled to hospital without involving insured. The researcher wants to understand the types of cashless health insurance and whether it is known to everyone and the people are using it.

Keywords: Reimbursement, non-medical, non-surgical, medi-claim, insured, insurer,

INTRODUCTION

Insurance is nothing just a security of financial loss. It covers the risk of loss in future which may or may not happen. In another words it is the management of risk and loss. There are different types of insurance life insurance, general insurance, health insurance etc.

In today's world health insurance is must for everyone irrespective of income, expenses, saving etc. Health care coverage is a protection that covers the entire or a piece of the danger of an individual bringing about medicinal costs, spreading the hazard over countless. By assessing the general danger of human services and wellbeing framework costs over the hazard pool, a backup plan can build up a standard account structure, for example, a month to month premium or finance charge, to give the cash to pay to the social insurance benefits indicated in the protection agreement. The advantage is managed by a focal association, for example, an administration office, private business, or not-revenue driven substance.

Cashless policies imply that the medical coverage organization settles the bill straightforwardly with medicinal services supplier, regardless of whether an emergency clinic or a nursing home. This is to lessen the direct monetary weight on protected individual at the season of hospitalization.

OBJECTIVES:

- To study the concept of cashless Health Insurance policies.
- To study the awareness among the people about cashless Health Insurance policies.
- To study the buying behaviour of cashless Health Insurance policies.

REVIEW LITERATURE:

Literature review is existing study done by the researcher related to this topic, article or research. This helps or guide in further studies in same or related field.

Ms. Sonal Laka and Dr. Premila Jain (2015) had stated in their study a study on "Awareness of Health Insurance among people with special reference to Rajasthan (India)" people are aware about the health insurance but do not purchase. The terms and conditions are too complicated to understand. General people have more faith on public general insurance company rather than private insurance companies.

J. Jaypradha (2012) in his study "Problems and prospects of health insurance in India" had highlighted the situation and focused on rise in purchase of health insurance policy i.e. 30%. Even such rise 30% is not sufficient. The average medical expense of a family is 7% of annual income.

P. Jain et al., (2010) in the study "Problems faced by the Health Insurance Policyholders of Different Public and Private Health Insurance Companies for Settlements of their Claims" had found that there is growth in

settlement of claims and reimbursement. Increase in claim settlement indicates increase in number of policies. They also focused on reason for refusal of claim.

RESEARCH METHODOLOGY

The research paper is based on exploratory research. The secondary data collected from the various sources: national and international journals, health insurance bulletins, news paper and articles.

Cashless Health Insurance

A medical coverage organization has certain rundown of emergency clinics present crosswise over India which is known as system clinic. These clinics are the place they offer cashless advantage for example when you get a treatment at these medical clinics, you don't need to pay the bills. Intricately, if there should be an occurrence of a 'cashless' treatment, your doctor's visit expenses are straightforwardly paid by the insurance agency to the clinic. To get some answers concerning the system clinics, you can check your approach report or visit insurance agency's site or contact your protection the organization on their sans toll number.

Points to be remember

- Cashless facility is available only at the group hospital. In case on non network hospital the insurance company will reimburse the bills of policy holder.
- It covers only medical and surgical expenses. Non medical and non surgical expenses are borne by the patient only and will not be reimburse.
- All the related documents, terms and conditions must be read carefully. It is clearly mentioned on the agreement that what includes and what excludes.

Benefits

- No cash required for hospitalization
- Direct settlement of medical bills by company
- Less paper work or documentation
- No waiting period
- Network hospitals facility
- Taxation benefit U/S 80D

LIMITATIONS:

- Stick to network hospital
- Term of One year
- Two years time lag for non existing disease
- Four years time lag for existing disease
- No cashless facility in non network hospital

Awareness among the people

People are fully aware about the facility of cashless health insurance policies especially upper middle class and upper class. They have such medical policy for self, family and parents. Sometime it is observed that the amount of policy was not sufficient i.e. sum insured, it was very less. In this case insured may face problem at the time of availing benefit or sum insured may short fall to cover the treatment.

There is less or no awareness among the lower middle class and lower class family. It is also found that well educated people and they are aware, capable to pay the premium amount but least or not bother to buy such health insurance policies. Most of the labour class family, uneducated family, resident of slum area are not covered under any cashless health insurance.

It also observes that the people buy the health insurance without proper information. They are not aware about the terms and conditions, how to claim the benefit, coverage, types of policy, suitable policy for them, amount of insurance. They simply buy the policy without knowing it and result in claim is denied or sometimes face the problem of short fall of coverage amount.

Buying behaviour towards Cashless Health Insurance policies

Attitude towards the life really matter a lot. It's not about the policy and money it's all about the life "Jaan Hai to Jahan Hai" means if there's life, then there's the world. Young or old every one face the illness and they have

to borne the hospitalization expenses. The financial capacity of very person is not same, some earn more, and some less and some of them none or some are dependent on other.

In such an inflationary time the hospitalization bills are on peak. For small treatment people are paying in lacs and now situation has changed, it is being commercialized now. Patient are treated like customers, doctors are getting target for receipts from their patients. I doubt on the statement that "Doctors are God", now they are more professional or businessman.

For the treatment of illness or disease people must have sufficient fund in account else treatment by the hospital may be denied. Hard saving through the life will be wiped out within few days in name of medical treatment. The only solution to these problems is medical health insurance. A health insurance is must for every individual and family to avoid medical emergencies crises. After so much advertisement and awareness people do not buy such health insurance just to save few thousand of rupees, they may not be fully aware about the concept cashless health insurance and benefits. Government, schools, colleges, NGOs should play active role to create awareness among the people. Necessity of such insurance must be communicated to the masses.

In such a globalization everyone must have health insurance. In a city like Mumbai people are very lenient towards buying health insurance especially middle class and lower middle class. The premium amount is not very high, policy of Rs 500000/- can be insured by paying premium of Rs. 6500/- only. But still those who are aware simply avoid. It often treated as expenses rather than investment. For my point of it is long term investment which will benefit more when you require more, means less age less required more are more required (treatment). These are factors responsible for leniency towards buying health insurance:

- Lack of awareness
- No return in case of no claim
- Availability of government hospitals
- Dependent on other
- Treated as expenses
- Inability to pay premium
- Government Schemes
- Do not want buy
- Premium payment at a time

CONCLUSION:

With the study it can be assumed that insurance is must for all the family. This is a strategy to save the savings. Not having health insurance means endangering own life, life of family member and savings of life. Weaker section of society especially manual worker, resident of slums, uneducated, few educated they are not aware about the cashless health insurance. Eventhough agents or company approach them they avoid. Government should take measures to educate, encourage buying such health insurance at subsidized rate. Proper assistance must be provided, more important terms and conditions should be very clear.

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MARKET ANALYSIS OF GLOBAL NON CASH TRANSACTIONS – WAY TO CASHLESS ECONOMY

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INTRODUCTION

Money has a dynamic history evolving from barter exchange to block chain but what remains intact is its characteristic of being common measure of value. Francis A Walker rightly said, "Money is what Money does". Money moved hands in form of paper, gold and bronze coins centuries ago. It was in mid of 19th century which gave rise to plastic money followed by online payment system in 1980's in the developed nations of the world. However it was popularized only with advent of internet services which remained elite to the developed countries. Asian countries were far behind the race till early 20th Century and rest is history. The story of Asia today is one of change which has impacted the economies around the globe. It is at the inflection point hopping from cash payments to digital payments circumventing the traditional systems. Asia has witnessed a cashless transition catalyzed by technological innovations and dynamic human resources. The mass proliferation of internet of things especially in countries of India and China have accelerated the pace of transformation which further gained an impetus with worldwide agenda of Financial Inclusion. Asia currently accounts for more than half of the world's millennial population who are tech savvy welcoming the digital world gracefully. The increasing role of Fintech companies in the Asian regions have led to development of integrated financial ecosystems. According to CB insights in the year 2016 near about 40% of world investments in fintech industry were done in Asian regions alone boosting the ecosystems. Asia has witnessed a drift from traditional to cashless models in the payments systems. Looking at India, the launch of PradhanMantriJhanDhanYojana in 2014, demonetization in 2016 and implementation of Goods and Service Tax in 2017 have opened up the roads of digitalization amongst the masses. With coherent efforts of the stakeholders India has successfully laid the foundation of Cashless Economy. Honorable Prime Minister envisioned in his speech at Silicon Valley, "From large corporate to young professionals in this great centre of innovation, each can be part of the Digital India story." The research paper hereby attempts to evaluate growth of non- cash transactions globally while gauging the revenue from Internet of Things at global regional level.

Keywords –Internet of Things, Cashless, Millennials, Payment Systems.

LITERATURE REVIEW

The literature review unfolds the journey of evolution of e money along with its usage amongst the populace as below -

The Evolution of Money – From Commodity money to E-money by Susanne Konig elaborates that money has evolved in many forms over a period of time. Due to many innovations and technological advances, money has become finally what it is today. Use of traditional form of money has decline over the period. People from sophisticated societies make use of digital money. Money takes many different form starts from barter system to E-money. The evolution of usage of E money has turned out to be a great manifesto in the hands of economic reformers which has been well cited in the work - E-Money: Efficiency, Stability and Optimal Policy by Jonathan Chiu and Tsz-Nga Wong (2014) which explained that e-money is not necessarily welfare enhancing alternative when money is available as viable alternative. E-money ensures stable and efficient mode of payment but both private and public provisions regarding e-money are inefficient and unstable which lead to over or under adoption. It framed four model theory, which explains that the e-money is an extension of money to buy consumer goods, general-equilibrium for use of e-money with ease along with liquidity provision to the issuer. Further studying its usage amongst the millennials, Kristina Sova in "Electronic Money Trend – User's perspective (2013) presented that millennials are active users of e-money for diverse activities. They are provoked to use e-money in future, despite of the troubles. It opines that use of e-money is more convenient than traditional form of money but e-money still fails to replace it completely. It also elaborates that e-money has developed a niche market for itself restricted to small transactions and not all business transactions. Evaluating the usage of E money in India, PreetiGarg, ManviPanchal (2016) in research work, "Study on Introduction of Cashless Economy in India: Benefits & Challenges investigates that many people actually be of the same opinion with the government on the effectiveness of cashless economy as it helps to fight against terrorism, corruption, money laundering but one major threat in the working of cashless economy in India is cybercrime and illegal access. Thus measures have to be taken by government to improve security against such threats. Another issue in India is low literacy rate and huge rural population. It suggests that government needs

to take financial literacy campaign to create awareness and benefits of digital money. To infer world economy has bloomed with the seeds of e- payments.

OBJECTIVES OF STUDY

1. To study the compounded annual growth rate (CAGR) of non-cash transactions at global level.
2. To study the share of revenue from Internet of Things (IoT) industry at global level (Region wise)

HYPOTHESIS OF THE STUDY

H₁ There is significant increase in CAGR of the non-cash transactions at global level.

H₂ The share of revenue for Asian region from IoT is significantly higher than its counterparts.

RESEARCH METHODOLOGY

The study extracts secondary data from ECB Statistical Data, BIS Red Book and Capgemini reports to obtain insights for listed parameters. To generate and represent output line charts and compounded annual growth rates are calculated. Representing the globe the countries have been classified as under –

North America – US and Canada

Europe – Eurozone

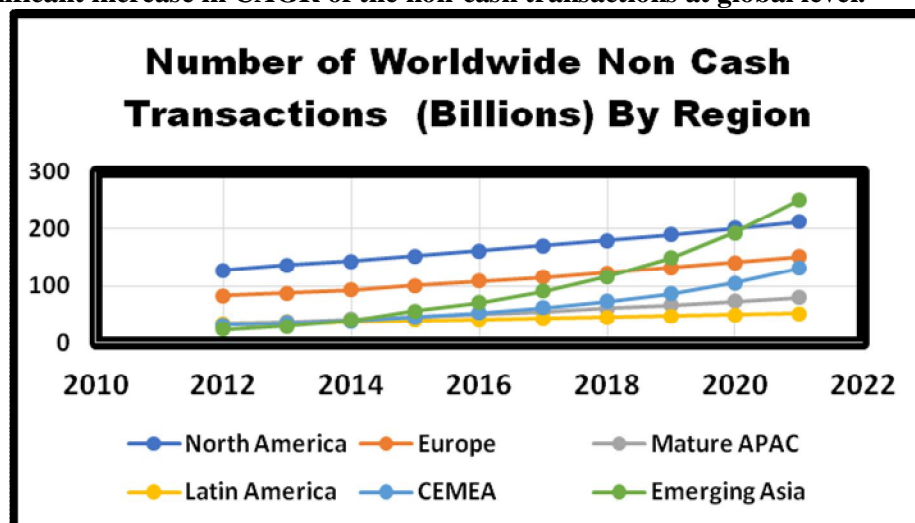
Latin America – Argentina, Colombia, Venezuela, Chile, Peru, Uruguay, Costa Rica, Bolivia and Paraguay.

Mature Asia Pacific (APAC) – Japan, Australia, South Korea and Singapore

Emerging Asia- Malaysia, Sri- Lanka, Thailand, Philippines, Indonesia, Taiwan, Pakistan, Bangladesh, India and China.

TESTING OF HYPOTHESIS

H₁ There is significant increase in CAGR of the non-cash transactions at global level.



Source: Capgemini, World Payments Report 2018.

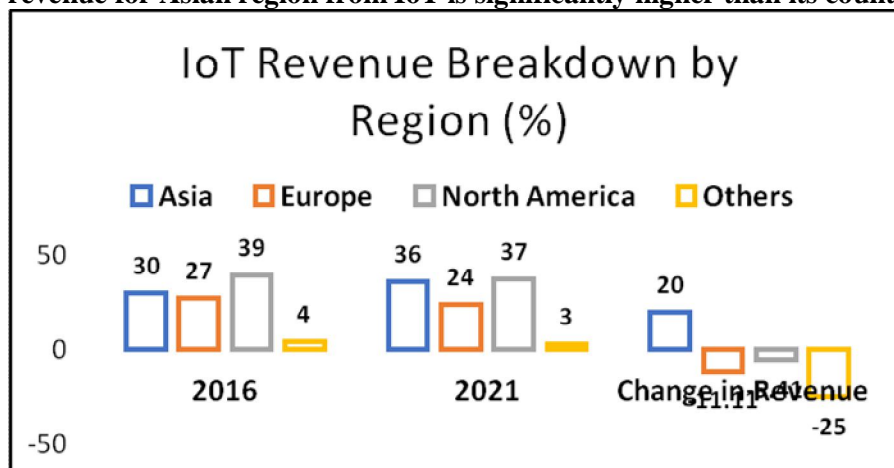
During the period 2012- 2022 the number of worldwide non cash transactions experienced a leap at global level with regions of Emerging Asia and CEMEA as its major contributors. The globe can be vividly subdivided into two categories i.e developing countries comprising of Emerging Asia, Latin America and CEMEA and mature developed nations comprising of North America, Europe and Mature APAC. The developing regions have witnessed a sky scraping growth due to its strenuous efforts towards financial inclusion post 2015. Notable growth rates in penetration of smartphones has further pushed the economy towards cashless society. To statistically analyse the growth levels in the usage of non-cash transactions, the research paper calculates the compounded annual growth rate, presented in tabular form as below for each region for two periods i.e 2012 – 2016 (using actual data) and 2016-2021(using estimates by global agencies)

CAGR	2016-2021(%)	2012-2016 (%)
Global	12.7	9.8
North America	5.6	6
Europe	6.8	6.8
Mature APAC	9.9	10.6

Latin America	5.1	5.8
CEMEA	20.2	13.8
Emerging Asia	28.8	31.1

The CAGR shows a significant increase at global level from 9.8% to 12.7% leading to non-acceptance of null hypothesis i.e. there is significant increase in CAGR of the non-cash transactions at global level. In depth analysis further lead to conclude that three developing regions have shown remarkable increase in CAGR with Emerging Asia leading the race. Breaking down at country level, India and China with their mushrooming millennial population outshine the throne in the wave of digitalization.

H₂ The share of revenue for Asian region from IoT is significantly higher than its counterparts.



Source –Zinnov, UBS

The increasing spread of Internet of Things devices which support the much needed conduct of cashless transactions boost the ecosystem of cashless economy. According to telecom Equipment Leader Ericsson the IoT units are anticipated to take a huge jump from 5.6 billion units in 2016 to 18.1 billion units in 2021. Breaking down at regional level North America outpares the other regions of world in the year 2016, however considering the regime of mushrooming demographics in Asian countries the numbers display a massive change. As modelled in 2021 it is only Asia which enjoys the fruits of increase in IoT with a positive change of 20% while others are expected to experience a significant downfall. This vividly displays that Asia acts a key growth driver and is expected to share a higher revenue. To infer the share of revenue for Asian region from IoT is significantly higher than its counterparts.

LIMITATIONS OF STUDY

1. Due to limitations of availability of data, secondary data from listed countries have been extracted.
2. Data not being capable of in-depth statistical analysis limited tools for hypothesis testing have been used.

CONCLUSION

“You cannot have a developed economy without having a developed payment system. Wealth and prosperity depend upon digitalized payment systems in the modern world.” – Chris Hamilton CEO Bankersv Africa. This has been vividly evident from significant increase in the Global Non Cash Transaction volumes, fuelled by regions of CEMEA and Emerging Asia. These high growth rates are driven by worldwide efforts of the stakeholders towards financial inclusion and easing out the regulatory norms in BFSI Sector. India’s regime of cashless economy demonstrates an unexpected high growth rate of 33.2% with usage of debit cards contributing the highest growth of 76.2% post demonetization of 2016. Moreover with implementation of largest tax reform GST 2017 the impact of shadow economy has been lowered. In simple words majority of its populace was enrolled under organized financial stream. This emphasize the growth potential of Fintech industry in the world economies with Asia acting as key driver. Thus the wave of digitalization has accelerated the development of the emerging countries undoubtedly.

RECOMMENDATIONS

Despite significant increase in the volumes of global non cash transactions about 1.7 billion adult population still remains outside the gamut of formal banking systems. Thus the primary responsibility calls for enrolment of population into financial ecosystems by infusing financial literacy amongst the masses. With constant advent

of technology the probability of occurrence of cyber-crime has been witnessed. Thus need for apt security systems and end to end encryption with data protection should be ensured.

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E –WALLET - A TOOL TOWARDS CASH LESS ECONOMY

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ABSTRACT

A study was conducted to observe the use of E- wallets as a tool in journey towards cashless economy.

Our country is making a move towards cashless economy to bring to an end corruption, terrorism and black money. How can a cashless economy bring about this change? Benefits of cashless economy are many. Few important ones are listed here

No counterfeit currency: If there is no paper currency in circulation; one cannot create counterfeit currency and therefore there won't be any counterfeit currency.

No terrorism: when counterfeit currency does not exist terrorism will be finish as terrorism thrives on counterfeit currency.

No black money: Cash can be hoarded without records but when there is no paper currency hoarding will end and so will the black money.

No tax invasion: when people are hoarding cash, they don't show it in their income and they don't pay tax on it .So when one is hoarding black money there is tax invasion. But with end of black money tax invasion will also end.

No harm to nature: Further natural resources will be saved because currency is made from paper and paper is made from plants.

Cost saving: The cost of printing currency is huge, as it is very complex exercise. The paper used for printing currency is also expensive. Further the currency gets spoiled in use and has to be sorted and soiled currency destroyed. All this exercise requires lots of money. This is saved in paperless currency .The government can use the saved money for development purpose.

Keywords: Black money, online transactions, mode of payments

INTRODUCTION

There are many methods or tools used to go from only cash economy to cashless economy.

Few of them are net banking, debit cards, credit cards and E –wallets. Let us discuss E-wallets in details. What is an E-wallet? Wallet is a solid object where we keep our currency notes and coins in it. Similarly E wallet is electronic wallet, where money is stored in electronic form. The amount is shown in figures as no cash can be stored digitally in E- wallet .For example you have Rs 2000/- in your E- wallet account. if you have to re - charge your phone for an amount of say Rs 500/-so when you recharge, Rs 500/- is paid to the service provider and same is deducted from your account and the balance shown is Rs 1500/-.

Now where the first balance comes from? For this one has to first register with E- Wallet Company There are three methods by which one can add money to E-wallet, interbanking, debit card & credit card. Once the payment is authorized the amount is credited to E wallet from saving banks account or credit card account.

If one wants to use e-wallet one needs a smart phone, tablet or access to computer with internet facility and a proper browser which can connect one to internet.

OBJECTIVES OF THE STUDY

To study the awareness of the E-wallets

To bring out reasons why people are still not using E -wallets

To bring out how promotions of E-wallets can be done.

HYPOTHESIS OF THE STUDY

HI E- wallets is used as a mode of payment

Ho E-wallet is still not used as a mode of payment

H2 E –wallet is used more frequently by young generation

Ho E –wallet is used by all people age is no barrier.

REVIEW OF LITERATURE

“E-wallet is a type of electronic card which is used for transactions made online through a computer or a smart phone. Its utility is same as a credit or debit card. An E-wallet needs to be linked with the individual’s bank account to make payments” by The Economics Times

“E-Wallet is an online account that helps you buy merchandise and do all kinds of transactions online without using your debit and credit card. Most card users are concerned about the security aspects of the credit card. There is always the fear that someone can use your card and fleece you. E-Wallet, with its inherent security features obviates this possibility. E-Wallet can be in digital form, in your mobile, or in the form of a card which can be used for payment. It can be likened to a secured credit card, which is a prepaid account. However, in the case of e-Wallet, there may not be any physical card.” By Moneycontrol.com March 2015

METHODOLOGY OF THE STUDY

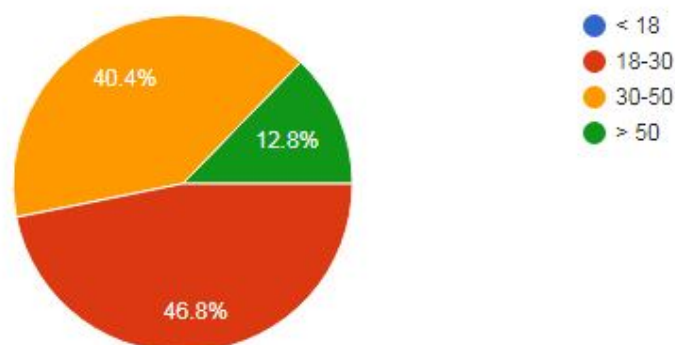
The data for the study was collected through primary and secondary sources. Primary data has been gathered through structured questionnaires. Primary data collected from 50 respondents in Mumbai city. Questions were framed based on the problems and objectives. Secondary data was collected by reviewing various published articles.

RATIONALE

Our government is encouraging a cashless economy. E- Wallets being a powerful tool in way towards cashless economy, the objectives were to find out the awareness of E- wallets among in people living in Mumbai and the actual use of E-wallets. For this survey was done using goggle form so that the response is quick. Respondents were chosen from all age groups. The study was conducted in Mumbai, the financial capital of India.

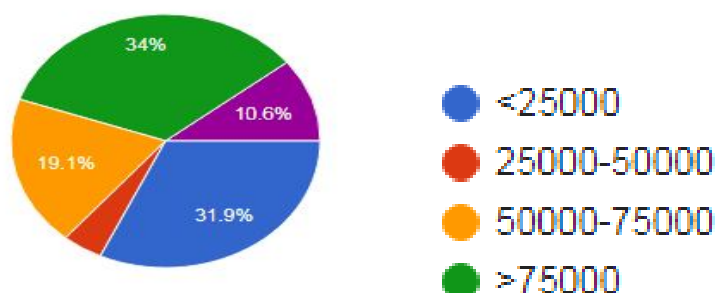
DATA ANALYSIS AND INTERPRETATION

Age Factor



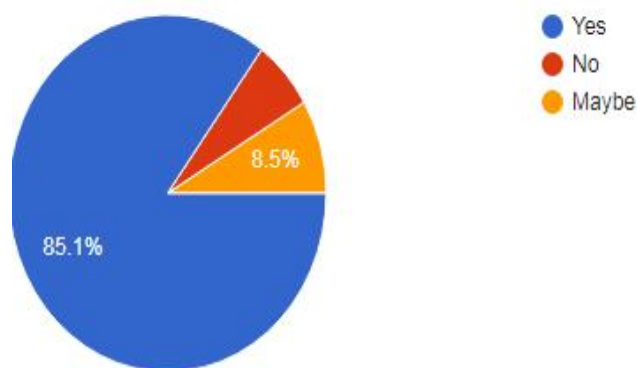
Out of all the respondents 46.8% of the respondents were in the age group of 18-30 years, 40.8% were in the age group of 30-50 and only 12.8 % of the respondents were over 50 years. It was observed that the few people over 50 years of age were using E wallets. The results showed that E-wallet was used more by young generation between years 18 to 30 years.

Income Factor



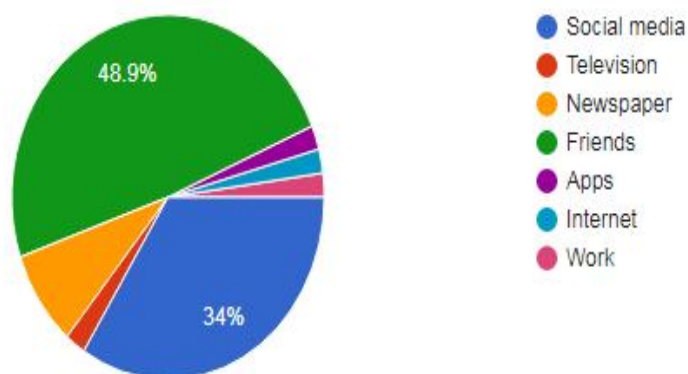
Based on the monthly earnings of the respondents it was observed that 31% of respondent had income below Rs 25000 per month and 34% of respondent had monthly earnings of Rs75000 or more. The result shows that the E-wallet was used same by one and all irrespective of their earnings.

Awareness of Functions



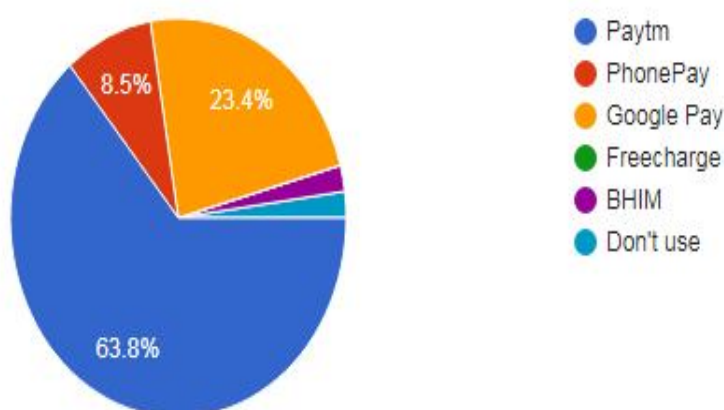
It was observed that majority i.e. 85% of the respondents were aware about the functions of E-wallets. Merely 6% of respondent were not aware about the functions of E-wallets, whereas 8.5% were not confident about functions of E-wallets.

Information about E-wallet



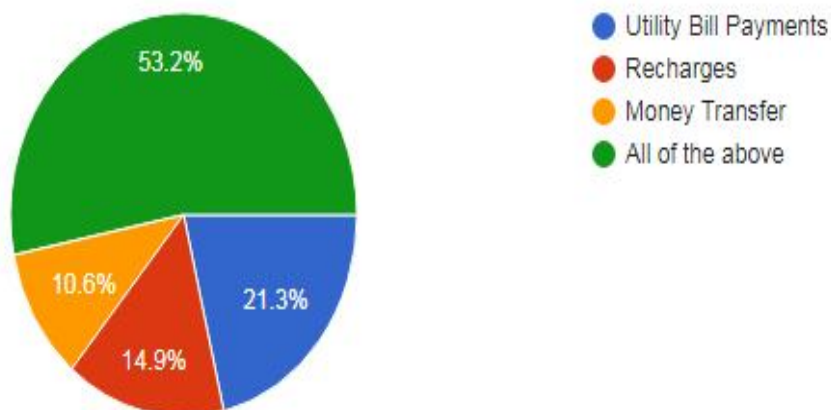
The respondents were asked from where they got information regarding the E-wallets. 48% of the respondents started using E-wallet on advised of their friends. This interprets that's friends have pressure on the lifestyle of an individual. That is why it was found that usage of E-wallets was more in younger generation. 34% respondent gain knowledge regarding E-wallet from the internet.

Major players



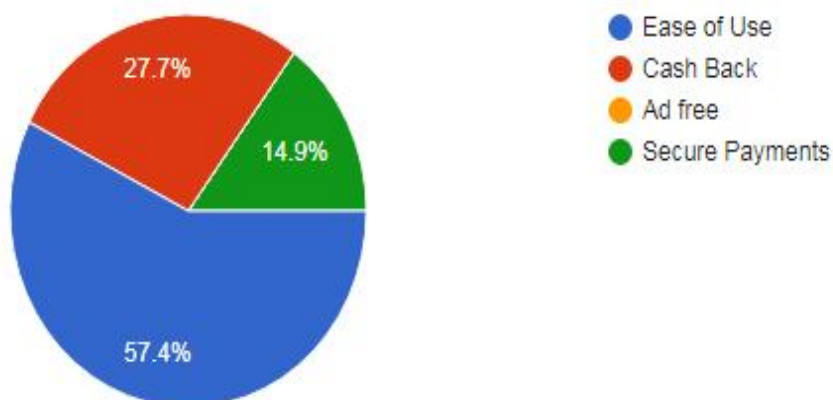
There are different players of E-wallets in India. Paytm was observed to be the most popular with 63.8 % of the respondent using the Paytm, making the most popular E-wallet; it was followed by Google pay. BHIM, Bharat Interface for Money is a mobile app developed by National Payments Corporation of India, based on the Unified Payment Interface is used by 8.5%.

Purpose



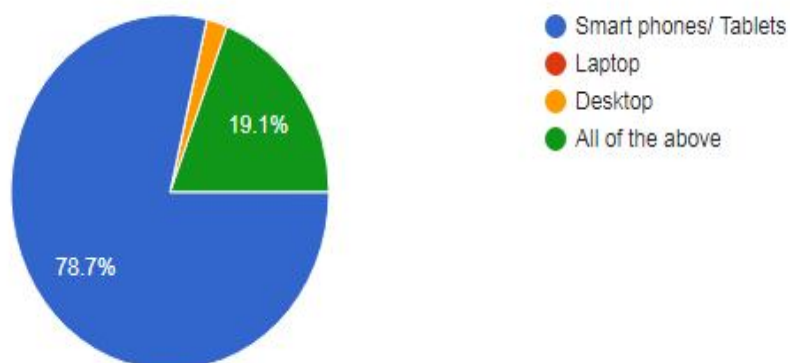
It was observed that 21.3% of respondents used E wallets for payment of utility bill whereas about 14.9% stated that they used it for recharges. It was observed from the replies of 53.2% of respondents that the E-wallet was used for paying utility bills, recharge and transfer of money.

Attraction



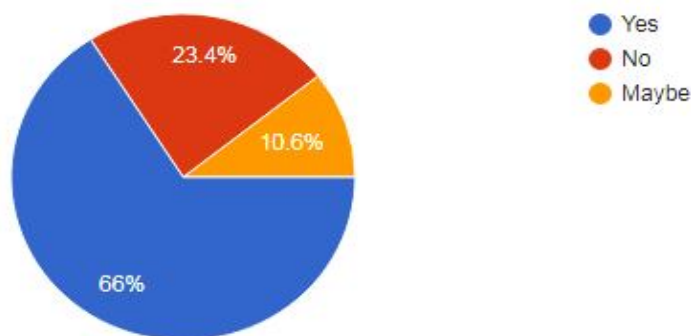
The 57 % of the user found E-wallet convenient and effortless. 27% of the respondents were attracted to cash back and endorsement proposes by E-wallets. Rest felt the transactions made on E-wallets are protected, safe and sound.

Device used



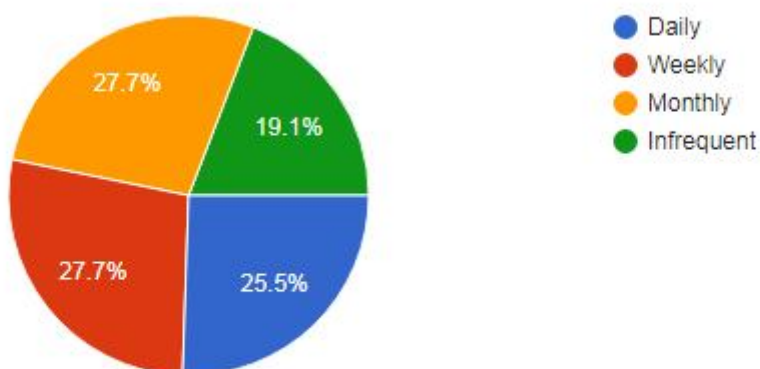
A whopping 79% of the respondents stated that they make use of E-wallet on their smartphone. So we can conclude that smart phones play an important role in digital India. It can be due to easy availability of smart phones in both rural and urban area and affordability of the same than desk top and laptops.

Preference



It was observed that 66% of the respondent used E-wallets as a mode of payment. But the 23.4 % of the respondents had not adopted the same and still preferred the traditional ways of payment.

Frequency of the use



It was observed that 25.5% of respondents made use of E-wallets daily. However, 27.7% of respondents used it daily or weekly. 19% of respondent use it as and when it is required.

LIMITATION

Due to time restrictions the survey was carried in Mumbai city and the respondents were from Mumbai city .The finding are of Mumbai, a metropolitan city. The observation may differ with respondents from semi urban and rural areas. The data was collected online through goggle forms .People who were not techno savvy could not participate in this survey. So the results are limited too response from techno savvy people.

Suggestion

When the security issues and risk factors involved in usage of E-wallets are tighten, when people are confident of safety of their funds involved then there will be tremendous growth in usage of E-wallets in future.

CONCLUSION

It was observed that E-wallet usage is preferred by younger generation. However, the awareness of E-wallet was found in all the age groups. The younger generation being technology savvy has adopted it easily. This usage may due to encouragement of cashless economy by our government march towards digital India.

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A STUDY ON THE FUTURE ROAD MAP WITH RESPECT TO E-BANKING

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ABSTRACT

Now-a-days banking is known as innovative banking. Developments in Information technology have given a rise to innovations in the product & service designing and their supply in the banking sector and finance industries, customer services and satisfaction are their center point of all the efforts. One of the most important areas of banking where Information Technology have a positive influence so on substitutes for traditional funds movement services. With the advent of online banking, electronic funds transfer and other similar products & services for funds transfer within quick time which was impossible a few years age. With networking and inter connection new problems are taking place related to security, privacy and confidentiality to e-banking transactions.

Keywords: e-banking, internet, online transaction, customer, finance, services,

INTRODUCTION:

Finance plays a very important role in the growth of the economy of the country. The banking sector is considered the most crucial part of finance. With the immense growth in banking, it is very important that there should be smooth functioning and operation to satisfy the customers' needs. With globalization in power, it changed the whole phase of the banking industry. Since a very long time now, banks have been using electronic and telecommunication means in order to distribute their varied services to their customers. This is called Electronic Banking or E-Banking. E-Banking includes various types of services like ATMs, Mobile banking, Debit Cards, Credit Cards, Smart Cards, TeleBanking and E-Cheques. E-Banking has been one of the greatest blessings. With this introduction, it has never been so easy for the customer to get access to all services of the bank at just a click of a button.

E-Banking or electronic banking as the name suggests is a method of banking which includes the internet or any electronic medium. In this ever fast moving world, it is very important for customers to be updated with the recent and new trends in the banking sector. E-Banking has been availed to us in various forms in which the customers are using its benefits to the fullest. gone are the days where customers had to physically go and visit the bank branches in order to complete their banking transactions. Technology has made it so easy and accessible to any customer.

OBJECTIVES:

1. To study the current trends in E-Banking.
2. To understand the future road map with respect to E-Banking.
3. To understand the relationship between the demography of the customers and E-Banking strategies.

REVIEW OF LITERATURE:

A study which was conducted by McKinsey revealed that all the customers who use online services were young, learned and more affluent than average, but income and gender had less impact on consuming the services (The McKinsey Quarterly; 2001). This is apparent that the demographics had a role in influencing the utilization of online services.

In Murillo and Roisman's (2004) report, the authors clearly indicated that banks decided to provide internet banking depends on the demographic profile of latent customers as well as location of the bank; which is located in a metropolitan area. The main aim of internet banking is to reach different demographic groups.

According to Reeta and Manju Shah in their paper titled "E-Banking in India: Current and future Prospects" said that E-Banking is the most pioneering trend among the customers in the present era of thrust for more expeditious and secured financial services. The transfer from the traditional banking to e-banking has been an elevating amendment in banking dealings.

Unyathanakorn et al. (2014) uncovered that e-banks must fixate on service quality to increment customer contentment and trust and to obtain customer staunchness. Implicative insinuations are discussed in cognation to e-bank management.

N. Jamaluddin (2013) concluded that Information Technology has played a vital role in the advancement of banking systems. The reach of Indian banking to ever individual is possible because of the computerization process adopted by banking sector.

Roshan Lal (2012) analyzed that development of e-banking in banking sector is due to advent of IT. Banks today operate in a highly globalized, liberalized, privatized and a competitive environment. In order to survive in this environment banks have to use IT.

RESEARCH METHODOLOGY:

DATA COLLECTION: SECONDARY DATA

Tools for Data Collection: Books, Journals, Internet, Previous Research Papers.

LIMITATIONS:

There were time constraints for the study for the research of the topic.

The research paper is based on only secondary data; hence there is no clarity about the public opinion on the topic.

FINDINGS AND FACTS:

- However, there has constantly been an upgradation and evolution in this sector bringing in new trends for the customers frequently. Snapping out of the traditional banking methods people have very well fitted themselves into the ever trending modernized world.
- Customers of a particular bank can make all of their payments online. They don't have to actually go to the bank anymore. Loan applications, fund transfers and e-bill payments everything can be done over the internet.
- Services like Automated Teller Machine(ATM) not only allows easy withdrawal of money but also gives us the facility of depositing or transferring funds along with obtaining information of the account.
- Mobile banking is another form of e-transfer. All kinds of digital payments and financial transactions can be done on the mobile. Facilities like Debit Card and Credit Card serve as instruments in easy financial transactions.
- Post demonetization the use of various payment systems gained pace. It helped in the transfer of funds between a payer and a payee through the exchange of debits and credits among financial institutions. It is then accumulated in an e-wallet or digital wallets whose balance can be used later. It is a perfect example of "a paperless mechanism" for the exchange of funds.
- Online banking has had colossal effect over banks since people can complete all of their financial transactions over secured websites. However, they have a fear that all of the data which is stored in the online portal of the banks might easily be hacked and their personal information might get leaked. To cater to this concern of the customers, they are going to develop more advanced process management tools to meet all the future needs. Another major change that will be seen would be in the field of mobile banking.
- Mobile banking will become much more easier and will be used to provide more functionality to customers. More and more apps and online portals will be launched in order to bring an ease to customers for smooth transactions in online banking.
- With the help of artificial intelligence, there will be more room for automated processes hence reducing the risk of human error and giving much higher percentage of accuracy. In a recent report, Capgemini said that robots are 50-90 percent less costly than offshore and onshore employees. Therefore banks are ever ready to invest in order to give more efficient and cater to customer satisfaction.
- Security being the key concern for banks, the plan on working towards this problem will be given highest preference in the coming years. Customers generally tend to have a difficulty remembering passwords. This too will be eradicated with biometric authentication. Hence this provides as a more secure method for authentication.
- As technological advancements will continue to rise in this digitalized world, so will the need of highly skilled minds in the field increase. In order to furnish this requirement, high IT level recruitment will be required.

- Hence, banking institutions plan on training all of their current staff members from the ground up. Moreover, as AI gets smarter, due to multitude of data sets it gets to learn from, we could see large improvement in Natural Language Processing
- There are still remote areas where people are not educated about e-banking. Everyone should be taught and be made aware of all the facilities available. Due to the barrier of illiteracy, e-banking isn't being able to be a complete success.
- E-Banking is mostly accessible only in the urban areas. However, even the people living here are constantly under the concern for their security. With the number of advancements in technology, there is always a fear of the data being hacked.
- The younger generation, generally tend to show positive attitude and mindset towards modern techniques whereas the older generation still believes in the age-old traditional methods.

CONCLUSION & SUGGESTIONS:

E-Banking is a very broad and large concept. Since it is acquainted with technology, there will always be either major or minor changes in these protocols. We have successfully witnessed the change from traditional methods to introduction of automation and digitalization in the banking sector. Smart bots and smart bots services will reduce the customer support cost in future through automated communication channels eliminating the jobs of call centres and customer support teams.

There is a lot of scope for even greater innovations in this sector. There are plans where the transactions and services would be more customer centric. The modes of payment and services will become more personalized as per the priority of the customer and even easier for them to use. In the long run the adoption of Artificial Intelligence is inevitable for banks worldwide as the advantages it offers outweighs the risk people perceive it bring along with it. But it is still too early to say how banks and customers would respond to the changes and embrace AI in future.

More focus will be given to data analytics in order to improve the efficiency of the management of the enormous data banks possess. However, the use of internet banking is restricted to only the people who know how to use it and have the knowledge about it. It is also sometimes based on the demography of an area, the younger generation or the millennials often have more knowledge compared to the older generation. Hence this hampers in the effective use of E-Banking. Hence proper measures and resources should be made available in order to make sure that everyone is educated about the upcoming trends of technology in E-Banking.

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MOBILE BANKING IN INDIA: CHALLENGES, SECURITY ISSUES & OPPORTUNITIES

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ABSTRACT

This paper contributes to the literature in several ways: First, it focuses on overview of M-Banking. Second, it highlights the guidelines issued by RBI for Mobile Banking Service in India. Third, it focuses particularly on challenges, security issues & opportunities in the mobile banking sector. Forth, it highlights on the ways to overcome the challenges.

Banking services have been part and parcel of society since long period. In the 21st century, number of population is using banking services through multimedia mobile. As a result of it, modern mobile banking a service that is mobile communication technology has brought about a revolution in the banking sector.

Keywords: Banking Services, Mobile Banking, Challenges, security Issues & Opportunities of M-Banking in India, Remedies for the challenges.

1. INTRODUCTION:

There is a short history of mobile banking. Most mobile banking service was offered through SMS banking up to 2010. From 2010, with the success of iPhone and lightning growth of Google Android, more banks started adapting a new trend by launching mobile web based service and mobile banking apps. Almost all the banks have their mobile detection on their main site. Most of the mobile optimized website has an option to download mobile banking apps. Mobile banking apps is specifically designed for smart phone and tablet, which run on Operating System (Android, Windows). Mobile banking apps are able to download from application stores. Similar to online banking, mobile banking apps connect directly from customer's device to bank server via internet connection, including Wi-Fi, 4G or data transfer, for complete banking transaction. This includes credit – debit and even cancellation of cheques and other related services like making bill payments, transferring or sending money.

2. REVIEW OF LITERATURE:

Bamoriya and Singh (2011) found that the mobile banking has the issues and challenges like mobile handset compatibility, standardizing, software downloading, privacy & security.

The Basel Committee on Banking Supervision expects risk in banking activities due to unprecedented speed of change in technological and innovation in products / services. The committee which was recommended an integrated risk management approach for all activities of a banking institution.

Haq & Khan (2013) analysed the challenges and opportunities in the Indian Banking sector. The study showed that only 28 per cent banking clients were using internet banking after evaluating the population characteristics. It found that there was no significant relationship in between age and use of cyber banking. It also depicted that there is no relation in between gender and the adoption of internet banking. It observed that qualification in terms of education and income of the respondents were playing the role in the acceptance of online banking. The study suggested that it is the need of time that financial literacy of the users should be increased through various programs which should be run by banks to increase the awareness of internet banking.

3. OBJECTIVES OF THE STUDY

- 3.1. To study the issues in mobile banking from urban, rural & metropolitan customer's perspective.
- 3.2. To Study the Opportunities in mobile banking from urban, rural & metropolitan customer's perspective.
- 3.3. Suggest the ways to overcome challenges.

4. SCOPE OF THE STUDY

This paper will help the:

- 4.1 Customers:- Customers who use the mobile applications for everyday transactions.
- 4.2 Banks:- It will also help the banks from the point of view of securities issues, standardisation.
- 4.3 It has scope at national level.
- 4.4 Internet service Providers: - Internet service Providers will get ideas about how to manage the constant internet service for M-Apps.

5. LIMITATION OF THE STUDY:

Though there is a scope of study, It has some limitations. It is limited to Samples are collected only from Mumbai, Dahanu, Palghar & few from some part of India.

6. METHODOLOGY

Descriptive method is used as a method of study for present research. Primary data collected from 71 respondents using online questionnaire. The responses are analyzed and tabulated in the paper.

Sample:

Mobile Banking user's taken as sample for the present study.

Table 2.1 sample for the study gender wise

Male	Female
38	33

Table 2.2 sample for the study Education wise

Illiterate	High School	Degree	Master's Degree	Other
3	4	34	27	3

Table 2.3 sample for the study Profession wise

Govt. Employee	Pvt. Employee	Business	Self-Employee	Students	Other
12	27	1	7	21	3

Table 2.4 sample for the study Area wise

Rural	Urban	Metropolitan
60	6	5

RESERVE BANK OF INDIA REGULATION:

The following are the Reserve Bank of India (RBI) Guidelines issued to provide Mobile Banking Service in India:

Only such banks which are licensed and supervised in India and have a physical presence in India will be permitted to offer mobile payment services to residents of India.

The services should be restricted to only to bank accounts/ credit card accounts in India which are KYC/AML compliant.

Only Indian Rupee based services should be provided.

Banks may use the services of Business Correspondents for extending this facility, to their customers. The guidelines with regard to use of business correspondent would be as per the RBI circular on Business correspondents issued from time to time.

The Risks and Controls in Computers and Telecommunications 'guidelines will equally apply to Mobile payments.

The Know Your Customer (KYC) and Anti Money Laundering (AML) as prescribed by RBI from time to time would be applicable to customers opting for mobile based banking service.

A. Security and Authentication

The highlights of security and authentication guidelines provided by the RBI on Mobile Banking:

The m-PIN or higher standard of mechanism should be used to authenticate the Mobile Banking customer.

a) Implement a minimum of 4 digit customer mPIN (6 digit mPIN may be the desirable goal)

b) Protect the mPIN using end to end encryption

c) Do not allow the mPIN to be in clear text anywhere in the network or the system

d) Authenticate the mPIN in tamper-resistant hardware such as HSM

(Hardware security modules)

e) Store the PIN in a secure environment

f) In case of offline authentication, the banks should ensure that a proper process is put in place to positively identify the customer the first time when the service is being enabled. An offline PIN may be used as the authentication parameter with security levels being as strong as in the case of online authentication. The bank may choose to issue its own offline PIN or adopt a customer-defined PIN.

g) A second factor of authentication may be built-in for additional security and as such the second factor can be of the choosing of the bank

End-to-end secure encryption mechanism should be followed in transactions

Bank should conduct regular information security audits on the mobile banking systems to ensure complete security.

The technology used for mobile payments must be secure and should ensure confidentiality, integrity, authenticity and non-repudiability.

The Information Security Policy of the banks may be suitably updated and enforced to take care of the security controls required specially for mobile phone based delivery channel.

7. ANALYSIS & DISCUSSION

The collected data has been analysed. After analysis, it is found that:-

- The 84.5% (60) mobile smart phoneusers have the handsets with capability to use mobile banking from the 71 respondents of bank customers.
- 45.1 % user have feel that M banking is hard to use.
- 62% (44) customerarentocomfortable with existing M banking system.
- 8.4% (6)customers mentioned their bank does not provide the facility.
- The awareness about the Mobile Banking facility provided by the bank was tested by 80.3% (57).
- 11.3% (8) customers are not aware about the mobile banking facility from their bank.
- 70.4% (50) customers have suffered from the security issues.
- The data also indicates 63.4% (45) of bank customers have not tested the mobile services of their bankif it is reliable or not.12.7% (9) of customers are tested the facility.

Table 3.1 Costumer perspective about mobile banking

Question	S. A.	A.	N.	D. A.	S. D. A.
My handset does have the capability to use Mobile Banking	44	16	2	7	2
Mobile Banking is hard to use	8	24	6	25	8
I am comfortable without mobile banking	7	15	5	22	22
Required facility is available	22	35	8	6	0
Security Issues	33	17	9	8	4
Using this will improve my efficiency in performing transactions effectively	12	43	8	6	2
I would like to test the service	12	33	17	9	0
Increase consumer control over finances by improving access to timely account information	19	38	7	6	1
Make banking more affordable through better account management	29	35	1	6	0
Increase awareness of mobile tools	28	33	5	5	0
Mobile Banking Apps Should be easier	29	32	5	5	0
High frequency of using mobile banking services	17	38	7	7	2
Get better Transaction speed in Mobile Banking Apps	24	34	7	5	1

In this paper comparison between men and women has been done. After this, it is found that:-

- Most of the Female customers (57%) think that using the mobile banking is difficult as compare to male customers (34%).
- They are less aware about the mobile banking tools as compare to male customers.
- 96% female customers want mobile banking apps to be user friendly as Compare to male customer.
- Frequencies of using mobile banking services in male customer are high compare to female customer.
- Frequencies of using mobile banking services in all profession are high.

Table 3.2 Frequencies of using mobile banking services for profession

Govt. Employee	Pvt. Employee	Self-Employee	Students
83.33% (10)	77.77% (21)	71.42% (5)	76.19% (16)

Customer from all area needs to get better transaction speed in mobile banking apps.

Table 3.2 Frequencies of using mobile banking services for profession

Rural	Urban	Metropolitan
91.66% (55)	100% (6)	100% (5)

8. RECOMMENDATIONS / SUGGESTIONS:

Study shows mobile handset operability is an important issue in mobile banking transaction. Transaction speed is slow so bank should develop such m banking app in which customer get better transaction speed.

Majority customers perceived privacy and security a critical issue. Here banks are advised to educate customers on this issue to raise their awareness especially in rural areas.

The customers and bank should follow up the guidelines regarding security laid down by RBI.

Standardization is another major issue as lack of standardization of mobile banking services in the country resulted in increased complexity while using mobile banking services (especially when using mobile banking services of multiple banks). For resolving this issue banks are advised to develop mobile banking standards in guidance of RBI.

A lacuna should be resolved for better account management of mobile banking services affordability, control over finances.

Issues of download and installation of application software,telecomservice quality were not perceived critical or important. Mobile Banking application should developed such a way that customer feel easy. Reason may be that study was conducted most in the rural area so technological aspect of application software, telecom service qualities like network unavailability were perceived as major issues.If the banks do not take care of issues regarding downloading mobile apps, the users from rural area will not sufficiently increase.

Customers feel mobile banking app is hard so bank has opportunity to develop user friendly mobile app. Bank should increase awareness about the mobile banking app especially in the rural area.

9. CONCLUSION

Paper has attempted to explore selected mobile banking issues and opportunities from customers' and banks' perspective and to make recommendation to various parties involve in mobile banking services viz. banks, mobile operators, content providers, regulators on relevant issues which could become challenges for them in providing effective mobile banking services in the country.

Results show that from consumers' perspective mobile handset operability, security, transaction speed, account management and standardization of services are the critical issues. If these critical issues are resolved, mobile banking user will increased.

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A STUDY ON CUSTOMER SATISFACTION TOWARDS MOBILE BANKING

Jayshree Vasant Katekar

ABSTRACT

Cashless transaction is growing fast in our India. Banking sector is spread all over the world; Today in India each and every consumer has account in bank. Bank has adopted latest and advance technology for improving the quality of customer's service and also for better marketing of their products. There are different ways of making cashless transaction. It can be done through Mobile Banking. There is various applications like Paytm, Phone Pay, Google Pay etc. Mobile Banking is a term used for performing balance check, account transaction, payments etc. Mobile Banking gives different facilities to entice their customer like Cash Back and rewards, Gift Vouchers, Coupon etc. It gives transparency in transaction, easy to access, 24/7 Hrs available, High Class security. Customer can make their transaction in one single touch.

Keywords: Mobile Banking, Application of Banking

INTRODUCTION

Mobile Banking is easier to people for making their payment. Some banks has their own Mobile Banking Application such as, SBI Anywhere personal, M Connect Plus, HDFC Bank, Syndmobile, etc, Mobile Banking give hassle free life to users.

Mobile banking provides various facilities to their customer, so they can easily make their online payment. Demonetization is main reason behind the fast increasing of Mobile Banking in society. Demonetization has force people to switch from using paper money to plastic money. For that users have to link into bank website. If they want to make Monthly bill payment, then users have to enter recipient information to who want to pay and that information will be authorized by bank. In Every Month on same date Bill will get paid automatically from user's bank account. Mobile Banking helps to decrease the corruption in society.

OBJECTIVES

- To study the Number of Customer Using Mobile Banking
- To identify the satisfaction level among Mobile Banking Users.
- To find whether Mobile Banking Provides sufficient service to Customers as per their Banking need.

RESEARCH METHODOLOGY AND SAMPLE SIZE:

This research study will be confined to 20 respondents who are male who are both male and female who are users of plastic money. For convenience the study is based on primary data survey.

Mobile Banking Application and their service**1. M-CONNECTED PLUS**

M Connect plus Application with unique feature develop for their Customer for experiencing the better way banking. Baroda M Connect Plus' is mobile banking application of Bank of Baroda. M Connect Plus offered following service to their Users.

- Graphical representation of mini statement.
- Miscellaneous service under Side Menu
- Cheju Book request service
- Cash on mobile service
- Simple and easy user interface
- Place Request for "Savings Account Transfer" from one Bank of Baroda Branch to another
- Scan and Pay Service
- Set maximum transaction limits
- Pay Loan EMI - Transfer to Self-Linked loan accounts enabled
- NRI customers can now enjoy Mobile Banking services. Register for the service from Branch/Internet Banking.
- Request Debit Card for your Accounts.

2. GOOGLE PAY

In January 8, 2018 the old Android Pay and Google Wallet have unified into single pay system called Google Pay. Google Pay is Online Banking Application, in which users can send and receive money with Zero Charges. It will transfer straight from Users Bank account to recipient Bank Account.

Google Pay also gives Facility like Money Back, Scratch Card, and Rewards etc. They lure their customer by offering this service. Customer can earn Scratch Card and other Rewards for making their every transaction. If users won the Rewards it goes straightly into their account.

If users invite their friend to Google pay and when they send their first transaction to users then this will benefit to both the sender and receiver. They both won reward worth Rs.200 /-. Send money quickly to other Google Pay users nearby without needing to share private details like your Bank account or Mobile Number. Google Pay protects money to world class security system that helps to detect fraud and prevent hacking.

3. SBI ANYWHERE PERSONAL

SBI Anywhere is Retail Banking Application Offered by SBI for Customers. Users can use this application anywhere at any time. Users can download the application from Play Store and access the application with his internet banking username and password. In SBI Anywhere users can transfer their funds to third party without registration of beneficiary by entering beneficiary mobile number or by selecting from their devices Contact. It is not necessarily for that recipient has account in SBI

The following service Offered by “SBI Anywhere”

- Fund Transfer to accounts in SBI and other Banks to registered beneficiaries
- ATM cum Debit Card hot listing
- RTGS Funds transfer
- m-Passbook
- Quick Transfer using IMPS for unregistered beneficiaries
- Cheque Book Request
- Instant Opening and Closure of Term and Recurring Deposits
- Locker Availability Enquiry
- IMPS Funds Transfer
- Aadhaar Linking
- Mobile Top -Up and DTH Recharge
- TDS Enquiry
- Post-paid bill payment
- Bill Pay for registered billers
- Voice Assisted Banking

4. PAYTM

Vijay Sharma is Founder of Paytm, It is Indian E-Commerce Payment System and digital wallet. Paytm is now available in 10 different Indian languages. Paytm facilities with mobile recharges, bill payments, movies, travel, restaurants, parking tolls, pharmacies with Paytm Code. Paytm is become India's first payments app. After the demonization, usages of Paytm are growing fast. The users can make transaction through Paytm, because it's available and used by every shop. In February 2017, Paytm launched its Paytm Mall app.

Reason of satisfied customer of Mobile banking service which is follows.

- **Transparency in transaction:**

Mobile Banking provide a Transparency in their transaction, Customer can check history of their transaction, its simple crystal and clear view of account. Show Complete transparent and unclouded transaction history.

- **Quick / Instant Money Transfer:**

Because of Mobile Banking Money will get transferring within seconds. Customer need not to go bank and stand in queue for an hours, in one touch it can be transfer from one bank account to another account.

- **24/7 Hours service**

Money can be transfer in 24 by 7 Hours. Customers were getting more satisfied with this service. In emergency cases customer can do transaction to anywhere at any time. It has no time or days limit.

- **Rewards:**

Mobile Banking Entice their customer with offering various Reward, Scratch Card, coupons Or Cash Back. It's a Strategy of Bank to lure many Customers for using their application for Mobile Banking. Bank Know that the satisfied customer tells 100 more people about service or offer. Customer is biggest Advertiser.

- **Security:**

Security is an important issue for Customer trust. Mobile Banking provides world high class security system. Every transaction has been track. Before making transaction process bank application verified the authentication. It can be performed by username, Password, ID Card. The customer are interacting with data base of the bank, because of that banks give notification and alert by bank to for any transaction done by customer.

Reasons of customer were not satisfied with Mobile Banking which are follows.

- **Fear about Security:**

In Mobile Banking customer get fear about security or privacy of their account. For Mobile Banking have to put all private information about Bank. If some case Customer loses their mobile devise than there is no assurance that there is safety in current authentication process.

- **No trustworthy:**

Mobile Banking is not trustworthy for those customers who are very possessive about their money. They have feared to loss their money in Mobile Banking.

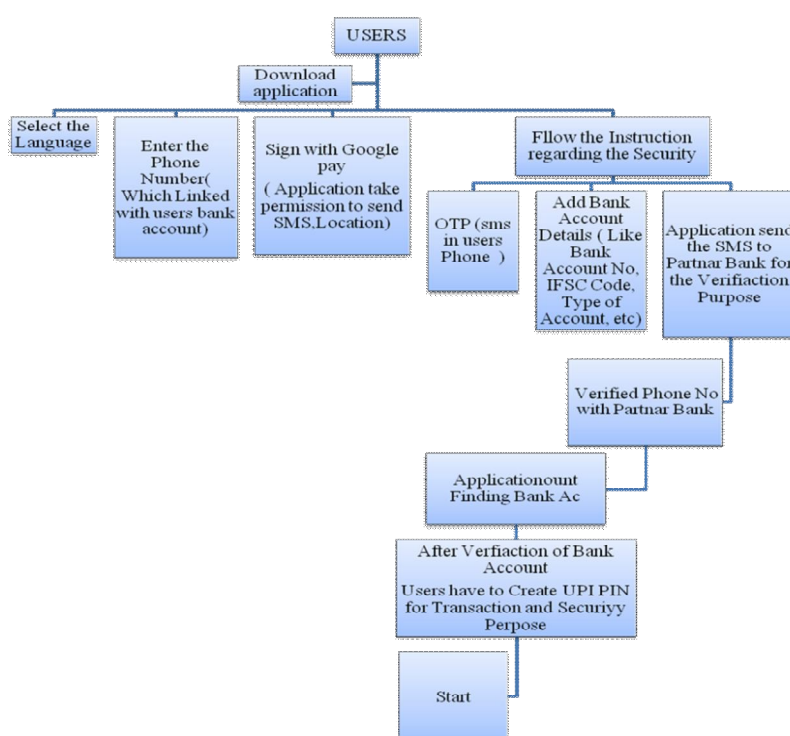
- **Personal Touch of Transaction**

In Mobile Bank Customer will not directly connected with Bank, They get interacted with Databases of Bank. Customer has not get personal touch with their transaction so they feel hesitate to make payment on Mobile Banking.

- **Poor Network Connection**

Mobile Banking is depending on server its work on network connection. If Bank Server gets down then automatically it's affect on Mobile Banking. Customer face more difficulties during transaction process, it take too much time.

Procedure of Mobile Banking



FINDINGS

Number of Satisfied Respondents Used Mobile Banking



Sources: Primary data

The above table depicts the number of respondents used Mobile Banking and they were satisfied with Mobile Banking. Number of respondents and satisfied respondents were correlated with each other. Around 85% of the respondents were used Mobile Banking and also they satisfied with Mobile Banking, whereas remaining 15% of respondents were Used and Satisfied with Mobile Banking.

Mobile Banking Services as per Customer Need					
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Mobile Banking better way of banking	14%	3%	1%	2%	0%
Simple and Easy register procedure	9%	7%	1%	2%	0%
It's useful for conducting Banking Transaction.	9%	5%	2%	2%	0%
Allows managing finance more efficiently.	12%	3%	1%	0%	0%
To perceive Mobile Banking as secure and protect privacy.	6%	5%	5%	0%	0%
Allows doing Banking anywhere / anytime.	16%	1%	2%	0%	0%

The above table depicts that the respondent's opinion on Mobile Banking service are as follows: Majority of respondents using Mobile Banking are agreeing with that the Mobile Banking is better way of Banking.

Mobile Banking users are agreeing with that the Mobile Banking registration procedure is simple and easy and it useful for conducting banking transaction. Majority of respondents are using Mobile Banking Service allows to managing finance more efficiently through Mobile Banking and also allows to do transaction anywhere at any time.

From all respondents using mobile banking service 5% are neutral with secure and protect privacy. The majority of the respondents agree with mobile banking provides sufficient service to customer as per their need

Above table indicated that the majority of respondents are strongly agreed with Mobile Banking.

SUGGESTION

- There is scope for Bank to make new advance feature in their application and spread awareness among customer for using Bank Application Only.

- 3% of the Customers have not using Mobile Banking, in that case bank have to make aware to this respondents about mobile banking
- 83.3% of the respondents feel that Mobile Banking is not secure and Trust worthy. The Bank has to Assured them about High Class Security or else has to conduct the seminar for Awareness on Safety and Security. For Customer point of view it develops the trustworthy System which ensure security and Privacy.
- Respondents have recommend that banks should adopt new technology for improving the speed of server, because it's many a times customer face server down issue during their transaction process.
- Customers use Mobile Banking because it is easy to use 24/7Hrs facility, transparency and convenient on transaction.
- Majority of respondents agreed that performance of Mobile Banking is dependents on Network.

CONCLUSION:

The concept of "Digital India" helps India to become a Cashless Economy. Traditional banking users don't know how to use Mobile Banking, because of fear about security, complexity in procedure, lack of knowledge so they think that Traditional banking is better than Mobile banking. And also take Workshop in that give information about "how to uses application" The survey identify the sufficient service provide by mobile banking as per their need. Big Number of customers was satisfied with Mobile Banking. Bank should adopt latest technology for improving the security of application. Then only people will more trust on Mobile Banking, it sure that mobile banking will penetrate society more in future.

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A STUDY ON CONSUMER PERCEPTION AND SATISFACTION TOWARDS INTERNET BANKING: AMONG YOUNGSTERS

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ABSTRACT

The banking industry has been rapidly growing; the use of internet banking is an efficient and viable tool to provide better services to customer. It is one of the better services provided by bank. In India banks are divided into two main type central bank and commercial bank. Since banking industry is also an important industry in our country most banks have its own websites for internet banking with help of which the customer can do internet banking.

INTRODUCTION

Internet banking is also called online banking it is a convenient and fastest way to do internet banking from the comfort of your home or office. It offers you ease and convenience doing the transaction in an environment you feel most comfortable with. One can check their balance, transfer fund, pay bills, use it for mobile recharge, pay fees of competitive exams and use for stock transaction. Now banks also delivered their latest product and services over internet.

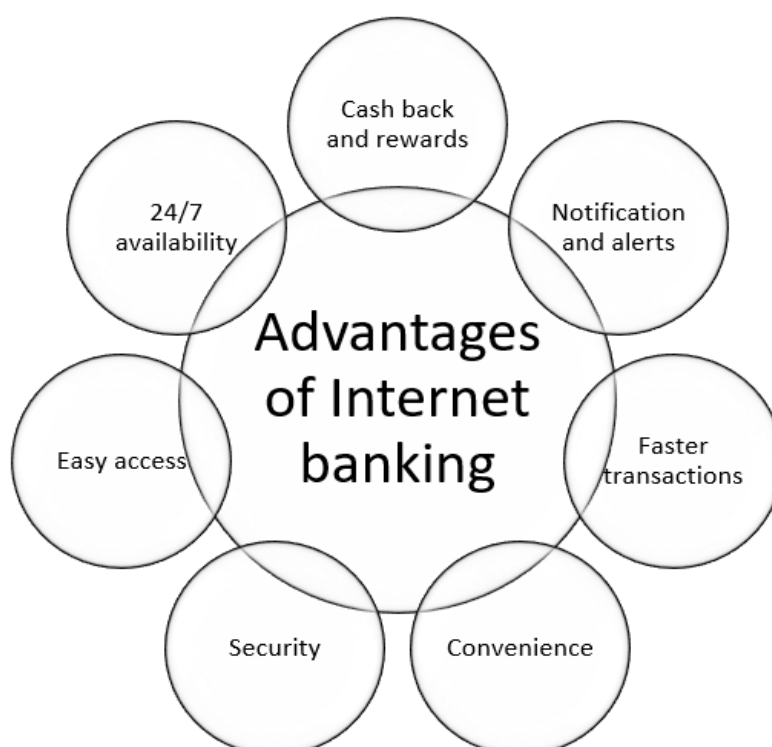
The development of Internet banking in every country is dependent on speed of internet access, in banking industry internet banking it came into existence with the combination of information technology and function of banks and financial institution. Internet banking industry is the industry which uses technology to provide better services to the customers.

OBJECTIVES:

- Identify customer perception towards internet banking.
- Analyze the opinion of respondents towards satisfaction of internet banking.
- Analyze the problem faced by customers while doing internet banking transaction.

RESEARCH METHODOLOGY AND SAMPLE SIZE:

The study is based on primary data survey. This study will be confined to 30 respondents who are the young children between the ages 18 to 30.

ADVANTAGES OF INTERNET BANKING

All the benefits of internet banking are interred connected or interlinked with each other following are some advantages of internet banking.

1. Cash back and rewards:

Internet banking services offer rewards and benefits to their customers that not only benefits to the banks but also benefits to the customers. The customer gets rewards like cash back offers, gift cards, voucher and coupons. That attracts many customer to use internet banking it is one of the unique selling point for banks to attract the customer. Many customers just in curiosity and in greed to get money start using internet banking.

2. Notification and alerts:

Due to internet banking customer instantly get notification and alerts by banks on any transaction done of customer or changes in the system. It helps the customer to track the transaction or block the account if they found any fraud or misuse of account.

3. Faster transactions:

Internet banking have made transferring money faster now you don't have to go to bank or stand in a queue to transfer money from one to another you can do that with a single tap of your finger or a single click of your mouse the fund will transfer within a few second.

4. Convenience:

Internet banking has made it convenient to handle the account transaction without visiting the bank or standing in a queue. One can access the website of bank any time any where you just need good internet connection, computer or laptop.

5. Security:

With the help of internet banking it is easy to secure our banking transaction as it helps to monitor all the transactions online one can easily trace the fraud as, on every transaction bank ask for password or OTP assure that it is the account holder who is doing transaction if not, the account holder can report it online.

6. Easy access:

Customer can enjoy easy access to the internet banking with the help of internet connection and computer they just have to go to banks website and login to their ID to use internet banking visit the bank and stand in a queue for depositing money, withdrawing cash and other banking services.

7. 24/7 availability:

Internet banking provide 24/7 access to the customer where as in traditional banking the banks are open only for 8 hours, for that also customer can only visit in banking hours.

DISADVANTAGES OF INTERNET BANKING

Following are some disadvantages of internet banking.



1. Difficult for beginners:

The new users of internet banking face difficulty in trying to get hang of internet banking due to lack of trust and fear of losing many customers do not try to use all the options and features available on the website. Most of time customers stop using online banking if they face any issue if trying for the first time.

2. Lack of trust:

The only big reason of why many of the customer hesitate to even try to use internet banking and the one who uses are also afraid of losing money. They take more precautions in the matter of money. That is the reason of higher trust on traditional banking.

3. Complex transaction:

While it is easy to pay bills and transfer money if it is a small amount of money but you can't perform complex transactions online when a large sum of money is involved. Some financial transactions need documentation and verification that is why it is advisable to visit a bank for such transaction.

4. Technological issue:

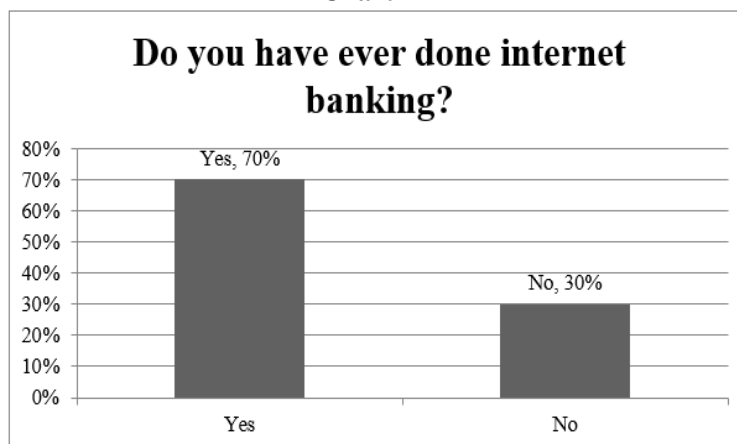
As internet banking is done with the help of modern technology it also have its own pros and cons while doing internet banking one can face many technological issue like poor internet connection, server issue and power cut issues.

5. Complicated websites:

Some websites are really very complicated and written in scientific languages which are very difficult to understand and encode the language. That is why many customers don't try to use internet banking as they feel it is better not to use it because of lack of knowledge.

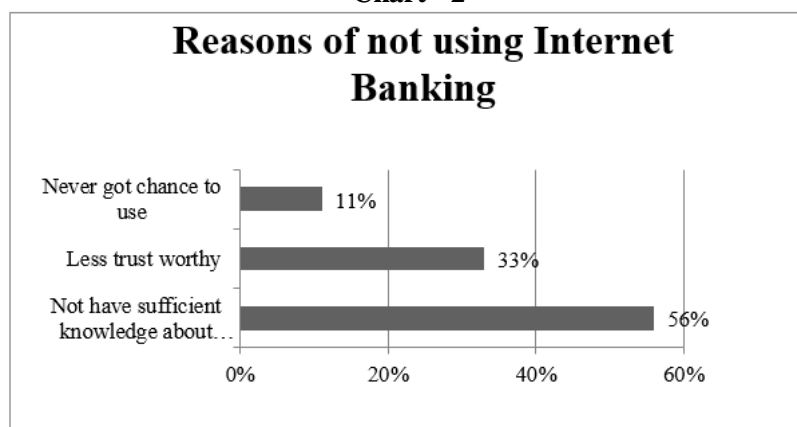
CHART AND ANALYSIS:

Chart - 1

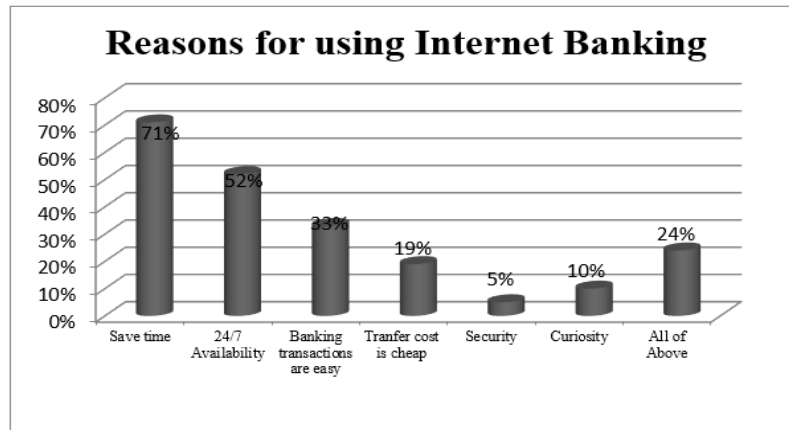


From the above chart we can depicts that 70% of young population use internet banking and the rest 30% have not used internet banking.

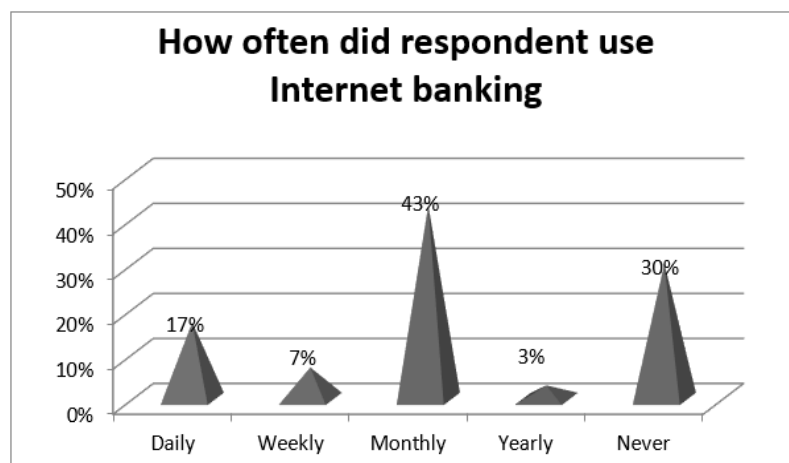
Chart - 2



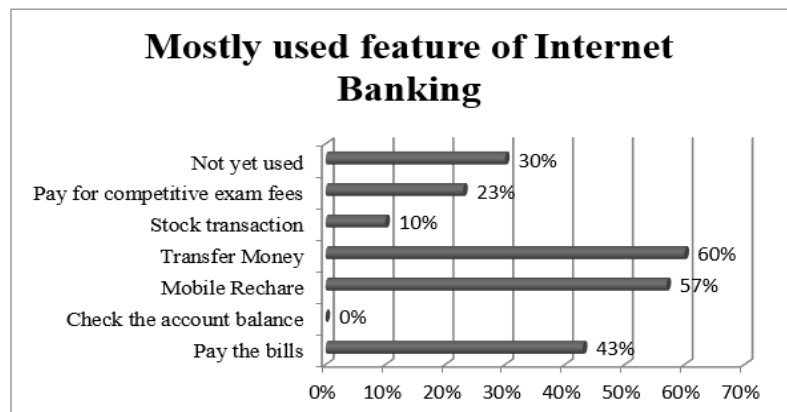
From the above chart we can analyze that around 56% of respondents who don't use internet banking is because they don't have sufficient knowledge about internet banking around 33% of respondents don't use because they feel it is less trust worthy and remaining 11% respondents replied that they never got chance to use internet banking.

Chart 3


From the above chart we can find out that around 71% of respondents use internet banking because they feel it is time saving, 52% respondents use it because of 24/7 availability, 33% respondents use it as banking transactions are very easy, 19% respondents say transaction cost is very cheap, 10% respondents use internet banking out of curiosity, 5% respondents feel it is safe and 24% respondents feel all the above explanation are the reason why they use internet banking.

Chart 4


From the above chart we can find out the highest population among respondents use internet banking monthly that is 43%, around 30% respondents say they have never use internet banking, 17% respondents use internet banking daily 7% respondents use it weekly, and 3% respondents use it once in a year.

Chart 5


From the above chart we can analyze that around 60% of respondents use internet banking for money transfer, 57% respondents use it for Mobile recharge, 43% respondents use internet banking for pay the bills, 30% respondents never used internet banking, 23% respondents used it for paying fees for government competitive exams, and

10%	Internet banking services are less costly than other banking services	Strongly Agree	37%
		Agree	30%
		Neutral	30%
		Disagree	3%
		Strongly Disagree	0%
	Internet banking transaction are complex	Strongly Agree	14%
		Agree	48%
		Neutral	24%
		Disagree	10%
		Strongly Disagree	4%
	Banks give enough information about the internet banking	Strongly Agree	20%
		Agree	40%
		Neutral	27%
		Disagree	10%
		Strongly Disagree	3%
	I am convince about internet banking because it eliminate the risk of caring cash	Strongly Agree	20%
		Agree	30%
Neutral		40%	
Disagree		7%	
Strongly Disagree		3%	
Websites are safe that offers internet banking	Strongly Agree	20%	
	Agree	33%	
	Neutral	27%	
	Disagree	13%	
	Strongly Disagree	7%	

respondents use it for stock transaction.

From the above table we can analyze that the opinion of the respondents towards internet banking are as follows:

Around 37% respondent are strongly agree that Internet banking services are less costly than other banking services 30% of respondents think they are agree or neutral with the statement and other 3 percent are disagree with the statement.

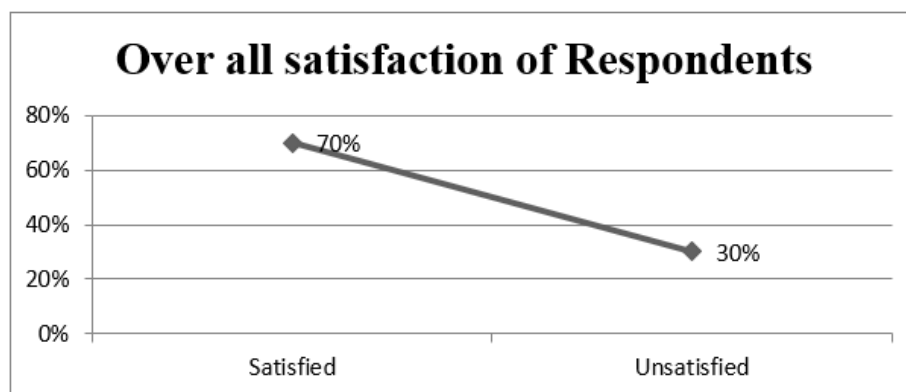
Internet banking transaction are complex highest no. of respondents are agree with the statement that is 48%, 24% feel they are neutral to that statement, 14% are strongly agree that Internet banking transaction are complex, 10% respondents disagree to that statements, and 4% are Strongly disagree to that state nets.

Around 20% respondent are strongly agree that Banks give enough information about the internet banking 40% of respondents think they are agree to the statement or 27% are neutral with the statement, 10percent are disagree with the statement and other3% are Strongly disagree to the above statements.

Around 20% respondent are strongly agree that they are convince about internet banking because it eliminate the risk of caring cash 30% of respondents think they are agree to the statement or 40% are neutral with the statement, 7% are disagree with the statement and other 3% are Strongly disagree to the above statements.

Around 20% respondent are strongly agree that Websites are safe that offers internet banking 33% of respondents think they are agree to the statement or 27% are neutral with the statement, 13% are disagree with the statement and other 7% are Strongly disagree to the above statements.

Chart - 7



From the above diagram we can depict that around 70% of respondents are satisfied with internet banking, and remaining 30% of the respondents are not satisfied with internet banking facilities.

SUGGESTIONS:

1. There is a scope for bank to spread the awareness among the customers about the internet banking facilities.
2. 30% of respondents have not used internet banking which is the big population to whom the banks can make their customers for internet banking.
3. The big population of customers say does not have sufficient knowledge of internet banking so the banks can more internet banking through advertisements, personal counseling emails etc
4. The banks can also assure customer that internet banking is as safe as branch banking because many customers don't use internet banking as they feel it is not safe and trust worthy.
5. Many customers use internet banking for money transfer purpose so banks can make transferring money easier, quick and less complex which can results to customer friendly internet banking.
6. Customers have suggested that banks should improve the speed of banking server because they face server down issue while doing internet banking transaction.

CONCLUSION:

Although internet banking has emerged over the ages yet there are huge scope of improvement is available. The young generation young generation Indian children are the future users of internet banking and many of them are dependent on internet banking as they believe in smart work over hard work this is why they go for internet banking rather than branch banking. A good number of population has not yet used internet banking ever because they don't trust online transaction and the one who have used they feel it is very time saving instant know paying is as far as pressing a button.

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A STUDY ON THE INVESTMENT HABITS OF PEOPLE RESIDING IN THANE CITY REGION (AGE GROUP 21-40)

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ABSTRACT

The Indian Economy after the Economic Liberalization of 1991, entered a phase of transformation as the India economy opened its doors to the Global Companies who transformed India from an Agrarian Economy into A Manufacturing Power House and A Global Service Provider of High skilled services. Along with the changes in the Business sector, came the changes in the Education systems and Patterns. Newer and Better Institutions were created in order to improve the Quality of Education and make them business oriented and the emphasis on Practical training was Increased. This has led to better employment opportunities and enabled them to earn greater income. The increasing Income of the Population has enabled them to have greater saving and thus leading the way to various saving and Investment habits in the people. The income levels of the people living in the cities is certainly greater than those residing in the rural areas since, all the businesses and the commercial hubs are located in the cities, while the outer regions primarily consist of the Manufacturing hubs and centers. The researcher in this paper has attempted to study the spending habits of the people living the Thane City region in the state of Maharashtra, and to find the preferences of the people based on their income and age.

Keywords: Income, Investment, Employment, Thane, Maharashtra

INTRODUCTION

With the growth of the Indian Economy and the rise of the income levels of the population in large numbers, there has been a significant rise in the spending and investment habits of the people, the middle-class population of India was estimated to be 26.7 Crores in 2016 by the National Council of Applied Economic Research (NCAER) and it is estimated that Middle class population will rise to 47.5 Crores by the year 2025-26. The middle class of any country possesses the maximum spending and Investment potential, therefore, it is necessary to study the Investment habits of the people in order to predict the future Investment patterns of the same, which will come in handy to the financial institutions working in this field.

OBJECTIVES OF THE STUDY

- I. To study the Investment patterns of the people residing in the Thane city.
- II. To Analyze how Investment habits and patterns differ based on the Income levels in the Thane City.

RESEARCH METHODOLOGY

The study it is based on the Primary data and information which is collected from a questionnaire containing questions relevant for this study. The Study was conducted by collecting data through a survey involving only the residents of the city of Thane, a total of 414 Individuals participated in this survey ranging from the age groups of 21 to 40 years, the researcher would like to state that responses of only those participants have been taken up for this study who responded positively to the Question of being an Investor. The data collected was analyzed using Simple Frequency percentage.

Analysis and Interpretation of Data

For the purpose of research Four characteristics of the participants have been considered, they being **Gender, Age, Annual Household Income and Source of Income** in order to ascertain the influence of each of the characteristic on the online spending patterns of the participants.

Characteristic Details of the Participants

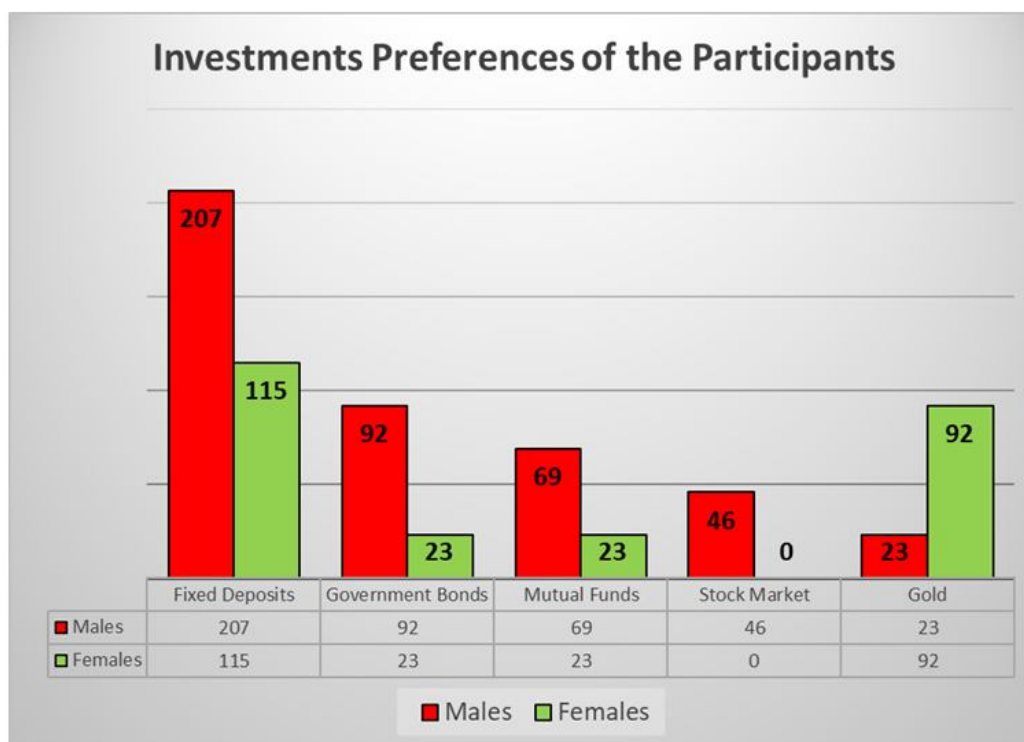
Demographics	No. of Participants	Percentage
Gender		
Male	276	66.67
Female	138	33.33
Age Groups		
21 to 25	115	27.78
26 to 30	115	27.78
31 to 35	69	16.66
36 to 40	115	27.78

Annual Household Income		
Upto 100,000	92	22.22
Upto 250,000	184	44.45
Upto 500,000	46	11.11
Above 500,000	92	22.22
Source of Earnings		
Employment	299	72.22
Profession	46	11.11
Business	46	11.11
Family Business	23	05.56

Out of the total 414 participants 276 were male and 138 were females, constituting to 66.67% and 33.33% respectively. The age groups of '21 to 25', '26 to 30' and '36 to 40' made up a total of 115 that is 27.78% each, the age group of '31 to 35' had 69 participants and made up a total of 16.66%.

The number of participants based on annual income had 92 participants belonging to the Income groups of 'Upto 100,000' and 'Above 500,000' make up 22.22% of each, those having Income 'Upto 250,000' were 184 making up 44.45% and the ones belonging to the income group of 'Upto 500,000' were 46 making up 11.11% of the participants. Based on 'Sources of Earnings', it had 299 participants in employment making up 72.22%, Profession and Business participants were 46 each making up 11.11% and the ones having Family Business were 23 and made up 05.56% of the total number.

FINDINGS OF THE SURVEY



Participants having Invested in Fixed deposits

Out of the total number of participants 414, 322 individuals have invested in bank fixed Deposits remaining individuals have chosen not to do so, Percentage wise the individuals who have invested in Bank fixed deposits are 77.78%. While, 22.22% individuals have not invested in Bank fixed deposits numbering 92.

When this information is classified between male and female investors 64.29% are males and 35.71% are females.

Participants having Investments in Government Bonds

Out of 414 participants when asked the question if they have invested in government bonds, 115 participants that is 27.78% of the total participants responded positively as having investments in Government Bonds

whereas 299 individuals making up 72.22% of the total number of participants said that they had no investment in Government Bonds.

When this information is further classified between male and female investors 80% of the male investors had invested in Government Bonds, whereas only 20% of the female investors have chosen to invest in Government Bonds.

Participants having Investments in Mutual Funds

Out of 414 participants, 92 individuals responded positively to have invested in mutual funds which made up of 22.22% of the total participants, while 322 participants reacted negatively to have made any investments in mutual funds when asked this question, they made up of 77.78% of the total number of participants.

When further classified between male and female investors it was found that, 75% of the male participants had invested while only 25% of the female participants has chosen to invest in Mutual Funds

Participant having Investments in the Stock Market

Out of the total of 414 participants only 46 participants responded positively when asked the questions if they have made any investments in the stock market, they comprised of 11.11% of the total participants while 368 participants said that they haven't invested in stock market comprising of 88.89% of participants citing it as a risky investment and not reliable for a stable income.

When further classified between male and female investors it was found only the males had made Investments in the stock market while none of the female participants had made any investments in the stock market.

Participants Investing in Gold

Out of the total of 414 participants, when ask the question if they have made any investments in Gold 115 responded positively comprising of 27.78% of the total participants, while 299 responded negatively to this question comprising of 72.22% of the total participants.

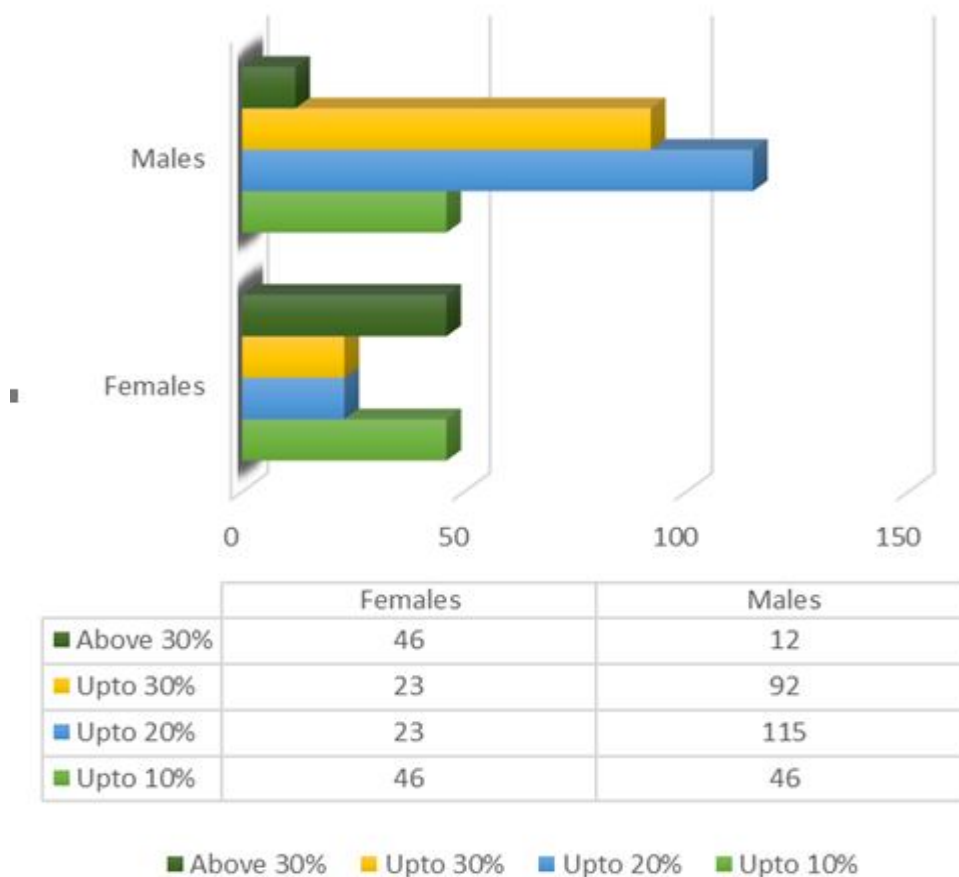
When further classified between male and female investors it was found that only 20% of the investors were males and 80% of females had made investment in Gold. It was observed that the investors believed that investment in Gold was for long term and that was the purpose for which they had made the Investments. The participants who had made investments in gold also stated that it is a safe investment and easily converted into cash in comparison to other Investments.

The percentage of Income Diverted for above Investments

When the participants were asked the question about the percentage of income which they dedicated for the investment purposes, 92 participants stated that they have dedicated up to 10% of their income for investment purposes making of 22.22% of the total participants, 138 stated that they have dedicated up to 20% of the income for Investments comprising of 33.33% of the total participants, 115 participants stated that they are investing up to 30% of their income in the above mentioned categories comprising of 27.78% of the total participants and 69 of the participants stated but they are dedicating more than 30% of the income for Investments.

When income invested by males was considered 46 of them invested up to 10% of their income, 115 invested up to 20% of their income, 92 chose to invest up to 30% of the income, while only 23 chose to invest more than 30% of their income in the above forms of Investment. As far as females are concerned 46 of them choose to invest up to 10% of the income, 23 choose to invest up to 20% of the income, another 23 choose to invest up to 30% and the remaining 46 choose to invest above 30% of the income.

Chart Title



Participants	Numbers	Percentage
Males	276	66.67%
Upto 10%	46	11.11%
Upto 20%	115	27.78%
Upto 30%	92	22.22%
Above 30%	23	05.56%
Females	138	33.33%
Upto 10%	46	11.11%
Upto 20%	23	05.56%
Upto 30%	23	05.56%
Above 30%	46	11.11%

CONCLUSIONS

Note: The Percentage calculation is out of 414 that is the total number of Participants AND several Participants had made Investments in more than one of the above Kinds of Investments

From the above findings it can be concluded that maximum number of the Participants had investments in the Fixed Deposits, 322 out 414 that is 77.78% of all the Participants, since people find it to be the safest form of Investment.

For Government Bonds at total of 115 people had made Investments in them out of 414 participants that is 27.78% citing it as a safe investment and also for tax benefits.

For the Mutual funds at total of 92 individuals said they have made investments out of 414, since they were willing to take slight risks citing it as a comparatively safer investment when compared to Direct Investment in the Stock Market, they constituted 22.22% of the total participants.

A surprising finding was made in the Stock Market related Investments, it had the least number of Investors and also of a total of 138 female participants none had made any investments in the Stock market, only the male participants had made Investments and they numbered only 46 making up 11.11% of the total participants since most participants were not willing to take risks citing the stock market as unpredictable and a very risky Investment.

As far as Investment in Gold was concerned at total of 115 participants had made investments in it and it was the Only form of Investment where the Number of female investors was more than the male participants, 92 out of 115 participants were females and the gold investors constituted 27.78% of the participants

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VALIDATING THE INVESTORS EXPECTATIONS IN 2013 WITH RESPECT TO ACTUAL EARNINGS PER SHARE OF COMPANY- A STUDY IN CONTEXT OF SELECTED HIGH MIDCAP COMPANIES FROM TEXTILE SECTOR IN RECENT YEARS

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ABSTRACT

Many books and literature have suggested that stock prices are roughly proportionate to earnings in the long term. However, literature also exists to suggest that they have not been able to verify this expected contribution of earnings to stock prices, as a result, that came to be known as the Price-to-Earnings (PE) puzzle. (Elliot & Dyl, 2006) The workings of the earnings are reflected in the PE ratio. Therefore, it is decided to evaluate whether earnings made in the future are a correct reflection of the PE granted in the past. PE ratios given by the investors in 2013 are tested with the sum of the earnings made by the company in the subsequent 5 years. This sum is discounted with an appropriate discount rate to correctly reflect the present value. This discount rate would be equivalent to inflation. Reasons for a stock to be overvalued or undervalued can be - declarations of dividends, splits, bonuses, bulk trade, corporate actions, macroeconomics policies etc. These factors have a huge impact on stock prices as well as on investors' sentiments (Gupta, 2016). Many a time investor take these factors as a base and then decide the entry or exit points. But PE ratio remains one of the major determinants of investor's entry into a stock. In this backdrop, the present study attempts to solve this PE puzzle in the context of select high mid-cap companies from the textile companies.

Keywords: Fundamental analysis, price-to-earnings ratio, earnings per share, market sentiments and consumer price index.

INTRODUCTION

Investors always wish to invest in the financial markets at the right time and at the right price with the intention of making profits and minimizing their risk. For this purpose, they conduct research to find the right time and the right price. Technical analysis helps to find the investors/analysts, the suitable entry and exit points. Technical analysis is thus basically used to evaluate securities and identify trading opportunities by analysis of statistics gathered from trading activities, such as price movements and volume. On the other hand, fundamental analysis is used to find the right price at which the investor should either buy or sell. It is thus, a method of evaluating security to assess its intrinsic value by examining related economic, financial and other qualitative (e.g. efficiency of management) and quantitative (e.g. financial statements of the company) factors. Fundamental analysis uses various ratios like price-to-earnings ratio, return on capital employed, earnings per share, dividend yield ratio etc. Out of these, our research paper will focus on earnings per share (EPS) and price-to-earnings (PE) ratios. EPS is the portion of the company's profit allocated to each outstanding share of common stock. It indicates a company's profitability. EPS is calculated as (net income-dividend at preferred stock)/average outstanding share.

Whereas PE is basically investors' expectations about the future earnings/growth of a company and calculates how much an investor is willing to pay per rupee of earnings. PE is calculated as (market price per share)/earnings per share.

Market sentiments are the feeling or tone of the market, or its crowd's psychology, as revealed through the activity and price movement. Of the securities traded in that market, the discount rate refers to the rate that is used in Net Present Value (NPV) Method to determine the present value of future earnings in our case. Here we have used consumer price index (CPI) of 2013 as a discount rate. The consumer price index (CPI) is a measure that examines a weighted average of price of a basket of consumer goods and services such as transportation, food and medical care. It is calculated by taking the price changes for each item in the predetermined basket of goods averaging them.

OBJECTIVES OF STUDY:

To classify and evaluate the study of fundamental analysis.

To check if the Theoretical PE Ratio is equal to the Actual PE Ratio with the help of EPS and the Consumer Price Index as a discount rate.

To throw a light on how changes in market situations can affect investors sentiment.

To analyze and determine whether market discounts everything or not.

HYPOTHESES:

We are testing two hypotheses which are as follows: -

Null Hypothesis: - Theoretical PE ratio = Actual PE ratio.

Null Hypothesis: - Market sentiments discount theoretical PE.

RESEARCH METHODOLOGY:

The research methodology that we have used is analytical and empirical.

Our research is **analytical** as it involves critical thinking skills in relation to the financial model that we have created based on secondary data. We are testing 2 hypotheses to define the relationship between the variables. The variables are categorized as Independent and Dependent variables. The Dependent variable in our study is the PERatio which is the price-to-earnings ratio. The independent variable in our study is the EPS which is Earnings per Share.

Our research is **empirical** as it involves observing the financial model to answer the specific research questions and provide inferences to the same.

RATIONALE OF STUDY:

The focus of our study is limited to the manufacturing sector in India. Under the manufacturing sector, we will be taking a sample of 3 mid to high cap Textile Companies into focus.

Analyzing the PE ratios of the companies to their actual EPS.

A financial model was created to test the Theoretical PE ratio of FY 13-14 to the Actual PE ratio.

ASSUMPTIONS:

Inflation rate used is 10.92% which is CPI (Consumer Price Inflation).(Inflation.eu, n.d.)

An investor is investing within 1 month of the annual result declaration date.

The investor uses the result declared thereby using only the fundamentals to take the decisions of investing.

The investor is rational, up to date and solely focuses on fundamentals.

NPV method is used to derive the theoretical PE.

DATA ANALYSIS AND INTERPRETATIONS:**Welspun India Ltd.**

	WELSPUN						
DATE	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	
ACTUAL PE	2.800000	1.628055012	0.976905225	13.9985384	20.39997211	20.31389944	
AVG PRICE	62.61	4.381905046	52.9328	97.93125	89.39074074	60.31086957	
PAT	224.82	92.07	544.28	702.87	440.25	298.29	
SHARE CAPITAL	100.03	100.35	100.46	100.47	100.47	100.47	
EPS	22.48	9.17	54.18	7.00	4.38	2.97	
THEORETICAL MPS	₹ 62.10						
DISCOUNT RATE	10.92%						
THEORETICAL PE	2.800000						

OBSERVATIONS:

Here, as per our financial model, the theoretical PE is 2.80 while the actual PE is also 2.80 which means here the theoretical PE = actual PE. The equation is derived by discounting the actual EPS using the CPI inflation rate of 2013. Hence, here the rational investor is willing to pay the price which is exactly equal to the calculated (theoretical) price. This shows that his expectation regarding future earnings or growth of the company was the same in 2013 as compared to the actual estimate.(Welspun, n.d.)(Arvind, n.d.)

FY 13-14

When compared to FY 12-13, the NPAT has dropped considerably because in FY 13-14 heavy expenditure was incurred and there was a short-term as well as long-term borrowing for vertical integration by WIL.

FY 14-15

The NPAT for FY 14-15 surged back and was more than double of the FY 12-13. This is because, on December 9, 2014, the company declared that it is aiming for 70% vertical integration with their new facility in Anjar, Gujarat.

Vertical integration occurs when a company assumes control over several production or distribution steps involved in the creation of its product or service in a market vertical. It can help companies to reduce costs and improve efficiencies by decreasing transportation expenses and reducing turnaround time, among other advantages.

FY 15-16

Textile major Welspun India entered the e-commerce segment with the launch of an online portal, ShopWelspun. The portal listed brands such as SPACES Home & Beyond, Welhome and Spun, covering products such as rugs, carpets as well as bed and bath products. Due to all the above factors, their NPAT for FY 15-16 improved from the previous year and was at ₹ 702.87 Cr. compared to ₹ 544.28 Cr. of the previous year. Therefore, the EPS turned out to be ₹ 7 and the PE was 14. As a result, the market price became ₹ 97.93.

FY 16-17

In August 2016, US retail agent Target Corporation, terminated the contract with WIL over alleged lapses in its product supply as they found out that the home textiles maker had labelled several non-Egyptian cotton sheets as Egyptian cotton for about 2 years.

Following this Walmart stopped selling WIL's Egyptian cotton products. WIL later appointed Consultancy firm E&Y to investigate the alleged lapses. Hence, investors were unlikely to dump textile stocks as scrutiny would only add costs in short term, but it will be positive in long term.

FY 17-18

On February 13, 2018, WIL Q3 net profits fell by 47.07%. Their income declined as volume declined due to customer destocking, coupled with GST impact on duty drawback. Duty drawback is a refund or waiver in whole or in part of customers duties assessed or collected upon the importation of an article or materials which are subsequently exported.

Due to the above factors, the NPAT dropped by more than 25% to ₹ 298.29 Cr. in FY 17-18. The average price too fell and was at ₹ 60.31 and thus the resultant PE was 20.31 i.e. investors are still willing to pay ₹ 20.31 on the earnings per share as they expect that the company still has growth potential in future.

Arvind Limited: -

	Arvind						
DATE	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	
EPS	9.613625794	13.7076345	13.2086431	14.0450743	12.1473912	11.9662052	
THEORETICAL MPS	₹ 48.54						
ACTUAL MPS	₹ 79.87						
THEORETICAL PE	5.048863						
ACTUAL PE	8.307999678						

Observations:

From using the model, the derived theoretical PE was found out as 5.05 but the actual PE that the investor paid was 8.31. While the calculations were carried on EPS and PE, the theoretical PE ratio was derived by discounting the EPS by the CPI (Consumer Inflation Index) inflation rate of 2013 which was 10.92%. This shows that the actual PE is overvalued when compared to the theoretical PE. This means either of two cases: -

The stock is witnessing a phenomenal growth, OR

It is overvalued.

The investor could have earned a higher profit margin provided he would have bought the stock at the price equal to the theoretical PERatio. The reasons for the stocks to be overvalued can be - declarations of dividends, macro-economic policies, bulk trade and corporate actions. These factors impact the prices of the stock directly or indirectly. Bulk deals are one factor that affects the price change too. It is basically a trade done with a huge amount of stocks. Because of bulk deals the demand and supply of those stocks changes in the market which affects the price of that stock which leads to change in PE ratio of the company. (Arvind, n.d.)

FY 14-15

Brands & Retail Segment (which contributes 30 per cent to top line) may lead revenue growth and is expected to grow 15-17 per cent. The full impact of GAP stores will be reflected in the quarter. The net profit for the year was ₹ 341.10Cr. which caused the EPS to become ₹ 13.21 per share, and the PE became 19.49.

FY 17-18

Profit after tax was ₹ 309.47Cr. EPS calculated was 11.96 and the PE was 36.63. From the interpretations drawn we are accepting that using the theoretical PE and actual PE, the investor is still able to earn a significant profit, however, by this interpretation we are merely stating that the price paid for the EPS is not justified because it is overvalued.

Vardhman textiles: -

	VARDHMAN						
DATE	31-Mar-13	31-Mar-14	31-Mar-15	31-Mar-16	31-Mar-17	31-Mar-18	
EPS	57.00303903	114.899232	64.0131158	92.549952	181.105647	104.986709	
THEORETICAL MPS	₹ 405.61						
ACTUAL MPS	₹ 263.32						
THEORETICAL PE	7.115570						
ACTUAL PE	4.619417453						

Observations: -

In the case of Vardhman Textiles, the theoretical PE ratio doesn't match the actual PE ratio. In accordance with the calculations pertaining to the financial model, we have discounted the actual EPS by the CPI inflation rate of 2013 to calculate the theoretical PE ratio. Theoretical PE ratio is 7.12 whereas actual PE ratio is 4.62. So, this means that the share was undervalued, and it was a good buying opportunity. The actual PE ratio was lower, which signifies that the investors were willing to pay less for the per share earnings of the company. The actual PE ratio is lower on the Q4 declaration that was on 9th May 2013 because investors had expectations with regards to the dividends which was not declared as investors look at the dividends as a part of the profit which signifies the growth of the company as well.

As there is a difference in Theoretical and actual PE ratio, this could be explained on the basis that in case of Vardhman the market sentiments of investors are not being discounted accurately as per the model because of which such a difference exists. So, the efficient market hypothesis which states that the market discounts everything is not valid in this case. (Vardhman, n.d.)

FY 13-14

On May 15th, 2013 the company had recommended a dividend of ₹ 6.00 per share which boosted the investors' sentiments about the stocks.

FY 16-17

On November 29th, 2016 the company had recommended the buyback of equity shares on 9th December 2016 which increased the EPS of the company.

FY 17-18

On 1st July 2017, the company had received credit ratings from CRISIL. The ratings of the company were as follows:

Agency Name: CRISIL

Type of Credit Rating:

Rating on Total Bank loan facilities (Rs. 5416.23 Cr.): -

-Long Term: CRISIL AA+/Stable (upgraded from CRISIL AA/Positive)

-Short Term: CRISIL A1+ (Re-affirmed)

Rating on Fixed Deposits: -CRISIL FAAA/ Stable (upgraded from CRISIL FAA+/ Positive)

On 6th September 2017, the Company had purchased the entire stake of Marubeni Corporation (6.67%) and Marubeni Hong Kong and South China Limited (3.89%) in its subsidiary, M/s VMT Spinning Company Limited (VMT). The Company earlier was holding 89.44% shares of VMT and with this purchase, VMT became its 100% subsidiary.

From the interpretations drawn we are accepting that using the theoretical PE and actual PE, the investor is still able to earn a significant profit, however, by this interpretation we are merely stating that the price paid for the EPS is justified because it is undervalued.

LIMITATIONS OF STUDY: -

The numbers of samples taken were only 3 so we couldn't give a broad generalization to the entire picture.

The samples added were the representative samples of the sample itself.

We have collected data from authentic sources like money control, investing.com, screeners.in, company's website etc.

The concept of perpetuity is ignored.

SUGGESTIONS AND FUTURE SCOPE OF STUDY: -

Since we have taken only representative samples, the quality of research would have been enhanced if we would have taken a bigger universe.

As the data is been derived from secondary factors, the researchers referring to this paper can include primary data by conducting management interviews to get more truthful insight.

This research can further be used to analyze more companies and to draw a sectorial trend.

This research is our attempt to introduce a new use of the NPV method we also accept there are certain limitations. However, this method of calculation can further be improvised.

CONCLUSION: -

Welspun India Limited: - In the 1st Hypothesis, as Theoretical PE is equal to the Actual PE, therefore, we accept the Null Hypothesis. In the 2nd Hypothesis, as there is no difference in the PE Ratios, so we accept the Null Hypothesis.

Arvind Limited: - In the 1st Hypothesis, as Theoretical PE is not equal to the Actual PE, therefore, we reject the Null Hypothesis.

In the 2nd Hypothesis, as there is a difference in the PE Ratios, so we reject the Null Hypothesis.

Vardhman Textiles: - In the 1st Hypothesis, as Theoretical PE is not equal to the Actual PE, therefore, we reject the Null Hypothesis.

In the 2nd Hypothesis, as there is a difference in the PE Ratios, so we reject the Null Hypothesis

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STUDY THE VIEW OF USER ON CASH BACK FACILITIES IN ONLINE TRANSACTIONS WITH REFERENCE TO BANKING SECTOR**Babita A. Kanojia¹ and Sayyed Kahkasha²**Assistant Professor & B. Com Co-ordinator¹ and Student², Clara's College of Commerce, Mumbai**ABSTRACT**

In contemporary society, digitalization is a requirement of each and every individual, society, business etc to go for digitalization. Most of the organization in the field of commerce like advertising, media, hospital, manufacturing unit come up with new innovations and technique in this era. Banking is one of the, most leading sector which provide platform to the stakeholders in the form of online services as it has lots of advantages followed with challenges hence the researchers has select the study to understand the concept of online transaction challenges faced by the users For the presented study the researcher has gone for primary as well as secondary data collection and tried to get at least 61 respondent as a user of online transaction in Mumbai city.

Keyword: Cashless, Privacy, Cashback, Convenience, Trustworthy

INTRODUCTION

Digitalization is a path to go manual to computerize in form of monetary and non monetary aspects .As far as monetary aspect is concerned flow of cash from one person to another person virtually. Most of the banks come up with online transaction by providing lots of facilities in which cashback is one of the most important facility. As online transactions continue to increase and become a significant part of the global economy, the ability to accept payments online becomes more important for businesses. . In this paper, we explore the vital facilities provided by bank on online transaction .with this aim the researcher has formulated the following objectives, problems, and hypothesis.

**OBJECTIVES OF THE STUDY**

1. To study about the online transaction
2. To study the facilities provided by online transaction
3. To study and analyze the view of customers related to online transaction

PROBLEMS OF THE STUDY

1. Though the online transaction is the demand of society but still it has certain drawbacks.
2. Online transaction provides Lots of facilities but it is not trustworthy

HYPOTHESIS OF THE STUDY

1. Online transaction has no drawbacks
2. There is no relationship between facilities provided in online transaction and it's impact on trustworthy

RESEARCH METHODOLOGY**Sources of data collection:**

Primary Source of data collection is questionnaire, observation and experiences and secondary sources are books, journals and websites, news papers etc.

Sample Size

The present study researchers have targeted 100 respondents as universe of study and sample size will be 70 respondents.

Tools and techniques of data analysis

The researchers have used suitable tools for data analysis such as percentage, mean and mode.

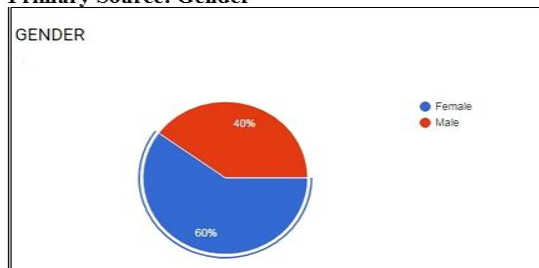
REVIEW LITERATURE

N Ramya, D Sivasakthi and M Nandhini, ISSN: P-2394-7500; has discussed about different modes of cashless transaction i.e. Cheque, demand draft, Online Transfer – NEFT or RTGS, credit card debit card, e-wallet, mobile wallet, gift card etc. They have also discussed about the positive and a negative aspect of cashless transaction. Its advantage is that it is very convenient, it gives discounts it has lower risk its disadvantages include. Higher risks of identity theft, losing phone, overspending etc. They stated that with limited cash in hand and an indefinite crunch in sight, most people are rushing to cashless transactions. Digital transactions bring in better transparency, scalability and accountability. The new move will compel more merchants to accept digital money. Cash no longer be king. While you wait for the serpentine queues at ATMs to peter out and currency notes of Rs 100 denomination to become easily accessible again, the adoption of digital payment solutions is picking up at a furious pace. Everyone from the neighborhood vegetable vendor to the chai and bhelpuri-wala is embracing digital payment solutions to tide over the cash crunch.



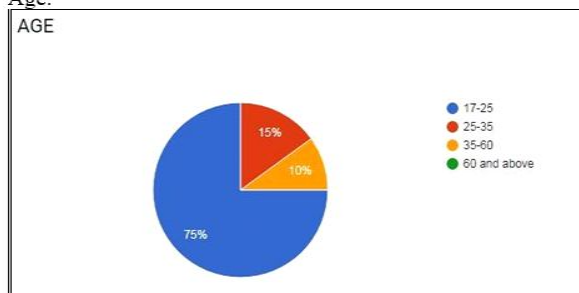
ANALYSIS AND INTERPRETATION OF DATA:

Primary Source: Gender



According to research, majority respondents were females i.e. 60% and the remaining were males respondents i.e. 40%.

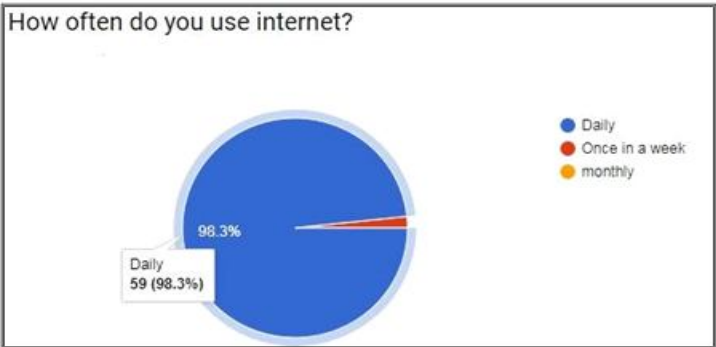
Age:



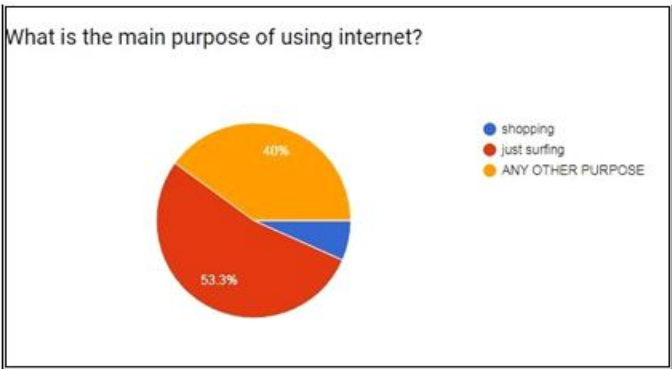
Out of total respondents, majority of respondents were a part of youth [17-25] and working youth [25-35], which made up 75% and 15% respectively, and remaining 10% peoples were above the age of 35.

How often do you use internet?

From the above chart it is clear 98.3% respondents are using internet facilities only 2.7% respondents are not using internet facilities.



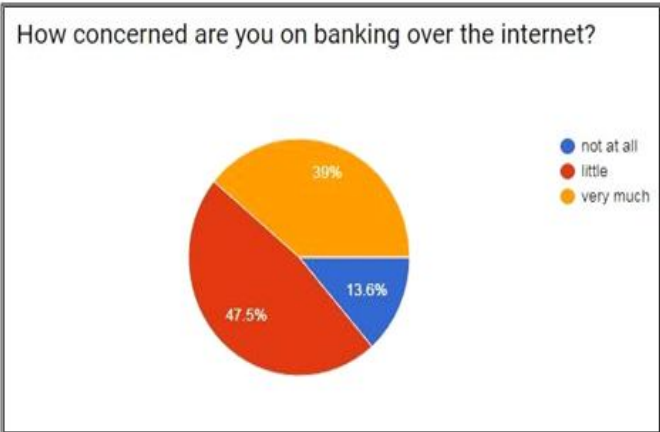
What is the main purpose of using internet?



The above pie chart states that, majority of respondents use internet for surfing i.e. 53.3%, while 6.7% of respondents use internet for shopping and remaining 40% respondents use internet for other purpose such as browsing, watching videos, etc.

How concerned are you on banking over the internet?

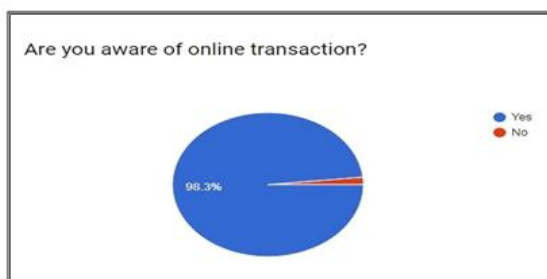
The above pie chart shows that 13.6% respondents are not at all concerned about the banking over



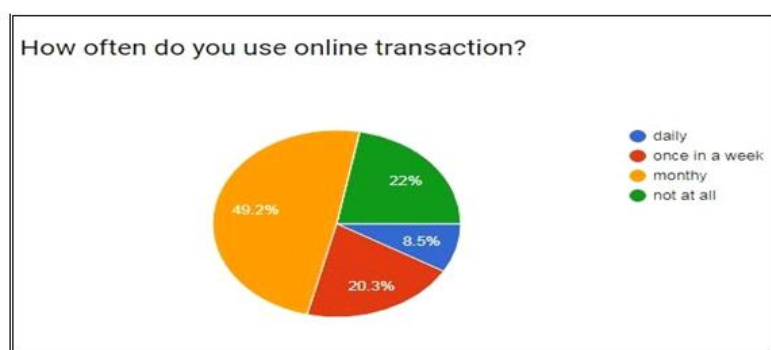
the internet. While 47.5% are very little concerned on banking over the internet and 39% respondents are very much concerned in using banking facilities over internet.

Are you aware of online transaction?

From the above pie chart it is clear that 98.3% people are aware of online transactions and the remaining 1.7% respondents are unaware of online transactions. As far as awareness of online transaction is concern majority of the respondents know how to go for online transaction.



How often do you use online transaction?



The above chart shows that only 8.5% respondents are doing online transaction on daily basis, while 20.3% respondents do online transactions once a week. Majority of the respondents i.e. 49.2% are doing online transaction using once in a month. While remaining 22% respondents are not at all using online transaction.

Why you use online transaction?



According to above given graph 28.3% respondents do online transaction for E-ticketing and 33.3% respondents do net banking. Majority of respondents 56.75 use online transaction while shopping. And remaining 33.3% respondents do online transactions for other purpose.

How you find doing online transaction?



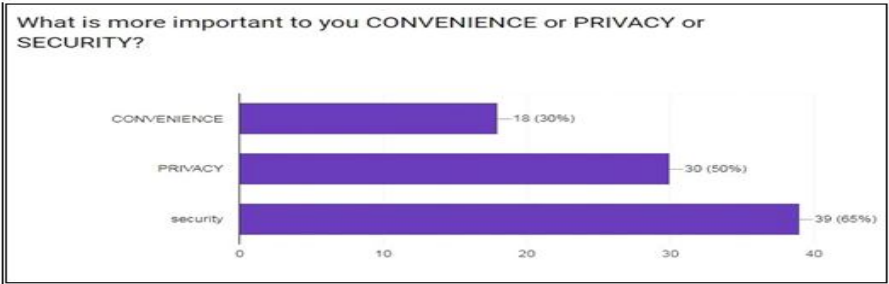
The above diagram shows that, Nearly 70% respondents found it convenient to use online transactions and 25% respondents found it effortless to do online transaction. And the remaining 5% respondents are found difficulty while doing transaction.

Anybody recommended you to use online transaction?



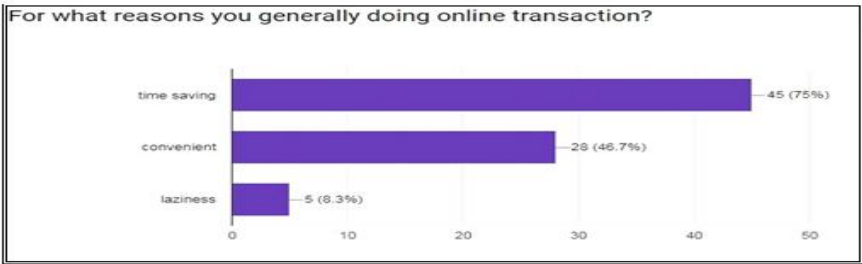
From the above chart it is clear that 55% of respondents stated using online transactions on their own, while 26.7% respondents were influenced by their friends to do online transactions and 18.3% respondents are influenced by their parents.

What is more important to you CONVENIENCE or PRIVACY or Security?



From the above graph it is clear that, 65% respondents are concerned about their Security while 50% respondents are concerned about Privacy and the remaining 30% respondents are concerned of convenience.

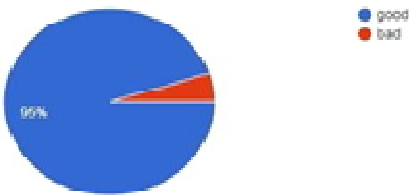
For what reasons you generally doing online transaction?



From the above chart, it is clear that majority of respondents i.e. 75% do online transactions as it saves time, while 46.7% respondents do online transactions as it is convenient and remaining respondents do online transactions due to laziness.

What is your experience with online transaction?

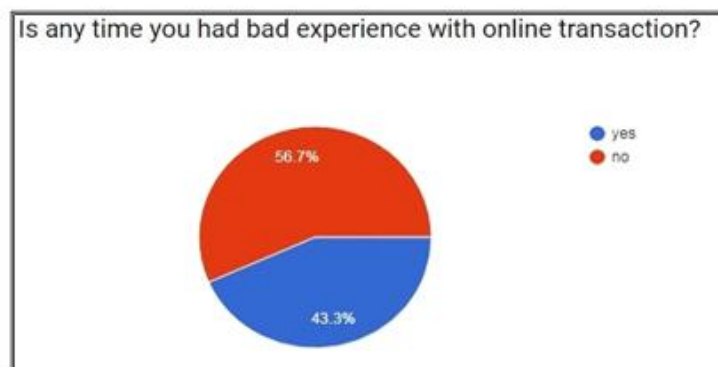
What is your experience with online transaction?



From the above pie chart it is clear that, 95% of respondents are happy with their online experience and the remaining 5% respondents have faced certain difficulties while doing online transactions.

Is any time you had bad experience with online transaction?

The above chart states that 43.3% respondents had a bad experience while doing online transactions and the remaining 56.7% respondents found it convenient.



FINDING OF THE STUDY

The following are the findings and suggestions based on finding and suggestions:

1. Respondents from the age group of 17-25 use internet more
2. Most of respondent are not aware about the online transaction
3. Security is most important than privacy and convenience.
4. Majority of users are not influenced by any others.
5. Majority of the respondents i.e. 49.2% are doing online transaction using once in a month.
6. Majority of respondents use internet for surfing i.e. 53.3%, and 40% respondents use internet for other purpose such as browsing, watching videos, etc.
7. There is multiple uses of internet such as book of online for E-ticketing, net banking. , shopping and other purpose.
8. It saves time and make user lazy also.
9. Online transaction is very easy and simple for the regular user. For non- user , it is difficult.

SUGGESTIONS OF THE STUDY

1. It's a good & easy to use but concerned about the security more and about refund process.
2. Nowadays everything is available online so online transactions are a routine in an individual life.
3. Would like to use it more often, if money transaction will be safer especially while buying with local sellers.
4. There is still a security doubt in the minds of users, so companies should ensure the users about their data's safety and security.
5. Provide more cahsback facilities to users.
6. Give more reward points to customer

CONCLUSION

The appearance of online transactions along with the flow of cashless transaction is the vital in the online banking. People stated using several modes of payment methods like electronic cash, debit cards, credit cards, contactless payment, mobile wallets, etc. cash back offers are one of the best ways to motivate the client to go for online transaction and maintain the consistency. Most of the banks have different schemes such as SBI card will allow to participate in online offers shopping and several other benefits. The offers are restricted to certain areas such as continuity and consistency. Online transactions should bring better transparency, scalability and accountability. Cash may no longer be king.

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A STUDY ON THE SHARE PRICE MOVEMENTS OF DABUR INDIA LTD. – PRE AND POST MERGER

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ABSTRACT

Merger as a growth strategy is used by companies to expand their business, increase profitability and reduce competition in the market. The present study focuses on merger of Dabur India Limited which is the largest Ayurvedic Medicine Company in India with Fem Care Pharma Limited in the year 2009. The study focuses on the impact of merger on the share prices of Dabur India Limited. The study covers a period of 16 years and is based entirely on secondary data. The period of the study is effectively divided into 8 years each i.e. 2000-08 as pre-merger period and 2010-18 as post-merger period. To stabilize the stock prices from the news of the merger between Dabur India Limited and Fem Care Pharma Limited, the study has excluded two years of data i.e. one year pre-merger (2008-09) and one year post-merger (2009-10). To study the impact of merger on share prices paired sample t-test is used. The analysis shows significant impact of merger on the share prices of Dabur India Limited during the study period. The study also shows that there is positive impact of merger on share prices of Dabur India Limited, as mean value of shares of post-merger period is higher than that of pre-merger period.

Keywords: pre- merger, post- merger, strategy, stock prices.

I. INTRODUCTION

The present day business is growing at a very high pace and is coupled with stiff and severe competition. In every industry various strategies are used for expansion and growth of business; one of the most common strategies being mergers and acquisitions. Mergers help to increase the market share of the business which directly affects the shareholders' wealth in the market. Mergers may either increase the market value of shares or it may decrease the value of shares of the acquiring company.

Dabur India Limited was promoted by S. K. Burman in 1884 at Kolkata. It is a 132 years old company based in India and is considered as one of the largest Ayurvedic Medicine Company with its presence across the globe. Dabur India Limited was initially a family owned and managed business but over a period of time it has developed to a professionally managed business. Fem Care Pharma Limited was established in 1986 as a public company. It produces and supplies a wide range of cosmetic and pharmaceutical products. Dabur India Limited acquired Fem Care Pharma Limited in the year 2009. Fem Care Pharma Limited merged with Dabur India Limited as the former was suffering heavy losses whereas Dabur India Limited found interest in the deal as they wanted to expand their business and also capture the market in which Fem Care Pharma Limited was having its strong position. It was the merger of companies which produces totally different products.

This research focuses on merger of Dabur India Ltd. and Fem Care Pharma Ltd. It examines the impact of merger on share prices of Dabur India Ltd. pre merger and post merger. The findings of the study will be beneficial for the new entity formed after the merger as well as prospective investors while making informed investment decisions.

II. REVIEW OF LITERATURE

S. Nagendra, Kumar Satish and Laxon (2018) aimed to study the impact of mergers on stock prices of selected industries. The research sample consisted of five industries including Banking industry, Pharmaceutical industry, Textile industry, Chemical industry and Plastic industry. The study covered a fifteen year period from January 2000 to December 2014 where the sample for the study was selected based on convenience of the researcher. The main focus of the research was to analyse and compare the impact of merger on share prices. The researchers concluded that the share prices of different industries under study indicated positive impact.

Neelam Rani, Surendra Yadav and P.K. Jain (2015) made an attempt to find out the impact of mergers on shareholder wealth in the short run. The main objective behind the research was to measure the effect of the announcement of mergers and acquisitions on stock returns of the acquiring firms. The period of research was from January 2003 to March 2008. The study revealed that mergers and acquisitions resulted in wealth creation for the shareholders.

A. Basihir, M.R. Sajid and S.F. Sheikh (2011) made an attempt to study the impact of merger and acquisition on shareholder wealth. The study was based on the performance record of forty five mergers and acquisitions.

Various sectors of Pakistan were analysed for the period 2004 to 2010 for the purpose of the study. The study concluded that there was no improvement in value of shareholders wealth post merger and acquisition.

Manoj Anand, Jagandeep Singh (2008) analyzed the impact of merger announcements on shareholders wealth. For the purpose of the study the researcher considered five merger announcements in private sector banks. The study was carried out for the period ranging from 1999 to 2005. Single factor model and two factor model were used in the study to understand the effects of merger on shareholders wealth. The study shows positive & significant increase in shareholder value.

Aristeidis G. Samitas and Dimitris F. Kenourgios (2007) analysed the impact of merger and acquisition on stock returns of tramp shipping firms. For the purpose of the study, research sample consisted of tramp shipping firms' members of NASDAQ and NYSE. The period of study was from 2000 to 2007. The purpose of the study was to analyse the impact of merger announcements and its impact on stock prices. The researchers used the event study analysis and bootstrap to analyse the data. The results reveal that the announcements of mergers and acquisitions positively impact the tramp shipping firms and also help the firms to face new challenges.

III. OBJECTIVE OF THE STUDY

1. To understand the merger deal of Dabur India Ltd. and Fem Care Pharma Ltd.
2. To study the impact of merger on share prices of Dabur India Ltd. pre & post-merger period.

IV. HYPOTHESIS

H0: There is no significant impact of merger on share prices of Dabur India Ltd.

H1: There is significant impact of merger on share prices of Dabur India Ltd.

V. RESEARCH METHODOLOGY

The present research is based on secondary data. The study considers data for the period beginning 1st April 2000 to 31st March 2018. To stabilize the stock prices from the news of merger between Dabur India Limited and Fem Care Pharma Limited, the study has excluded two years data i.e. one year pre-merger (2008-09) and one year post-merger (2009-10). The data was analyzed using Statistical Package for the Social Sciences (SPSS) Software.

VI. DATA ANALYSIS

Table - 1: Paired Sample Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Pre-Merger	(0.0033)	1994	0.02660	0.00060
	Post-Merger	(0.0007)	1994	0.01554	0.00035

Table 1 indicates that the mean values for pre-merger period is (0.0033) and standard deviation is 0.02660 which indicates that pre - merger stock prices are moving at an average of 0.02660. For the post-merger period mean value is (0.0007) and standard deviation is 0.01554 which indicates that post – merger stock prices are moving at an average of 0.01554. Mean values for both the periods i.e. pre – merger as well as post - merger are negative but post-merger period has a lesser negative value which indicates that there is improvement in stock price after the merger.

Table 2: Paired Sample Correlations

		N	Correlation	Sig.
Pair 1	Pre-Merger & Post-Merger	1994	(0.052)	0.021

Table 2 displays correlation values as (0.052) which indicates that there is a weak negative correlation between the sock prices of Dabur India Limited pre - merger and post - merger period.

Table 3: Paired Sample Test

		Paired Differences					t	Df	Sig. (2-tailed)
		Mean	Standard Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Pre-Merger – Post-Merger	(0.00257)	0.03149	0.00071	(0.00395)	(0.00119)	(3.647)	1993	0.001

From the above paired sample test, significance value for the pre and post-merger period is 0.001 which is less than 0.05 at 5% level of significance. Therefore we reject the Null hypothesis which indicates that there is significant impact of merger on stock prices of Dabur India Limited. We can conclude that the impact shown by the study is favorable as mean value for the post-merger period is better than that of the pre-merger period.

VII. CONCLUSION

In the business world, a merger is when two firms join together to create a single firm, with a new name and new stock. The ultimate goal is always to increase profitability and stability for both firms, which can be gained through a merger in different ways. The number of mergers and acquisitions in India as well as across the globe has given a boost to competition, Foreign Direct Investment and globalization to business across countries.

The current study has focused on the merger between Dabur India Limited and Fem Care Pharma Limited where the latter is dealing with products such as cosmetics and pharmaceutical products and former deals with ayurvedic products. The results of the study indicate significant impact of merger on the share prices of Dabur India Limited. It depicts that the mean values for both the periods i.e. pre - merger as well as post-merger is negative but the post-merger period has lesser negative values which indicate that there is improvement in stock price of Dabur India Limited after merger.

Mergers and acquisitions are considered to be beneficial as long as they are done for ethical reasons. Appropriate research and foresight should be employed to ensure maximum benefit to the shareholders of the companies involved. Thus the major beneficiaries of the current research are the current as well as prospective shareholders of both the companies involved in the merger.

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MANUSCRIPT SUBMISSION

GUIDELINES FOR CONTRIBUTORS

1. Manuscripts should be submitted preferably through email and the research article / paper should preferably not exceed 8 – 10 pages in all.
2. Book review must contain the name of the author and the book reviewed, the place of publication and publisher, date of publication, number of pages and price.
3. Manuscripts should be typed in 12 font-size, Times New Roman, single spaced with 1” margin on a standard A4 size paper. Manuscripts should be organized in the following order: title, name(s) of author(s) and his/her (their) complete affiliation(s) including zip code(s), Abstract (not exceeding 350 words), Introduction, Main body of paper, Conclusion and References.
4. The title of the paper should be in capital letters, bold, size 16” and centered at the top of the first page. The author(s) and affiliations(s) should be centered, bold, size 14” and single-spaced, beginning from the second line below the title.

First Author Name1, Second Author Name2, Third Author Name3

1Author Designation, Department, Organization, City, email id

2Author Designation, Department, Organization, City, email id

3Author Designation, Department, Organization, City, email id

5. The abstract should summarize the context, content and conclusions of the paper in less than 350 words in 12 points italic Times New Roman. The abstract should have about five key words in alphabetical order separated by comma of 12 points italic Times New Roman.
6. Figures and tables should be centered, separately numbered, self explained. Please note that table titles must be above the table and sources of data should be mentioned below the table. The authors should ensure that tables and figures are referred to from the main text.

EXAMPLES OF REFERENCES

All references must be arranged first alphabetically and then it may be further sorted chronologically also.

• Single author journal article:

Fox, S. (1984). Empowerment as a catalyst for change: an example for the food industry. *Supply Chain Management*, 2(3), 29–33.

Bateson, C. D.,(2006), ‘Doing Business after the Fall: The Virtue of Moral Hypocrisy’, *Journal of Business Ethics*, 66: 321 – 335

• Multiple author journal article:

Khan, M. R., Islam, A. F. M. M., & Das, D. (1886). A Factor Analytic Study on the Validity of a Union Commitment Scale. *Journal of Applied Psychology*, 12(1), 129-136.

Liu, W.B, Wongcha A, & Peng, K.C. (2012), “Adopting Super-Efficiency And Tobit Model On Analyzing the Efficiency of Teacher’s Colleges In Thailand”, *International Journal on New Trends In Education and Their Implications*, Vol.3.3, 108 – 114.

- **Text Book:**

Simchi-Levi, D., Kaminsky, P., & Simchi-Levi, E. (2007). *Designing and Managing the Supply Chain: Concepts, Strategies and Case Studies* (3rd ed.). New York: McGraw-Hill.

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Raine, A. (Ed.). (2006). *Crime and schizophrenia: Causes and cures*. New York: Nova Science.

- **Edited book having more than one editor:**

Greenspan, E. L., & Rosenberg, M. (Eds.). (2009). *Martin's annual criminal code: Student edition 2010*. Aurora, ON: Canada Law Book.

- **Chapter in edited book having one editor:**

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- **Chapter in edited book having more than one editor:**

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- **Electronic sources should include the URL of the website at which they may be found, as shown:**

Sillick, T. J., & Schutte, N. S. (2006). Emotional intelligence and self-esteem mediate between perceived early parental love and adult happiness. *E-Journal of Applied Psychology*, 2(2), 38-48. Retrieved from <http://ojs.lib.swin.edu.au/index.php/ejap>

- **Unpublished dissertation/ paper:**

Uddin, K. (2000). A Study of Corporate Governance in a Developing Country: A Case of Bangladesh (Unpublished Dissertation). Lingnan University, Hong Kong.

- **Article in newspaper:**

Yunus, M. (2005, March 23). Micro Credit and Poverty Alleviation in Bangladesh. *The Bangladesh Observer*, p. 9.

- **Article in magazine:**

Holloway, M. (2005, August 6). When extinct isn't. *Scientific American*, 293, 22-23.

- **Website of any institution:**

Central Bank of India (2005). *Income Recognition Norms Definition of NPA*. Retrieved August 10, 2005, from <http://www.centralbankofindia.co.in/home/index1.htm>, viewed on

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