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DESIGN THINKING: AN APPROACH FOR BRIDGING THE GAP BETWEEN INDUSTRY AND ACADEMICS**SUDHIR SALUNKHE****DEAN****INSTITUTE FOR FUTURE EDUCATION ENTREPRENEURSHIP & LEADERSHIP****KARLA****SURESH KADAM****ASST. PROFESSOR****INSTITUTE FOR FUTURE EDUCATION ENTREPRENEURSHIP & LEADERSHIP****KARLA****ABSTRACT**

An academic institution conceptualizes many approaches or mechanism for making the teaching-learning process application based. Some of the popular approaches are case studies, industry visits, internships, projects or dissertation exercises. The results of these exercises have been limited for fresher as it is observed that when they join the industry, they start from the basics. Therefore, there is a need for abridging the gap between industry and classroom teaching for management students of all the domains, like marketing, finance, operations and human resource management. The present study is based on application of design thinking as an approach for all the 4 domains of management studies and developing an innovative mechanism for students to learn the application of class room concepts. The study suggests a model based on industry projects by applying Design thinking for the academic institute and industry. The model proposed in this study is tested in a management institute, where faculties and industry mentors were facilitators and teams of 8-10 students in each group worked on live projects for a period of 5-6 months. Students were given one day per week for doing fieldwork being in campus. Students worked on the observations, interviews, stakeholders mapping, secondary research, identifying problems, generating alternative solutions and developing prototype of the given opportunity spaces. The impact of the project was assessed among students and the industry mentors before and after the projects through qualitative interviews. The result suggests that the solution and prototype developed by students were adopted by companies and the students felt themselves very much part of the company. They were able to have insights about the product/service and company for which they worked through the process. This model in-coordination with faculty and industry mentors can bridge the gap between Industry and academics.

KEYWORDS

creativity, design thinking, industry, prototype, teaching.

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M19

BACKGROUND

The role of Management education is very important to develop a comprehensive system of imparting knowledge and training as per the industry. [Aggarwal, 2002] [Mangaonkar, 2010] The knowledge and training should be inclusive of operational perspectives of corporate and the societal obligations of the corporate. An academic institution conceptualizes many approaches or mechanism for making the teaching-learning process application based.

The basics of management studies are attributes to Pre-independence, where colleges at Mumbai and Delhi during 1910-1920 were teaching the basics of commerce, banking, transport, and accounting. However, the first official MBA program was launched in 1950 by the Department of Commerce of the Andhra University in India and first Business School in India was Indian Institute of Social Welfare and Business Management (ISWBM), Kolkata. Further, this course became popular among career aspirants. Many private business houses also started their own business schools later. Students too have different expectations and goals that they want to fulfill [Goodman, 1993]. Students of management courses prefer those institutes, where they can learn specialized skills, expertise and unique experiences, which can make them ready for industrial opportunities.

The management education in India is attracting lot of attention because of two reasons: the changing economic status of the country and the corporate requirement reciprocating to the situation. The corporate is looking for young minds to join the industry, who not only can understand the need of the hour but also visionary and dynamic leaders and team player. They understand that the corporate ecosystem is no more about performing time based duties but to add value at work-place. Corporates are also looking for young minds seeing the trend of global entrepreneurs, professionals and consultants, who are very young. Their innovative approaches have resonated well in keeping pace with existing and emerging global business scenario. The young minds compared to regular workforce in the company can really generate innovative results in many cases.

INTRODUCTION

The corporate representatives are visiting the campuses to hire those individuals, who have not only excelled in the academics but the one who can match to the competencies set for the profile. These competencies vary with respect to domain (Marketing, Operation, Human Resource Management and Finance). Whereas the pedagogy of management studies involves common teaching-learning methodologies like class room teaching, case studies, industry visits etc. The practical exposure and domain specific knowledge comes during 2 months internship for each student during first year and at the end of third semester only. However, industry still considers management graduates as fresh candidate because these exercises are routine based and the trend from industry shows that management students are usually given field based topics like customers' analysis, satisfaction survey or assessing the impact of newly launched/existing product. Neither industry considers internship as business placement nor management institute meet their objectives.

Therefore, it is required that industry gets those young minds, which can add value and management students prove their merit for those opportunities. To identify the tools, which can make the management students industry ready; we took interview of 90 students of first semester of a private management college and asked following question:

In the management studies, which is the best way for making students industry ready?

The responses were categorized in following four parameters:

TABLE 1: RESPONSE OF MANAGEMENT STUDENTS ABOUT EXPOSURE TO INDUSTRY

| Sr. No. | Practice | Activities | % of response |
|---------|-----------------|---|---------------|
| 1 | Industry Based | Industry Visits, Industrial Projects, Guest speakers from Industry, Industry Research | 81.11 % |
| 2 | Classroom Based | Presentation Skills, Case Studies, Management Games, Personality Development, Public Speaking, Communication, Competitions, Practices, Preparation, Confidence building, Grooming | 13.33 % |
| 3 | Resources Based | Assignments, Best faculties, Books | 5.56% |

Therefore, based on the feedback (Table 1), we arrived at a confidence that industrial exposure play the most important role. This can be either Industrial projects or visits also.

There are many conferences and workshops to brainstorm by elite minds of industry and education sector to bridge the gap between industry and education of management studies. However, industry placement and possibilities of getting desired profile is one of the leading causes of stress among management students. In a study, it is found that facing the placement interview is the leading stress factor i.e. about 90 % followed by stress of getting job location with 50% and third preference stressor for about 30% among the students. [Nandamuri, 2014]

Management degrees currently are ranging from Undergraduate, Postgraduate Diploma, Post-Graduate till Ph.D. and the objectives promulgated as a comprehensive management education, which makes individual ready for corporate. The teaching –learning methodologies are based on globally recognized best practices. [Balamurugan, 2017] So, the questions that can be asked based on these inputs are:

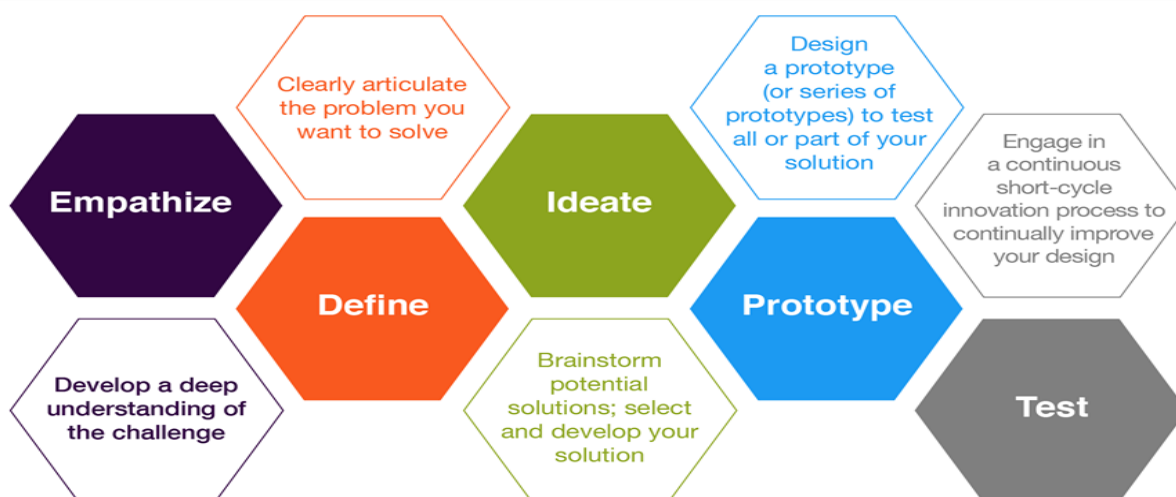
- If, the system follows the basics and advance learning system with virtual industry experience in the management education then why the attrition rate is increasing over the years?
- Secondly, why placement is one of the leading stress factors among the management students?
- Last but not the least, why our management institutes could not get the world ranking even being part of one of the largest education system in the world?

These questions are actually showing the gaps, which are yet unanswered. In our management education to build and nurture the visionary business professionals in the campus itself, there is need for an analysis. This thought leads us to further investigate about companies and their requirements.

REVIEW OF LITERATURE

Companies are hiring consultants to work for their pain areas or a dynamic solution for their growth rather than relying on their own employees in many cases. The concept of Design thinking is being adopted by many corporate houses e.g. Apple, IBM, Nike, Whirlpool etc. A concept of decision making based on the observations, stakeholders' mapping, solutions and prototype. [Mishra, 2018] Design thinking is based on the principle that “show, don't tell”. Design thinking works on democratic process of decision model because team members are promoted to use paste-it notes to write their ideas. No idea is a bad idea and each idea is given equal weightage. [Sarah Gibbons, 2016] There are 5 pillars of design thinking as shown in picture 1 [Illinois, 2018].

PICTURE 1: FIVE PILLARS OF DESIGN THINKING



1. **Empathize:** It is a process of setting the passion among the participants to understand the given situation through empathy. It is the foundation of design thinking to engage and connect the participants to the given problem or subject.
2. **Define:** The given subject should be defined through stakeholders' point of view. The problem clearly defined can lead to the actual solution and success of the process.
3. **Ideate:** It is process of collecting maximum ideas in the beginning through Paste-it Notes as shown in picture 2. Design thinking promotes the concept of “No idea is a bad idea”. So, each participant is expected to paste his/her idea collectively.

PICTURE 2: PASTE-IT NOTES FOR IDEA MAKING PROCESS IN DESIGN THINKING



4. **Prototype:** Prototype is defined as “the first example of something, such as a machine or other industrial product, from which all later forms are developed”. [Cambridge; 2018] The prototype can be solution or the service model for the given problem as shown in picture 3.

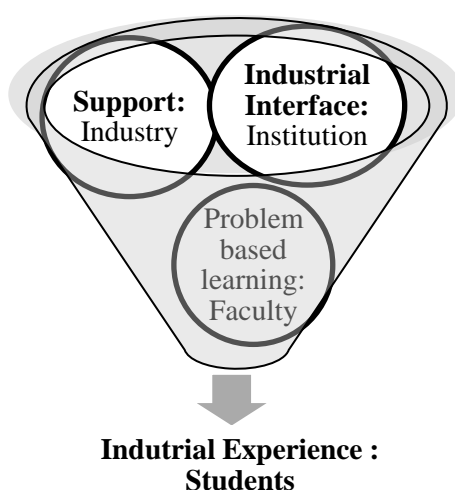
PICTURE 3 & 4: PROTOTYPE MODELS DEVELOPED DURING DESIGN THINKING SESSION (FLAGMODELMAKING, 2018)



5. **Test:** Once the prototype is made, it is the time for testing the same. The test of the prototype is to be done on the sample of population, for which the solution is being suggested.

Steve Jobs has defined design thinking as: *"Design is a really loaded word. I don't know what it means. So we don't talk a lot about design around here, we just talk about how things work. Most people think it's about how they look, but it's about how they work"*

CHART 1



RATIONALE

The present study is about exploring the options of making these budding professionals actually understand and live a real life of a corporate professional by demonstrating the skill sets in the campus. Enabling campus as an experimental laboratory, where these students are as experimental models. The error exhibited in campus can be corrected and the learning should be with them throughout.

OBJECTIVES OF THE STUDY

1. To develop a model for industry exposure for engaging students and building effective relations with industry.
2. To include the proposed industrial exposure model within the given syllabus with respect to time and credits.
3. To develop an effective evaluation system for assessment.

METHODOLOGY

This is a descriptive research, where 4 groups comprised of 10 students each have been formed. Each group was given one project in consultation of 4 different industries. These groups were under direct supervision of 4 faculty members and 4 industry mentors respectively to facilitate the assigned projects. The projects were given the time-line as follows:

GANTT CHART**CHART 2**

| Activities | Oct'14 | Nov'14 | Dec'14 | Jan'15 | Feb'15 | March'15 |
|---|--------|--------|--------|--------|--------|----------|
| Opportunity Space given | | | | | | |
| Training Module for self-awareness for team | | | | | | |
| Cognitive skills training | | | | | | |
| Life Journey Mapping | | | | | | |
| Team Charter | | | | | | |
| Trend, Audience and Domain | | | | | | |
| Observation | | | | | | |
| Stakeholder mapping and Field observation exercises | | | | | | |
| Hero's Journey and Visioning | | | | | | |
| Learning Curve | | | | | | |
| Insights and Reflections | | | | | | |
| Empathy in the action | | | | | | |
| Opportunity statement | | | | | | |
| Solution and prototype | | | | | | |
| Testing Prototype | | | | | | |

Opportunity Space: The teams were given Opportunity Spaces by leading companies in Retail and Healthcare industry. The mentors from the company explained the projects to the students and defined the expectations at the end of the project.

APPLICATION OF DESIGN THINKING**TABLE 2**

| S. N. | Pro-cesses | Design Thinking Tools and Activities |
|-------|------------|---|
| 1 | Empa-thize | Self-awareness <ul style="list-style-type: none"> • Social Identity Maps (Given, Chosen, Core) to understand the self • Mental models (Growth mindset and Close mindsets) • Emotional intelligence and Mindfulness • Life Journey Mapping • Mission, Vision, Forming and Norms of the team • Hero's Journey and Visioning Cognitive skills training <ul style="list-style-type: none"> • 360-Degree approach: Learning through orange activity • Understanding the learning Curve and relation with Life Journey • Asking 5 Whys to take intensive observation • Difference in Sympathy and Empathy. Why Empathy, Demonstration in action |
| 2 | Define | <ul style="list-style-type: none"> • Each team defined their Trend, Audience and Domain (TAD) at this stage. • They conducted secondary research to define the subject based on the available knowledge and research through internet and books. • Students contacted their stakeholders' as per TAD analysis and designed the interview questionnaire. • Each team visited these stakeholders or contacted them through telephone to do stakeholder mapping. • The secondary and primary research data was analyzed to arrive at 3 opportunity statements in the beginning. • Throughout this 3 months' time students were guided by respective faculty mentors for the academic inputs and by industry mentors for application of the facts found during the stakeholders' mapping. |
| 3 | Ideate | <ul style="list-style-type: none"> • The tools "traffic signal" is taken here for promoting participants to generate as much ideas as much they can. • Green light phase for all the ideas to transfer to the paste it, • Yellow light phase is to transfer only feasible ideas above the line and • Red light phase is to vote of best 3 -5 ideas among all the selected ones during yellow light. • Further the idea chosen can be discussed for build, between beyond to make it practical and applicable for the given problem. • The idea emerged out of the above activities is the solution of the given problem by the industry. |
| 4 | Proto-type | <ul style="list-style-type: none"> • Each team is taught about the types of prototypes and mediums to present the prototype in this stage. • The students collectively defined two mediums to display their prototypes. One through story boarding and other through role play during the session. • Later each team was asked to make posters, 90 seconds' video and one 5 minutes timed presentation to be presented in front of external judges (leading industry persons invited by the college as guests). |
| 5 | Test | <ul style="list-style-type: none"> • Last but not the least is about testing of prototype in the representative sample population to test the feasibility and practical aspect of solution found for the given problem. • After confirmation from the industry mentor now in this stage team present the poster, video and presentation to the jury members. • The best team is rewarded based on pre-defined parameters by the college, which includes the team work, solution proposed, video, posters, and feedback of the industry and judges. |

After the whole project students, faculties and industry mentor were asked for their feedback to check the result of the model.

RESULTS AND DISCUSSIONS

| Project 1 | Project 2 | Project 3 | Project 4 |
|--|--|--|---|
| Opportunity spaces | | | |
| To design the employee engagement to improve the employees' retention | To design a health care institute based on the needs of Mumbai's residents by identifying the improvement in the procedure and expectation from employees in the proposed hospital. | Opportunities to improve the Brand image position in the market by employee engagement | Providing Bonding Solutions to deep Rural areas through Self-Sustaining Channels of two way information exchange. |
| Trend, Audience and Domain | | | |
| Trend: 75% of the employees leave their jobs due to Seniors Audience: Retails stores, employees, customers, suppliers, vendors, Regulatory bodies etc. Domain: Mumbai, Navi Mumbai and Pune | Trend: Costly services, Indifference of Hospital Employees. Audience: Hospitals, employees, Patients, suppliers, vendors, Regulatory bodies etc. Domain: Mumbai and Navi Mumbai | Trend: Heavy traffic in Mumbai, Critical patients to be transported to hospital Audience: Hospitals, Ambulance drivers, Patients, suppliers, vendors, Regulatory bodies etc. Domain: Mumbai and Navi Mumbai | Trend: Awareness about product is low Audience: villagers' suppliers, vendors, etc. Domain: 20 villages near Pune |
| Stakeholder mapping and Field observation exercises | | | |
| Interviewed at 15 stores (280) across the city Mumbai, Navi Mumbai and Pune | Interviewed Hospital staff, patients, family, vendors, suppliers at Mumbai and Navi Mumbai | 76 Ambulance drivers, 35 cab drivers, 20 auto drivers, doctors, patients, families | 20 villages, 180 interviews, 561 observation, 154 unique observation |
| Insights and Reflections | | | |
| Lack of leadership qualities in managers, Communication gap among employees and managers. | Waiting time, Self-medication, influenced by family friends while choosing healthcare, Lack of awareness | 92 % cases cardiac arrest patients die on the way to hospital The heavy traffic and unprofessional staff at ambulance to carry patients | Shopkeepers suggest only when customer asks. Customers buy from other customers' feedback. People don't see many problems as a problem. Retailers keep only fast moving products. |
| Opportunity statement | | | |
| Enhance leadership at workplace | How to reduce waiting time in care plan of a proposed hospital | Opportunities to improve the Brand image position in the market by engaging employees | To find an innovative and interactive medium which can educate consumers about different usage of products. |
| Solution and prototype | | | |
| X Model of engagement | 5S model | Basic Life Support training to the Ambulance Drivers | Identify and set up a representative from the village who acts as the bridge between company and the consumers. |
| Testing Prototype | | | |
| Selection of 3 leaders and their team. Phase 1: Case discussion, Phase 2: Games, Phase 3; gathering feedbacks, phase 4: Transformation of perception. | 5S (sort, straighten, shine, standardize and sustain) model was found to reduce 90 mins waiting to 55 mins during testing. | The prototype was tested by training one ambulance driver for BLS and checked his feedback | Respectable Local person / Retail shop person was identified and given responsibility to spread the awareness about the product. |
| Feedback of Industry Mentor | | | |
| This was an engaging activity as working with young mind and zeal requires focus and dedication. | The solution based on the work done by the students was considered by the hospital for their operational activities. | The experience was remarkable. | The academic inputs received during the projects are really helpful. |
| Feedback of Faculty | | | |
| The project gave exposure to students about the stakeholders and their influence to the business. | This experience is unique which made the students sensitive about team, leadership, empathy, observation skills etc. | It engages students and faculties throughout and very interesting. | The design thinking makes students think from 360 degree and they evolve as mature and balance individual. |
| Feedback of students | | | |
| The processes of Design thinking are interesting. It helped us to work closely with Industry for 6 months. | It is a comprehensive project, different than class room lecture and internship. It made us confident and engaged throughout. | The association with the industry during this period gave us also a feel of working in industry issues directly. | The 6 months' journey of Design Thinking is remarkable and will help us for placement. We felt happy to work on live project. |

CONCLUSION

Studies show that Design thinking is a flexible approach and promotes participative management. The working team in this study comprised of a group with heterogenic aptitude and background because the project requires multidimensional ideas. Also the project on which design team is working can be given a flexible date and time to arrive at a logical conclusion. The solutions proposed by all these 4 teams are successfully launched by the respective companies and also students. This approach can make students learn about industrial practices by virtue of given opportunity spaces. On the other hand, the industrial exposure during the campus studies spread over a 5-6 months' time as live projects is very interesting for them. Therefore, the proposed model where students can be first given a comprehensive training about design-thinking followed by project work which can be assigned by corporate with flexibility to arrive on some optimal solution in this period can certainly bridge the gap between industry and academics.

Students can work on challenge statements assigned by corporate through 360-degree stakeholders mapping and develop respective prototype and test it for its applicability and optimization.

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EVALUATION OF WORKING CAPITAL PERFORMANCE IN BATTERY INDUSTRY IN ANDHRA PRADESH

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ABSTRACT

Working capital plays a pivotal role in a business enterprise just like the role of a heart in human body. The efficiency of business enterprise depends largely on its ability to manage its working capital. Gross working capital may be used to refer to the total current assets whereas net working capital refers to the surplus of current assets over current liabilities. The aim of present research paper is to ascertain the status of working capital of select battery companies in Andhra Pradesh. The present study is based on the secondary data only. The present study needs a ten-year period commencing with the financial year 2002-03 and ending with 2011-12. Various tools like trend, average, percentage, 'F'-test and Least squares method are applied. Graphs and diagrams are presented to illuminate the facts and figures at appropriate contexts. With a view to obtaining a better perspective of the working capital position in the battery industry in Andhra Pradesh, an analysis of structure of working capital and trends in current assets, current liabilities and net working capital are carried out. It is noted that the excess of current assets over current liabilities was recorded in all battery companies in Andhra Pradesh. It may be observed that all the battery companies have enjoyed positive net working capital position. In order to increase optimisation of investment in inventories in ARBL and HBL, effective measures and methods for management of inventories need to be undertaken.

KEYWORDS

ARBL, HBL NBL, working capital, current assets, current liabilities, Operating cycle, Battery Industry in A.P.

JEL CODE

G30.

INTRODUCTION

Working capital plays a pivotal role in a business enterprise just like the role of a heart in human body. Working capital management, therefore, is one of the important facets of a firm's overall financial management.¹ The efficiency of business enterprise depends largely on its ability to manage its working capital. Without adequate working capital and its effective use, no business unit can achieve its targets. Efficient management of working capital resources will ensure not only liquidity but also enhance profitability, which reflects on the growth of an enterprise. Working capital in common terminology is the amount of funds which a company must possess to finance its day-to-day operations.² Working capital management is concerned with the problems that arise in attempting to manage the current assets, current liabilities and the inter-relationship that exists between them.³

REVIEW OF LITERATURE

DeLoof, M.,⁴ (2003) evaluated the effects of working capital management on profitability. He suggested that managers could create value for their shareholders by reducing number of days account receivables and inventories to a reasonable minimum. Abdul Raheman and Mohamed Nasir⁵ (2007) in their research on working capital management results show that there is a strong negative relationship between variables of the working capital management and profitability of the firm. It means that as the cash conversion cycle increases it will lead to decreasing profitability of the firm, and managers can create a positive value for the shareholders by reducing the cash conversion cycle to a possible minimum level. Nancy Beneda⁶ (2008) conducted a study to examine the effects of working capital management on firm performance for different levels of growth. High growth firms also exhibit higher levels of risk. Nalini, J.,⁷ (2010) the study on financial management, she suggests that to maintain both profitability and liquidity, a balanced growth in fixed assets and working capital is needed.

OBJECTIVE OF THE PAPER

The aim of present research paper is to ascertain the status of working capital of select battery companies in Andhra Pradesh.

HYPOTHESIS

The hypothesis formulated in the present study is:

H₀ : There is no significant difference between the working capital condition of select battery companies in Andhra Pradesh.

Result: The null hypothesis was rejected for all battery companies under study.

RESEARCH METHODOLOGY**SAMPLE DESIGN**

According to A.P. industries website, four registered battery companies are operating in the state of Andhra Pradesh. They include Nippo Batteries Limited (NBL - 1972), Amara Raja Batteries Limited (ARBL - 1985), Hyderabad Batteries Limited (HBL - 1986) and Energy Leader Batteries India Limited (ELBIL - 2007). In order to carryout time series analysis, the companies with ten years of existence were brought into the sample frame. In other words, the companies which were established prior to 2002-03 alone are considered for the purpose of the study. Barring ELBIL, the rest of the battery companies fulfilled this criteria.

DATA BASE

The present study is based on the secondary data only. The data for the study have been primarily obtained from the annual reports of select battery companies in Andhra Pradesh. Relevant information is also gathered from the data published by the reports of battery companies, libraries of various institutions and the companys' website and other related websites on the battery industry were consulted. Also internet, journals, magazines, periodicals and research dissertations on finance and industry have been referred.

PERIOD OF THE STUDY

The present study needs a lengthy period so as to arrive at meaningful and purposeful inferences. Therefore, a ten year period commencing with the financial year 2002-03 and ending with 2011-12 has been adopted.

SCOPE AND LIMITATIONS OF THE STUDY

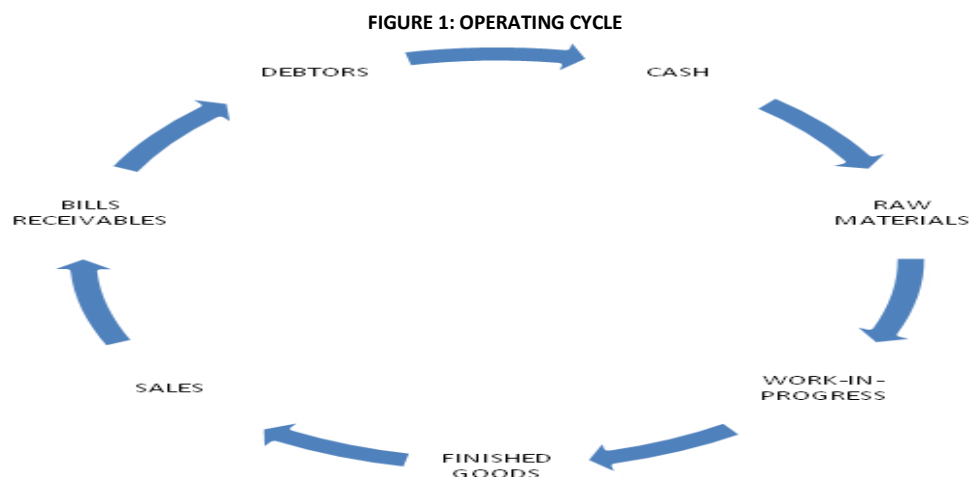
The present study is confined to issues relating to the evaluation of working capital performance of battery industry in Andhra Pradesh. The present study may not be free from limitations. The figures taken from the annual reports have been rounded off to two decimals of rupees in crores. Secondary data have been collected from more than one source. Hence, there may be slight discrepancies between one source and another on the same variable. The reliability and correctness of calculation and findings depend upon the information obtained through secondary data.

TOOLS AND TECHNIQUES OF ANALYSIS

The data gleaned from the annual reports of select battery companies in Andhra Pradesh has been carefully processed, tabulated, analysed, and interpreted by using well-established financial tools. Various tools like trend, average, percentage, 'F'-test and Least squares method are applied. Graphs and diagrams are presented to illuminate the facts and figures at appropriate contexts.

WORKING CAPITAL ANALYSIS

The firm should maintain investment in various components of current assets at an optimal level to maximise benefits. Working capital is referred to as 'Circulating Capital' by C.W. Gerstenberg⁸ and as, 'Operating Capital', 'Rotating Capital' or 'Short Term Capital', by others. Current assets will be in a state of continual change and involve constant movement of funds, where the original form of cash gets transformed into various stages of inventory, debtors and back to cash. The process is popularly known as operating cycle or cash cycle. The operating cycle of a business enterprise is shown in the Figure 1.

**CONCEPT OF WORKING CAPITAL**

The term 'Working Capital' has been quite controversial in the financial accounting terminology, as it does not have a universally accepted definition. It has two concepts: Gross Working Capital (Quantitative Concept) and Net working Capital (Qualitative Concept). Kuchhal suggests that the term 'Gross Working Capital' may be used to refer to the total current assets whereas 'Net Working Capital' refers to the surplus of current assets over current liabilities.⁹

STRUCTURE OF WORKING CAPITAL

The analysis of the structure of working capital is another name for the study of elements of current assets and current liabilities. With a view to obtaining a better perspective of the working capital position in the battery industry in Andhra Pradesh, an analysis of structure of working capital is carried out. The details pertaining to the structure of working capital of select battery companies and the industry in Andhra Pradesh are depicted in Table 1. Figure 2 shows the average components of current assets as a percentage of total current assets.

AMARA RAJA BATTERIES LIMITED

The observation of the structure of working capital in ARBL reveals that the current assets were more than the current liabilities throughout the study period. The level of investment in inventory as a percentage of total current assets ranged from the lowest of 25.08 per cent in 2005-06 to the highest of 38.60 per cent in 2010-11 the average being 29.07 per cent. An analysis of the company shows that sundry debtors occupied prime position in the total current assets with an average of 38.40 per cent. In other words, the trade debtors took precedence among current assets in ARBL. Cash and bank balances as a percentage of total current assets had ranged between the lowest of 0.87 per cent in 2005-06 and the highest of 7.24 per cent in 2009-10. 'Others' forms the least component of current assets. Current liabilities as a percentage of current liabilities and provisions, however, are marked by a falling tendency as they came down from 57.09 per cent in 2002-03 to 50.29 per cent in 2011-12. Inconsistency can be observed in the level of current liabilities as can be seen from its percentage fluctuations. Provisions as a percentage of total current liabilities and provisions had increased from 42.91 per cent in 2002-03 to 49.71 per cent in 2011-12 in absolute values also increased from Rs. 30.18 crores to Rs. 220.71 crores during the same period.

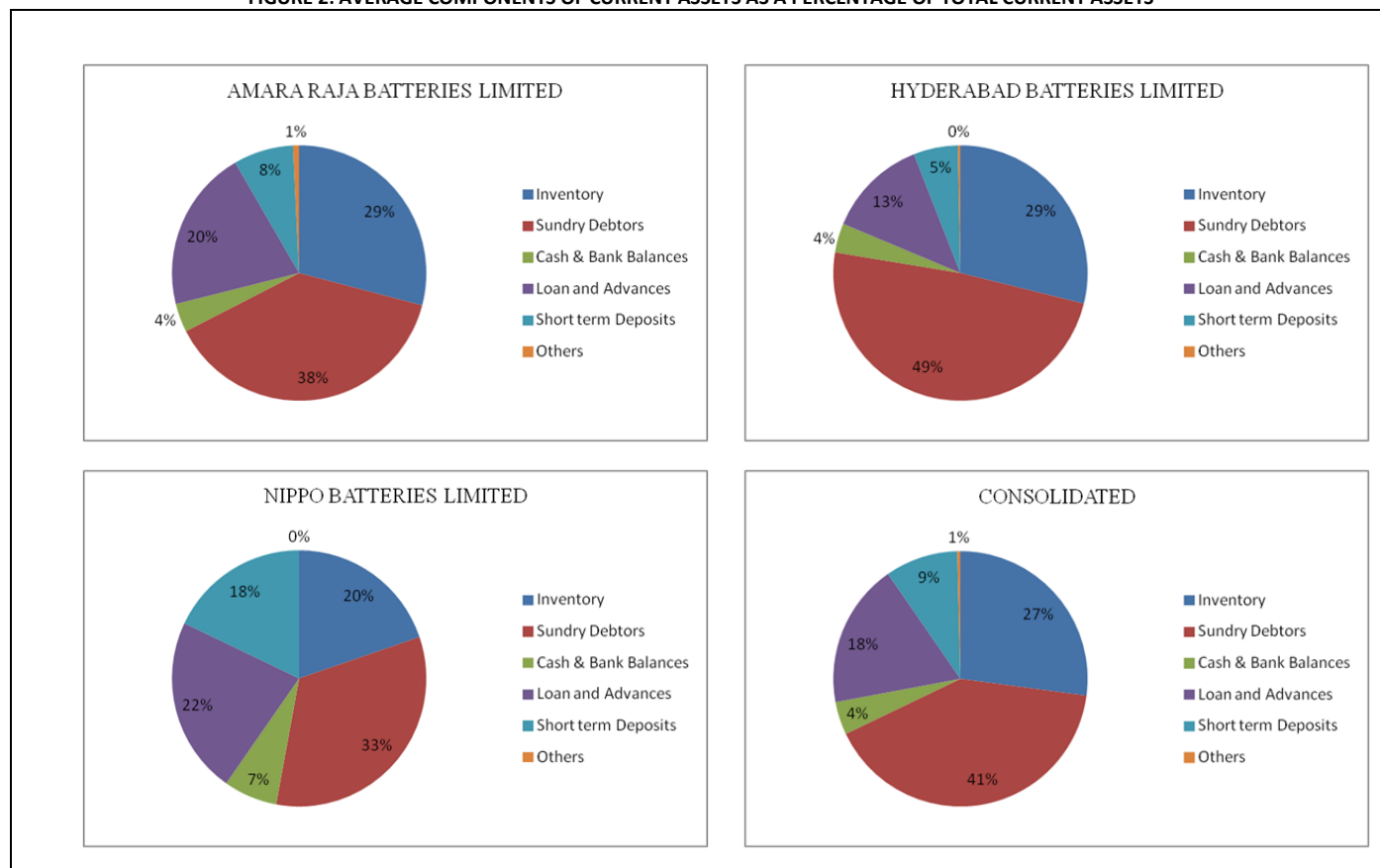
TABLE 1: STRUCTURE OF WORKING CAPITAL (Rupees in crores)

| Particulars | 2002-03 | | 2003-04 | | 2004-05 | | 2005-06 | | 2006-07 | | 2007-08 | | 2008-09 | | 2009-10 | | 2010-11 | | 2011-12 | | Average | |
|-------------------------------------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
| | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % |
| Amara Raja Batteries Limited | | | | | | | | | | | | | | | | | | | | | | |
| Inventory | 29.42 | 22.06 | 30.72 | 25.63 | 44.10 | 27.34 | 57.20 | 25.08 | 92.17 | 26.33 | 194.33 | 32.52 | 160.83 | 30.58 | 217.57 | 34.48 | 284.70 | 38.60 | 266.62 | 28.10 | 137.77 | 29.07 |
| Sundry Debtors | 45.57 | 34.18 | 47.17 | 39.36 | 64.97 | 40.28 | 85.65 | 37.55 | 145.95 | 41.70 | 226.47 | 37.90 | 207.85 | 39.52 | 242.30 | 38.40 | 305.66 | 41.44 | 319.68 | 33.69 | 169.13 | 38.40 |
| Cash and Bank Balance | 5.63 | 4.22 | 1.56 | 1.30 | 4.88 | 3.03 | 1.98 | 0.87 | 4.99 | 1.43 | 28.96 | 4.85 | 34.18 | 6.50 | 45.71 | 7.24 | 8.17 | 1.11 | 54.18 | 5.71 | 19.02 | 3.62 |
| Loan and Advances | 32.82 | 24.61 | 26.73 | 22.30 | 35.29 | 21.88 | 64.70 | 28.37 | 86.29 | 24.65 | 125.65 | 21.03 | 87.03 | 16.55 | 108.73 | 17.23 | 107.09 | 14.52 | 133.38 | 14.06 | 80.77 | 20.52 |
| Short term Deposits | 9.68 | 7.26 | 13.67 | 11.41 | 12.04 | 7.47 | 18.54 | 8.13 | 20.61 | 5.89 | 22.18 | 3.71 | 36.11 | 6.87 | 16.76 | 2.66 | 32.04 | 4.34 | 175.04 | 18.45 | 35.67 | 7.62 |
| Others | 10.22 | 7.66 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.02 | 0.77 |
| Total Current Assets | 133.34 | 100.00 | 119.85 | 100.00 | 161.28 | 100.00 | 228.07 | 100.00 | 350.01 | 100.00 | 597.59 | 100.00 | 526.00 | 100.00 | 631.07 | 100.00 | 737.66 | 100.00 | 948.90 | 100.00 | 443.38 | 100.00 |
| Current Liabilities | 40.15 | 57.09 | 31.55 | 61.39 | 47.60 | 61.83 | 82.09 | 63.10 | 87.14 | 60.16 | 119.69 | 54.65 | 132.05 | 65.19 | 187.27 | 54.96 | 212.38 | 57.46 | 223.27 | 50.29 | 116.32 | 58.61 |
| Provisions | 30.18 | 42.91 | 19.84 | 38.61 | 29.39 | 38.17 | 48.01 | 36.90 | 57.70 | 39.84 | 99.34 | 45.35 | 70.51 | 34.81 | 153.45 | 45.04 | 157.22 | 42.54 | 220.71 | 49.71 | 88.64 | 41.39 |
| Current Liabilities and Provisions | 70.33 | 100.00 | 51.39 | 100.00 | 76.99 | 100.00 | 130.10 | 100.00 | 144.84 | 100.00 | 219.03 | 100.00 | 202.56 | 100.00 | 340.72 | 100.00 | 369.60 | 100.00 | 443.98 | 100.00 | 204.95 | 100.00 |
| Hyderabad Batteries Limited | | | | | | | | | | | | | | | | | | | | | | |
| Inventory | 34.43 | 27.09 | 33.17 | 26.55 | 53.19 | 26.47 | 67.68 | 25.89 | 75.32 | 24.65 | 172.47 | 32.14 | 179.98 | 30.65 | 228.31 | 28.32 | 268.17 | 33.15 | 287.75 | 33.53 | 140.05 | 28.84 |
| Sundry Debtors | 55.64 | 43.77 | 65.82 | 52.68 | 115.62 | 57.55 | 138.34 | 52.92 | 174.20 | 57.01 | 273.01 | 50.88 | 282.64 | 48.13 | 337.67 | 41.89 | 310.08 | 38.33 | 380.87 | 44.38 | 213.39 | 48.75 |
| Cash and Bank Balance | 2.71 | 2.13 | 0.87 | 0.70 | 1.65 | 0.82 | 9.43 | 3.61 | 6.55 | 2.14 | 17.94 | 3.34 | 52.31 | 8.91 | 24.76 | 3.07 | 51.86 | 6.41 | 50.73 | 5.91 | 21.88 | 3.70 |
| Loan and Advances | 17.97 | 14.14 | 12.80 | 10.24 | 19.16 | 9.54 | 30.25 | 11.57 | 29.75 | 9.74 | 42.36 | 7.89 | 42.46 | 7.23 | 185.87 | 23.06 | 143.27 | 17.71 | 138.90 | 16.18 | 66.28 | 12.73 |
| Short term Deposits | 14.76 | 11.61 | 11.21 | 8.97 | 10.74 | 5.35 | 15.28 | 5.85 | 18.60 | 6.09 | 29.99 | 5.59 | 29.39 | 5.00 | 29.44 | 3.65 | 35.63 | 4.40 | 0.00 | 0.00 | 19.50 | 5.65 |
| Others | 1.60 | 1.26 | 1.08 | 0.86 | 0.56 | 0.28 | 0.43 | 0.16 | 1.13 | 0.37 | 0.82 | 0.15 | 0.51 | 0.09 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.61 | 0.32 |
| Total Current Assets | 127.11 | 100.00 | 124.95 | 100.00 | 200.92 | 100.00 | 261.41 | 100.00 | 305.55 | 100.00 | 536.59 | 100.00 | 587.29 | 100.00 | 806.05 | 100.00 | 809.01 | 100.00 | 858.25 | 100.00 | 461.71 | 100.00 |
| Current Liabilities | 32.71 | 73.67 | 45.00 | 88.86 | 64.14 | 83.84 | 73.43 | 80.59 | 105.06 | 93.13 | 159.58 | 91.98 | 168.45 | 87.49 | 162.64 | 52.44 | 224.57 | 95.02 | 440.28 | 97.07 | 147.59 | 84.41 |
| Provisions | 11.69 | 26.33 | 5.64 | 11.14 | 12.36 | 16.16 | 17.69 | 19.41 | 7.75 | 6.87 | 13.91 | 8.02 | 24.09 | 12.51 | 147.51 | 47.56 | 11.77 | 4.98 | 13.31 | 2.93 | 26.57 | 15.59 |
| Current Liabilities and Provisions | 44.40 | 100.00 | 50.64 | 100.00 | 76.50 | 100.00 | 91.12 | 100.00 | 112.81 | 100.00 | 173.49 | 100.00 | 192.54 | 100.00 | 310.15 | 100.00 | 236.34 | 100.00 | 453.59 | 100.00 | 174.16 | 100.00 |

| Particulars | 2002-03 | | 2003-04 | | 2004-05 | | 2005-06 | | 2006-07 | | 2007-08 | | 2008-09 | | 2009-10 | | 2010-11 | | 2011-12 | | Average | |
|------------------------------------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
| | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % | Rs. | % |
| Nippo Batteries Limited | | | | | | | | | | | | | | | | | | | | | | |
| Inventory | 23.71 | 22.41 | 18.95 | 17.62 | 15.42 | 9.93 | 20.62 | 12.37 | 24.35 | 13.57 | 21.20 | 17.10 | 25.44 | 19.05 | 32.31 | 23.32 | 44.11 | 30.59 | 43.70 | 31.51 | 26.98 | 19.75 |
| Sundry Debtors | 34.20 | 32.32 | 30.95 | 28.78 | 34.47 | 22.19 | 31.60 | 18.96 | 36.03 | 20.08 | 40.15 | 32.38 | 65.29 | 48.90 | 55.05 | 39.74 | 60.51 | 41.96 | 63.97 | 46.13 | 45.22 | 33.14 |
| Cash & Bank Balances | 3.53 | 3.34 | 5.77 | 5.36 | 6.30 | 4.06 | 7.72 | 4.63 | 13.33 | 7.43 | 11.80 | 9.52 | 8.56 | 6.41 | 9.68 | 6.99 | 3.94 | 2.73 | 24.50 | 17.67 | 9.51 | 6.81 |
| Loan and Advances | 13.21 | 12.48 | 16.04 | 14.91 | 66.13 | 42.58 | 70.37 | 42.23 | 80.37 | 44.78 | 21.64 | 17.45 | 18.52 | 13.87 | 21.61 | 15.60 | 22.23 | 15.41 | 6.51 | 4.69 | 33.66 | 22.40 |
| Short term Deposits | 31.17 | 29.46 | 35.84 | 33.32 | 33.00 | 21.25 | 36.34 | 21.81 | 25.38 | 14.14 | 29.19 | 23.54 | 15.71 | 11.77 | 19.89 | 14.36 | 13.43 | 9.31 | 0.00 | 0.00 | 24.00 | 17.90 |
| Others | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Current Assets | 105.82 | 100.00 | 107.55 | 100.00 | 155.32 | 100.00 | 166.65 | 100.00 | 179.46 | 100.00 | 123.98 | 100.00 | 133.52 | 100.00 | 138.54 | 100.00 | 144.22 | 100.00 | 138.68 | 100.00 | 139.37 | 100.00 |
| Current Liabilities | 33.88 | 74.41 | 32.36 | 73.41 | 33.99 | 37.38 | 30.36 | 32.46 | 35.29 | 35.42 | 30.99 | 72.44 | 26.32 | 50.07 | 26.97 | 50.25 | 25.71 | 48.98 | 28.66 | 77.97 | 30.45 | 55.28 |
| Provisions | 11.65 | 25.59 | 11.72 | 26.59 | 56.95 | 62.62 | 63.17 | 67.54 | 64.33 | 64.58 | 11.79 | 27.56 | 26.25 | 49.93 | 26.70 | 49.75 | 26.78 | 51.02 | 8.10 | 22.03 | 30.74 | 44.72 |
| Current Liabilities and Provisions | 45.53 | 100.00 | 44.08 | 100.00 | 90.94 | 100.00 | 93.53 | 100.00 | 99.62 | 100.00 | 42.78 | 100.00 | 52.57 | 100.00 | 53.67 | 100.00 | 52.49 | 100.00 | 36.76 | 100.00 | 61.20 | 100.00 |
| Consolidated | | | | | | | | | | | | | | | | | | | | | | |
| Inventory | 87.56 | 23.91 | 82.84 | 23.51 | 112.71 | 21.78 | 145.50 | 22.18 | 191.84 | 22.97 | 388.00 | 30.84 | 366.25 | 29.37 | 478.19 | 30.35 | 596.98 | 35.31 | 598.07 | 30.74 | 304.79 | 27.09 |
| Sundry Debtors | 135.41 | 36.97 | 143.94 | 40.85 | 215.06 | 41.56 | 255.59 | 38.95 | 356.18 | 42.66 | 539.63 | 42.89 | 555.78 | 44.58 | 635.02 | 40.30 | 676.25 | 39.99 | 764.52 | 39.29 | 427.74 | 40.80 |
| Cash & Bank Balances | 11.87 | 3.24 | 8.20 | 2.33 | 12.83 | 2.48 | 19.13 | 2.92 | 24.87 | 2.98 | 58.70 | 4.67 | 95.05 | 7.62 | 80.15 | 5.09 | 63.97 | 3.78 | 129.41 | 6.65 | 50.42 | 4.18 |
| Loan and Advances | 64.00 | 17.47 | 55.57 | 15.77 | 120.58 | 23.30 | 165.32 | 25.20 | 196.41 | 23.52 | 189.65 | 15.07 | 148.01 | 11.87 | 316.21 | 20.07 | 272.59 | 16.12 | 278.79 | 14.33 | 180.71 | 18.27 |
| Short term Deposits | 55.61 | 15.18 | 60.72 | 17.23 | 55.78 | 10.78 | 70.16 | 10.69 | 64.59 | 7.74 | 81.36 | 6.47 | 81.21 | 6.51 | 66.09 | 4.19 | 81.10 | 4.80 | 175.04 | 9.00 | 79.17 | 9.26 |
| Others | 11.82 | 3.23 | 1.08 | 0.31 | 0.56 | 0.11 | 0.43 | 0.07 | 1.13 | 0.14 | 0.82 | 0.07 | 0.51 | 0.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.64 | 0.39 |
| Total Current Assets | 366.27 | 100.00 | 352.35 | 100.00 | 517.52 | 100.00 | 656.13 | 100.00 | 835.02 | 100.00 | 1258.16 | 100.00 | 1246.81 | 100.00 | 1575.66 | 100.00 | 1690.89 | 100.00 | 1945.83 | 100.00 | 1044.46 | 100.00 |
| Current Liabilities | 106.74 | 66.60 | 108.91 | 74.54 | 145.73 | 59.62 | 185.88 | 59.06 | 227.49 | 63.67 | 310.26 | 71.27 | 326.82 | 73.00 | 376.88 | 53.49 | 462.66 | 70.27 | 692.21 | 74.09 | 294.36 | 66.56 |
| Provisions | 53.52 | 33.40 | 37.20 | 25.46 | 98.70 | 40.38 | 128.87 | 40.94 | 129.78 | 36.33 | 125.04 | 28.73 | 120.85 | 27.00 | 327.66 | 46.51 | 195.77 | 29.73 | 242.12 | 25.91 | 145.95 | 33.44 |
| Current Liabilities and Provisions | 160.26 | 100.00 | 146.11 | 100.00 | 244.43 | 100.00 | 314.75 | 100.00 | 357.27 | 100.00 | 435.30 | 100.00 | 447.67 | 100.00 | 704.54 | 100.00 | 658.43 | 100.00 | 934.33 | 100.00 | 440.31 | 100.00 |

Source : Annual Reports of select battery companies in Andhra Pradesh

FIGURE 2: AVERAGE COMPONENTS OF CURRENT ASSETS AS A PERCENTAGE OF TOTAL CURRENT ASSETS



HYDERABAD BATTERIES LIMITED

In HBL, the investment in inventory had a second major component in current assets. Inventory had varied between the minimum of Rs.33.17 crores in the year 2003-04 and the maximum of Rs.287.75 crores in 2011-12. In spite of fluctuations, it is noticed that there was an overall increase in its investment. The first major item of current assets was in the form of sundry debtors and it had increased over the years of study except in 2010-11. Sundry debtors, on an average, worked out to 48.75 per cent of total current assets amounting to Rs.213.39 crores, and it was more than that of other battery companies. 'Loans and advances' had, on an average, registered 12.73 per cent of the total current assets. 'Others' had shown decreasing trend over the years. 'Others', short-term deposits and cash and bank balances were represented insignificantly because the share of these components was very nominal. Excepting for the year 2009-10, all other years have witnessed an increasing trend in current liabilities in terms of absolute figures. The share of Provisions is 15.59 per cent in the total current liabilities and provisions.

NIPPO BATTERIES LIMITED

An analysis of NBL shows that the first major item of current assets was in the form of sundry debtors and it fluctuated over the years of study. In spite of the fluctuations, it is noticed that there was an overall increase in its investment. The other important component of working capital was loans and advances as it formed 22.40 per cent in total current assets. Inventory and Short-term deposits shared more or less equally i.e., 19.75 per cent and 17.90 per cent respectively. Cash and bank balances was the least component of current assets, which ranged between a minimum of 2.73 per cent in 2010-11 and the maximum of 17.67 per cent in 2011-12. 'Others', it seems had no place in the firms' current assets. The average current liabilities and provisions (Rs.61.20 crores) of NBL were less than the average current assets (Rs.139.37 crores). Current liabilities formed, on an average, 55.28 per cent of total current liabilities and provisions. Another important item

was provisions with an average percentage of 44.72 per cent of current liabilities and provisions. It declined from 25.59 per cent in 2002-03 to 22.03 per cent in 2011-12.

CONSOLIDATED

In the consolidated position of the companies, the current assets had exceeded the current liabilities throughout the study period. Among the current assets, the leading item was sundry debtors as it forms 40.80 per cent of the total current assets followed by inventories (27.09 per cent). It means that larger funds were invested in sundry debtors as compared to inventory. The other important component of working capital namely loans and advances had formed, significantly, 18.27 per cent of the total current assets while short-term deposits form 9.26 per cent. It may be observed that the cash and bank balances had occupied 4.18 per cent of total current assets whilst 'others' had registered very negligible proportion of the current assets.

Current liabilities as a percentage of total current liabilities and provisions had varied between the lowest of 53.49 per cent in 2009-10 and the highest of 74.54 per cent in 2003-04, with an average of 66.56 per cent. Inconsistency can be observed in the level of provisions as can be seen from its fluctuations in terms of percentages.

To sum up, HBL enjoyed sound working capital position. It was moderately good in ARBL and showed signs of improvement in NBL. It is noted that the excess of current assets over current liabilities was recorded in all battery companies in Andhra Pradesh. It may be observed that all the battery companies have enjoyed positive net working capital position.

WORKING CAPITAL STATUS IN BATTERY INDUSTRY

An examination of trends in current assets, current liabilities and net working capital enables the financial analyst to assess the state of working capital position. In order to ascertain the trends in working capital, indices of current assets, current liabilities and net working capital of the battery industry are computed. Working capital position in a concern would be satisfactory, provided the pace of increase in current assets is more than that of the current liabilities and vice-versa. If the net working capital indices also increase, it further confirms the strengthening of working capital position in a business undertaking.

The particulars of the trends in current assets, current liabilities and net working capital of the select battery companies and the industry in Andhra Pradesh are presented in Table 2. Figure 3 shows the quantum of current assets, current liabilities and net working capital.

AMARA RAJA BATTERIES LIMITED

An analysis of individual battery companies reveals that in ARBL, the pace of growth in the indices of current assets was more than that of current liabilities throughout the study period under observation, barring 2005-06 and 2009-10. In other words, the rate of increase in the indices of current assets was higher than the current liabilities. The net working capital indices also confirm it. However, it is gratifying to observe that in ARBL, efforts were made to strengthen its working capital base. It may be observed that the working capital base was good in ARBL.

HYDERABAD BATTERIES LIMITED

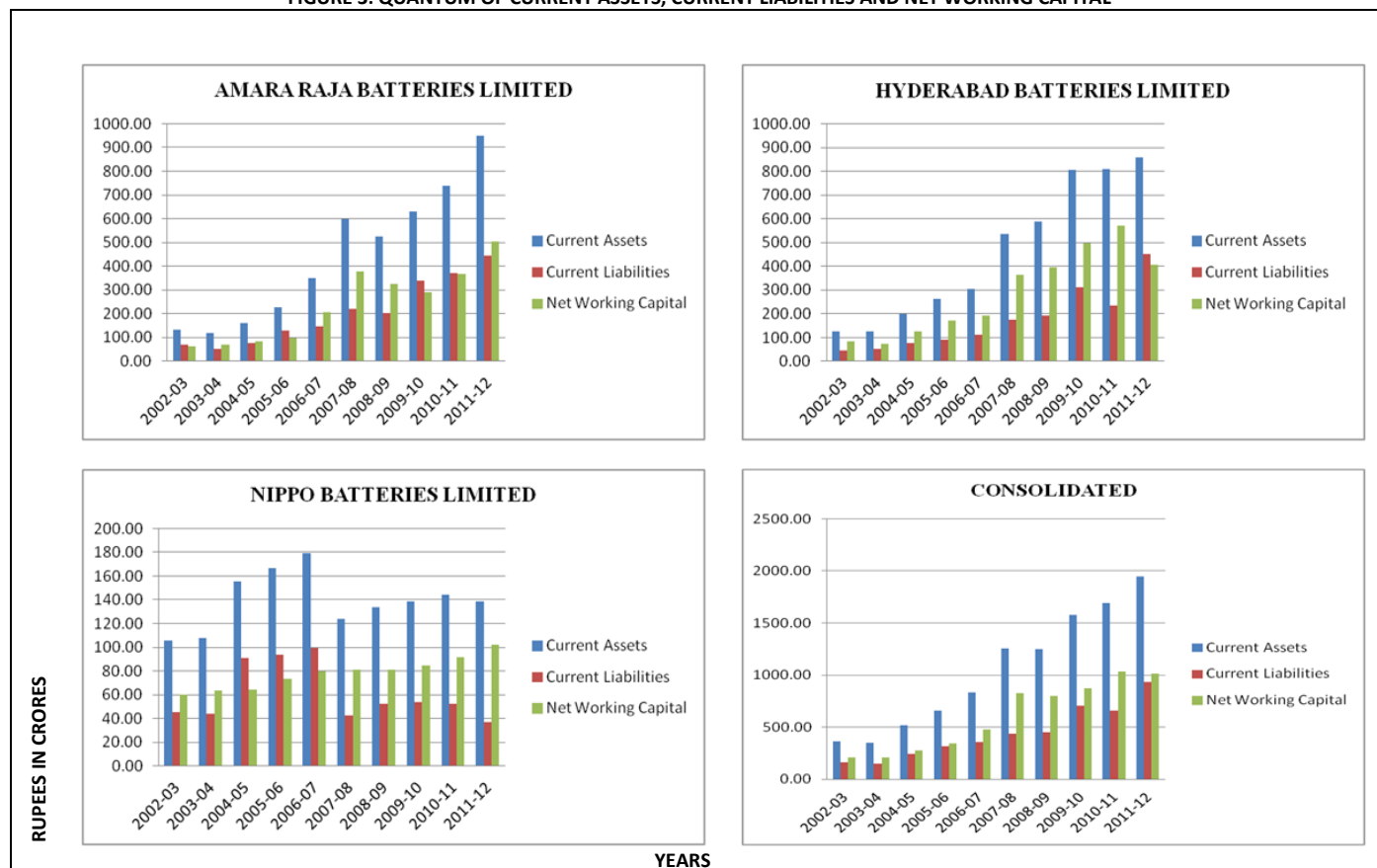
In HBL, the pace of growth in the indices of current assets was greater than that of the current liabilities during the half of the study period. The indices of both current assets and current liabilities had shown an increasing trend throughout the study period under reference except in the year 2003-04 in the case of current assets and in 2010-11 in the case of current liabilities. Further, the indices of net working capital have increased from 2003-04 to 2010-11 and, thereafter, decreased in the concluding year of study. It may be observed that the company had enjoyed positive net working capital in all the years under study.

TABLE 2: TRENDS IN CURRENT ASSETS, CURRENT LIABILITIES AND NET WORKING CAPITAL (Base year 2002-03 = 100) (Rs. in crores)

| Particulars | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | Average |
|-------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Amara Raja Batteries Limited | | | | | | | | | | | |
| Current Assets | 133.34 | 119.85 | 161.28 | 228.07 | 350.01 | 597.59 | 526.00 | 631.07 | 737.66 | 948.90 | 443.38 |
| Trend (in percentage) | 100 | 90 | 121 | 171 | 262 | 448 | 394 | 473 | 553 | 712 | 333 |
| Current Liabilities | 70.33 | 51.39 | 76.99 | 130.10 | 144.84 | 219.03 | 202.56 | 340.72 | 369.60 | 443.98 | 204.95 |
| Trends (in percentage) | 100 | 73 | 109 | 185 | 206 | 311 | 288 | 484 | 526 | 631 | 291 |
| Net Working Capital | 63.01 | 68.46 | 84.29 | 97.97 | 205.17 | 378.56 | 323.44 | 290.35 | 368.06 | 504.92 | 238.42 |
| Trend (in percentage) | 100 | 109 | 134 | 155 | 326 | 601 | 513 | 461 | 584 | 801 | 378 |
| Hyderabad Batteries Limited | | | | | | | | | | | |
| Current Assets | 127.11 | 124.95 | 200.92 | 261.41 | 305.55 | 536.59 | 587.29 | 806.05 | 809.01 | 858.25 | 461.71 |
| Trend (in percentage) | 100 | 98 | 158 | 206 | 240 | 422 | 462 | 634 | 636 | 675 | 363 |
| Current Liabilities | 44.40 | 50.64 | 76.50 | 91.12 | 112.81 | 173.49 | 192.54 | 310.15 | 236.34 | 453.59 | 174.16 |
| Trends (in percentage) | 100 | 114 | 172 | 205 | 254 | 391 | 434 | 699 | 532 | 1022 | 392 |
| Net Working Capital | 82.71 | 74.31 | 124.42 | 170.29 | 192.74 | 363.10 | 394.75 | 495.90 | 572.67 | 404.66 | 287.56 |
| Trend (in percentage) | 100 | 90 | 150 | 206 | 233 | 439 | 477 | 600 | 692 | 489 | 348 |
| Nippo Batteries Limited | | | | | | | | | | | |
| Current Assets | 105.82 | 107.55 | 155.32 | 166.65 | 179.46 | 123.98 | 133.52 | 138.54 | 144.22 | 138.68 | 139.37 |
| Trend (in percentage) | 100 | 102 | 147 | 157 | 170 | 117 | 126 | 131 | 136 | 131 | 132 |
| Current Liabilities | 45.53 | 44.08 | 90.94 | 93.53 | 99.62 | 42.78 | 52.57 | 53.67 | 52.49 | 36.76 | 61.20 |
| Trends (in percentage) | 100 | 97 | 200 | 205 | 219 | 94 | 115 | 118 | 115 | 81 | 134 |
| Net Working Capital | 60.29 | 63.47 | 64.38 | 73.12 | 79.84 | 81.20 | 80.95 | 84.87 | 91.73 | 101.92 | 78.18 |
| Trend (in percentage) | 100 | 105 | 107 | 121 | 132 | 135 | 134 | 141 | 152 | 169 | 130 |
| Consolidated | | | | | | | | | | | |
| Current Assets | 366.27 | 352.35 | 517.52 | 656.13 | 835.02 | 1258.16 | 1246.81 | 1575.66 | 1690.89 | 1945.83 | 1044.46 |
| Trend (in percentage) | 100 | 96 | 141 | 179 | 228 | 344 | 340 | 430 | 462 | 531 | 285 |
| Current Liabilities | 160.26 | 146.11 | 244.43 | 314.75 | 357.27 | 435.30 | 447.67 | 704.54 | 658.43 | 934.33 | 440.31 |
| Trend (in percentage) | 100 | 91 | 153 | 196 | 223 | 272 | 279 | 440 | 411 | 583 | 275 |
| Net Working Capital | 206.01 | 206.24 | 273.09 | 341.38 | 477.75 | 822.86 | 799.14 | 871.12 | 1032.46 | 1011.50 | 604.16 |
| Trend (in percentage) | 100 | 100 | 133 | 166 | 232 | 399 | 388 | 423 | 501 | 491 | 293 |

Source: Table 1

FIGURE 3: QUANTUM OF CURRENT ASSETS, CURRENT LIABILITIES AND NET WORKING CAPITAL

**NIPPO BATTERIES LIMITED**

In NBL, indices of current assets recorded lesser pace of increase than those of its current liabilities in six years of the study under reference. But, the indices of both current assets and current liabilities have been fluctuating inconsistently. Further, the indices of net working capital had reported an increasing trend throughout the study period except in the year 2008-09. However, the company could enjoy positive net working capital position throughout the study period.

CONSOLIDATED

An observation of working capital indices in the consolidated position of battery companies in Andhra Pradesh points out that the current assets and current liabilities recorded an upward trend and the indices of current assets were more than those of the current liabilities during the maximum years of the study under reference. In other words, the rate of increase in current assets was higher than the current liabilities. These observations are further confirmed from the increasing indices of net working capital in majority of the years of study. It may be observed that the battery industry's working capital condition was reasonably good over the study period.

To sum up, an analysis of individual battery companies reveals that all battery companies have enjoyed positive net working capital condition throughout the study period.

ANALYSIS OF VARIANCE ('F' - TEST) IN WORKING CAPITAL

Analysis of variance of indices of current assets, current liabilities and net working capital of select battery companies in Andhra Pradesh is presented in Table 3.

TABLE 3: ANALYSIS OF VARIANCE OF INDICES OF WORKING CAPITAL

| Source of Variation | Degree of Freedom | Sum of squares | Mean Square of Variance | 'F' Ratio (Calculated Value of 'F') | P-Value | 'F' critical Value |
|----------------------------|-------------------|----------------|-------------------------|-------------------------------------|----------|--------------------|
| Current Assets | | | | | | |
| Between Companies | 2 | 655521.5461 | 327760.773 | 5.806142** | 0.007991 | 3.354131 |
| Error of Residual | 27 | 1524168.99 | 56450.70333 | | | |
| Total | 29 | 2179690.536 | | | | |
| Current Liabilities | | | | | | |
| Between Companies | 2 | 114582.2 | 57291.09 | 4.711237* | 0.017576 | 3.354131 |
| Error of Residual | 27 | 328334 | 12160.52 | | | |
| Total | 29 | 442916.2 | | | | |
| Net Working Capital | | | | | | |
| Between Companies | 2 | 239772.9361 | 119886.47 | 6.278014241** | 0.005768 | 3.354131 |
| Error of Residual | 27 | 515598.4859 | 19096.24 | | | |
| Total | 29 | 755371.422 | | | | |

Source: Computed on the basis of data furnished in Table 2

Notes

- i) NS indicates Not Significant at 5% level of significance
- ii) * indicates significant at 5% level of significance
- iii) ** indicates highly significant at 5% level of significance

CURRENT ASSETS

To determine whether there is any significant variation in the current assets between the individual battery companies in Andhra Pradesh, the following hypothesis was formulated and it was tested through ANOVA (Analysis of Variance) at 5 per cent level of significance.

H₀: There is no significant difference between the current assets of select battery companies in Andhra Pradesh.

The hypothesis is tested by ANOVA, it is inferred that there exists a highly significant difference in the current assets of all individual battery companies. Hence, the null hypothesis (H_0) was rejected for all battery companies under study.

CURRENT LIABILITIES

To examine whether there is any significant variation in the current liabilities of the individual battery companies in Andhra Pradesh, the following hypothesis was formulated and it was tested through ANOVA (Analysis of Variance) at 5 per cent level of significance.

H_0 : There is no significant difference between the current liabilities of select battery companies in Andhra Pradesh.

The hypothesis is tested by ANOVA, it is said that all individual battery companies under study significantly differ in their current liabilities. Hence, the null hypothesis (H_0) was rejected for all battery companies under study.

NET WORKING CAPITAL

To examine whether there is any significant variation in the net working capital between the battery companies in Andhra Pradesh, the following hypothesis was formulated and it was tested through ANOVA (Analysis of Variance) at 5 per cent level of significance.

H_0 : There is no significant difference between the net working capital of select battery companies in Andhra Pradesh.

The hypothesis is tested by ANOVA, it is found that there are statistically significant differences in the net working capital of all individual battery companies under study. Hence, the null hypothesis (H_0) was rejected for all battery companies under study.

LEAST SQUARES METHOD

Computation of the trend values for the net working capital of battery industry by Least Squares Method are presented in Table 4

TABLE 4: TREND VALUES FOR NET WORKING CAPITAL OF BATTERY INDUSTRY BY LEAST SQUARES METHOD (Rs. in crores)

| Years | (X) | NWC (Y) | $X - \bar{X}$ | $(X - \bar{X})^2$ | $Y - \bar{Y}$ | $(X - \bar{X})(Y - \bar{Y})$ | Trend Values |
|---------|-----|---------|---------------|-------------------|---------------|------------------------------|--------------|
| 2002-03 | 1 | 206.01 | -4.5 | 20.25 | -398.1 | 1791.6525 | 120.30 |
| 2003-04 | 2 | 206.24 | -3.5 | 12.25 | -397.9 | 1392.7025 | 227.82 |
| 2004-05 | 3 | 273.09 | -2.5 | 6.25 | -331.1 | 827.6625 | 335.34 |
| 2005-06 | 4 | 341.38 | -1.5 | 2.25 | -262.8 | 394.1625 | 442.87 |
| 2006-07 | 5 | 477.75 | -0.5 | 0.25 | -126.4 | 63.2025 | 550.39 |
| 2007-08 | 6 | 822.86 | 0.5 | 0.25 | 218.71 | 109.3525 | 657.92 |
| 2008-09 | 7 | 799.14 | 1.5 | 2.25 | 194.99 | 292.4775 | 765.44 |
| 2009-10 | 8 | 871.12 | 2.5 | 6.25 | 266.97 | 667.4125 | 872.97 |
| 2010-11 | 9 | 1032.46 | 3.5 | 12.25 | 428.31 | 1499.0675 | 980.49 |
| 2011-12 | 10 | 1011.50 | 4.5 | 20.25 | 407.35 | 1833.0525 | 1088.01 |
| Total | 55 | 6041.55 | 0 | 82.5 | 0 | 8870.75 | 6041.55 |
| Mean | 5.5 | 604.16 | 0 | 8.25 | 0 | 887.07 | 604.16 |

Source: Computed from Table 2

The formulae to compute trend values for the net working capital of the battery industry by using the method of least squares is as follows:

$$Y^t = a + b \cdot x$$

If,

$$a = \bar{y} - b\bar{x},$$

$$b = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sum (x - \bar{x})^2}$$

The estimated net working capital of battery industry is shown as follows:

$$a = 604.16 - (107.52 \times 5.5)$$

$$= 604.16 - 591.36$$

$$= 12.80$$

$$b = 8870.75/82.5$$

$$= 107.52$$

The model is $Y^t = a + b(x)$

For the year 2016-17, $X = 15$, substituting these values

$$Y^t = 12.80 + 107.52(15)$$

$$= 54.86 + 1612.80$$

$$= 1667.66$$

Therefore, the estimated net working capital of battery industry for the year 2016-17 would be Rs. 1667.66 crores.

The estimated net working capital for the year 2016-17 in the case of HBL (Rs.810.72 crores) is higher when compared to other battery companies i.e., ARBL (Rs.696.42 crores) and NBL (Rs.118.46 crores). The least net working capital is projected in NBL for the year 2016-17. It may be observed that the future net working capital requirement is lower in battery companies when compared to the consolidated picture.

CONCLUSION

The prime item of current assets was in the form of sundry debtors and the investment in inventory had a second major component in all the battery companies under study. In the combined picture, larger funds were invested in sundry debtors as compared to inventory. The cash and bank balances had occupied 4.18 per cent of total current assets whilst 'others' had registered very negligible proportion of the current assets. Inconsistency can be observed in the level of provisions as can be seen from its fluctuations in terms of percentages. HBL enjoyed sound working capital position. It was moderately good in ARBL and showed signs of improvement in NBL. The excess of current assets over current liabilities was recorded in all battery companies in Andhra Pradesh. All the battery companies had enjoyed positive net working capital position.

SUGGESTIONS

The following are some of the suggestions offered for improving working capital performance of the battery industry in Andhra Pradesh.

Inventory formed one-third of current assets in the battery industry in Andhra Pradesh. Proper planning and control of investment in inventory is necessary. In order to increase optimisation of investment in inventories in ARBL and HBL, effective measures and methods for management of inventories need to be undertaken. Hence, investment in inventory needs to be optimised. To this end, the following points may be considered for the efficient management of inventory in the battery companies.

- In order to keep the cost of inventory at a low level, the inventory carrying cost, inventory ordering cost and stock-out cost shall be ascertained and monitored so as to bring a balance among these costs.
- Modern technique of inventory management, like JIT needs to be adopted by the battery companies to minimise the blocking up of working funds.
- Adequate norms shall be developed for different levels of inventory holdings. Inventory gap analysis shall be carried out by comparing the actuals with standards so that loopholes, if identified, shall be plugged out.
- The concept of EOQ should be given the utmost importance while placing orders for purchase of raw materials.
- ABC analysis shall be carried out to overcome the problem of overstocking.
- An exclusive inventory planning cell can be established with long and short term planning for inventory holdings.

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PERCEIVED PERCEPTION OF MICRO CREDIT BENEFICIARIES ABOUT FINANCIAL INCLUSION: A STUDY ON BENEFICIARIES OF PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME (PMEGP) IN INDIA

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ABSTRACT

Financial inclusion, a multifaceted phenomenon has become one of the key indicators of economies' success and gathered significant attention these days. The present paper focuses on unemployed youth who have got micro credit facility from government of India (GoI) under Prime Minister Employment Generation programme (PMEGP) scheme and their perception about financial inclusion in real terms. It leverages the survey about the An analysis of Financial Inclusion and Prime Minister Employment Generation programme in India and also took the help of secondary data sources. Along with descriptive analysis, grounded theory approach was used to explore new themes concerning financial inclusion plan's i.e., PMEGP micro credit beneficiaries. Four Distinct themes were emerged from the data concerning the themes emerged were : (a) Perceived unawareness among the people about Financial Inclusion Plans (FIP) (b) Lack of interest of bank people in giving guidance (c) Perceived Lot of documentation and red tapism (d) Literacy is confused with the term financial literacy. And based on the findings of the study, the possible strategies to be adopted by policy makers.

KEYWORDS

financial inclusion, perception, government, beneficiaries.

JEL CODES

C81, C83, D03, H81.

1. INTRODUCTION

1.1. Financial Inclusion

Though there is a growing consensus about the key importance of financial inclusion, but unanimity about its meaning does not exist around its definition, which actually vary depending on the national context and on the stakeholders involved in it. Though a variety of catchy phrases like 'banking the unbanked', 'branchless banking', are sometimes used as near synonymous for financial inclusion, yet they only describe specific aspects of a broader concept. World Bank observes that financial inclusion is about providing access to an adequate range of safe, convenient and affordable financial services to disadvantaged and other vulnerable groups including low income, rural and undocumented persons, who have been underserved or excluded from the formal financial sector. It is also, on the other hand, about making a broader range of financial services available to individuals who currently only have access to basic financial products. Financial inclusion has emerged as a hot topic on the global agenda for sustainable long term economic growth. Central banks of both the emerging and developed economies have put in place various initiatives to uplift the financial inclusion graph in their countries. In addition to central bank's initiatives, the G20, International Finance Corporation (IFC), IMF, the consultative group to assist the poor (CGAP) and the Alliance for Financial Inclusion (AFI), are assuming as increasingly very active role at the global in gathering the data and setting standards to improve financial inclusion.

According to United Nations report, financial inclusion encompasses two dimensions of customer access. First, it refers to a customer with access to arrange of formal financial services, from simple ones like credit and savings to more complex one like insurance and pensions. Second, it implies that customers have access to more than one provider of financial services, thus, increasing access to a variety of competitive options.

1.2. Prime Minister Employment Generation Programme (PMEGP)

Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy programme administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME), Government of India. Khadi & Village Industries Commission (KVIC), a statutory organization under the administration of Ministry of MSME is the nodal agency at national level for implementation of the scheme. At state level the scheme is implemented through KVIC, KVIB and District Industries center.

OBJECTIVE

- To generate employment opportunities in rural as well as urban areas through setting up of self employment ventures.
- To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place and also to increase their income
- To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and unemployed youth, so as to help arrest migration of rural youth to urban areas.

SCOPE

- The scheme is applicable to all viable (technically as well as economically) projects in rural as well as urban areas, under Micro enterprises sector.
- The maximum cost of the project admissible under manufacturing sector is Rs.25 lakhs and business/services sector is RS.10 lakhs.
- Only one person from family is eligible for obtaining financial assistance under the scheme.
- Assistance under the Scheme is available only for new projects
- The scheme is aimed at encouraging manufacturing sector.
- The assistance under the scheme will not be available to activities indicated in the negative list including business activities like grocery shop, stationery shops etc; farm related activities like goatery, piggery, poultry etc; and urban/rural transport activities(except auto rickshaw, tourist boat & house boat in A & N Islands; Shikara & tourist boat in J & K, & cycle rickshaw)

ELIGIBLE ENTREPRENEURS / BORROWERS

- Any individual, above 18 years of age
- There will be no income ceiling for assistance for setting up projects under PMEGP.

- The beneficiaries should have passed at least VIII standard, for setting up of project costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business /service sector,
- Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme) are also eligible for assistance under PMEGP.
- Institutions registered under Societies Registration Act, 1860
- Production Co-operative Societies
- Charitable Trusts
- Existing units (Under PMRY, REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are not eligible.

SELECTION OF BENEFICIARIES

The beneficiaries will identified & selected at the district level by a Task Force consisting of representatives from KVIC/State KVIB/State DICs and Banks and headed by the District Magistrate / Deputy Commissioner / Collector concerned.

PROJECT COST

Cost of the project should not exceed Rs. 25 lakhs in respect of manufacturing activity and Rs. 10 lakhs in respect of Service / business activity for all categories of eligible borrowers.

TABLE 1: CATEGORY CUM AREA WISE SUBSIDY ELIGIBILITY CRITERIA

| | Bank finance | Subsidy from KVIC | | Promoter's contribution |
|--|--------------|-------------------|------------|-------------------------|
| | | Urban area | Rural area | |
| General Category beneficiary / institution | 90% | 15% | 25% | 10% |
| Special category beneficiary/institution | 95% | 25% | 35% | 5% |

Source: PMEGP guidelines, Govt. of India, 2008

1.3. Linkage between financial inclusion and Prime minister Employment Generation Programme (PMEGP)

The term financial inclusion in broader sense comprises of many elements including offering micro credit as observed by the World Bank and Prime minister Employment Generation Programme is one scheme where the government of India offers both micro credit at a subsidized rate and an employment opportunity to unemployed youth.

1.4. Objectives of the research

- To study and understand the concept of financial inclusion and Prime Minister Employment Generation Programme (PMEGP) in India.
- To study and analyse the perceived perception of PMEGP scheme beneficiaries about financial inclusion.
- To identify the themes of beneficiaries on financial inclusion.
- To develop the strategies to execute financial inclusion plan in an effective way.

2. RESEARCH METHODOLOGY

2.1. Location

The study was conducted in 7 tahsils i.e., Mundaragi, Naragund, Shirahatti, Ron and Gadag-betageri, Gajendragada, lakshmeshwara of Gadag District of Karnataka State. The area is considered as one of the backward areas on terms of literacy, economical development in Karnataka state.

2.2. Sampling

On the basis of data provided by PMEGP website, collected the database of 161 micro credit beneficiaries. Amongst those 92 are from rural area, 9 from semi urban area and 60 from urban area based. The findings of the study are based on the perspectives provided by the PMEGP beneficiaries of all 7 tahsils. After getting consent/permission from those beneficiaries, researchers went to each of the micro credit beneficiaries and conducted survey. The survey phase was ended when we reached "Theoretical saturation" i.e., when no new and relevant data emerged from one new surveys (Glaser and Strauss, 1967: Strauss and Corbin, 1998). The final sample consisted of 101 PMEGP beneficiaries out of which 66 from rural area, 10 from semi –urban, and 25 from urban area.

2.3. Research Design

The study was conducted after preparing a structured questionnaire using survey method. Though it was a survey because the target beneficiaries were unable to grasp the questionnaire, we took interviews wherever necessary. The interview cum survey process is done between January 10, 2017 to march 28, 2017. Two authors simultaneously conducted the interviews cum survey. Questionnaire included the scaling questions and permit probing for additional information. The original questionnaire was first pilot tested with 10 beneficiaries who took subsidized loan after undergoing into necessary training as prescribed by the PMEGP scheme and now have started their own business.

The qualitative design which we have constructed enabled to meet the objectives of the research by permitting exploration of different issues that emerged around the attitude of rural, semi-urban and urban area micro credit beneficiaries under PMEGP scheme towards financial inclusion and this programme. A qualitative approach was appropriate for this study because of the exploratory nature of our research. In addition, the study used qualitative methods to enable explore both experiences and attitude of the scheme beneficiaries towards the success, implication of financial inclusion. Only 11 beneficiaries refused to participate in the study and all other participants were assured that their voluntary participation for project would remain anonymous. Finally, the codification of data with regard to the basic dimensions, the data was analyzed by the two authors independently using the same codification scheme. The analysis focused on detecting commonalities or patterns of agreement/convergence in the statements provided, but areas of divergence were equally noted/highlighted. Several meetings were subsequently organized till a consensus emerged between the authors. The analysis of the data thus followed a grounded theory approach to explore new themes. Analysis used constant comparative method of qualitative data analysis (Glaser and Strauss, 1967), and common technique to code the data (Constas, 1992; Miles and Huberman, 1994).

3. RESULTS

Here, in this section the results of the study are discussed. This section is organized as follows. First the demographic profile of the informants i.e., micro credit beneficiaries is given. Next, the themes related to the beneficiaries of the Financial Inclusion plan i.e., PMEGP, as emerged from the data gathered from structured questionnaire and discussion. Third, the themes related to the beneficiaries of Financial Inclusion plan (PMEGP) as emerged from the in-depth structured interview are discussed.

3.1. Demographic profile of informants (beneficiaries of financial inclusion)

Table 2 given below describe the demographic profile of the informants participated in the study. The sample consists of male and female, majorities being male i.e., 74 out of 91 informants (81.31%) majorities in the age group of 30 to 40 years (52.7%). Most of the informants were having rural background (72.7%), followed by urban (22.8 %). 4.5 % of the participants were from semi-urban background. As for as academical qualification is considered lion share of the sample is well qualified that is degree and masters (71.5%). The profile also depicts some data related to the occupational activity which the beneficiaries have undertaken using micro credit facility of this scheme.

TABLE 2: DEMOGRAPHIC PROFILE OF THE STUDY RESPONDENTS

| Category | | Frequency | Percentage |
|--------------------------------|---|-----------|------------|
| Gender | | | |
| | Male | 74 | 81.3% |
| | Female | 17 | 18.7% |
| Family background | | | |
| | Rural | 66 | 72.7% |
| | Semi-urban | 21 | 22.8% |
| | Urban | 4 | 4.5% |
| Age (years) | | | |
| | Below 30 | 32 | 35.2% |
| | 30-40 | 48 | 52.7% |
| | 40-50 | 9 | 9.9% |
| | 50 yrs and above | 2 | 2.2% |
| Marital Status | | | |
| | Married | 68 | 74.7 |
| | Unmarried | 23 | 25.3 |
| Academic Qualification | | | |
| | standard VIII | 0 | 0% |
| | Upto SSLC | 20 | 22.0% |
| | 10+2 (PUC) | 29 | 31.9% |
| | Degree | 36 | 39.6% |
| | Master Degree | 6 | 6.6% |
| Social category (caste) | | | |
| | GM | 18 | 19.8% |
| | OBC | 52 | 57.1% |
| | SC/ST/Minority | 19 | 20.9% |
| | Differently abled/ex-service man | 2 | 2.2% |
| Employment Activity | | | |
| | Cement blocking, brick bhatta, wood work, polishing of granitestone slabs/granite crushing | 11 | 11.7% |
| | manufg of silk saries, manfg of decor bulbs, manfg of packing items of plastics, manfg of poly-bags,manfg of storage batteries, manfg of moquito killers, tailoring and preparation of readymade garments, cottage match industry/manufg if fireworks and agarb | 23 | 25.3% |
| | cable tv network/computer centre, offset printing/binding, printing press and screen printing, screen printing, servicing of electronic appliances and equipments, video and photo studio, xerox centre | 9 | 9.7% |
| | bomboo and canework, basket making and bag making, leather works, carved wood and artistic furniture making, cotton bed pillows, goldsmith | 9 | 9.7% |
| | bakery products, indian sweets making, khus tattis and groom making, masala udyog, milk products making | 3 | 3.2% |
| | vermicelli shavige machine, poha making uni/ popcorn, powder atta chakki/flour mill, manufacturing of ice candy, manufacturing of food industry | 11 | 12.3% |
| | cattle feed, groundnut decordinator(seed/oil purpose), manufacture of jute products(under fibre industry) | 5 | 5.2% |
| | Engg works, engg works(agri implements), fabrication works, gen engg works(grill painting), glassed decoration cutting, hiring of soundsystem like loud speakers, motar winding, repairs of deisel engines of pumpsets, welding works | 7 | 7.8% |
| | others, blanks, not specified | 14 | 14.9% |

3.2. Credit Beneficiaries about Financial Inclusion (FI)

Four distinct themes emerged from the data concerning the beneficiaries of financial inclusion scheme i.e., Prime Minister Employment Generation programme. The summary of these themes is presented in Table 3 Subsequently each theme is discussed in greater detail. Verbatim quotation has been selected that are representative of the data.

TABLE 3: BENEFICIARIES THEMES IN FINANCIAL INCLUSION PLAN

| | Theme | Representative Comments |
|---------|--|---|
| Theme 1 | Perceived unawareness among the people about Financial Inclusion Plans (FIP) | "No, there is no clarity of thought about financial inclusion among people of this area may be due to the fact that either they think its about opening of 'No Frill Accounts' or something that relates only to the commercial banks." |
| Theme 2 | Lack of interest of bank people in giving guidance | "Bank officials do not give proper guidance as to how to avail loan, necessary documents required, always procrastinate in helping beneficiaries" |
| Theme 3 | Perceived Lot of documentation and red tapism | "To avail a financial support from government agency means we assume, that the financial support will take its own course of time and lot of documentation will be involved so we turn towards other means. But after availing benefit of PMEGP what we have understood is that it's about proper information that is needed to avoid confusions about the system." |
| Theme 4 | Literacy is confused with the term financial literacy | "Though I am BA graduate I am unable to understand the terms of bankers and could not understand the terms of agreement. Many like me are just literates and lack financial literacy. Fortunately under this scheme training facility is giving but implementation part needs to be water tighten." |

3.2.1. Theme 1: Perceived unawareness among the people about Financial Inclusion Plans

It has been observed that across informants, many respondents noted that financial inclusion plans are not clearly understood by the people. As one of the respondent explained:

"I got to know about prime minister employment generation programme from one of my friend as loan scheme. But felt surprised about the fact that many of us still consider this scheme as a loan imparting scheme without security"

Further, the respondents also noted that awareness can be created in long run through sustainable support from the government agencies. Further, it will help poor and vulnerable sections who used to take loans at higher rate and are outreach to main stream of formal financial system in a broader sense. They just keep a bank account for name sake and most of the transactions happen on cash bases.

"Rural area is in need of formal financial support where money launderers still play a major role and they of course it is we who approach them for our emergency needs which will be satisfied by them quickly. The only thing is that advances are so costly."

3.2.2. Theme 2: Lack of interest of bank people in giving guidance

The Second theme emerged around the lack of interest of bank official in performing financial inclusion related activities. Though reasons are many, majority of the informants opine that the activities related to financial inclusion are assumed as burden on part of bank officials so the delay in execution. As an individual noted *"We will be behind the bank officials to remind about our projects, they think sanctioning loan to people like me is a unwanted thing as we will not be giving handsome accretions in terms of rate of interest."*

The attitude of the bank officials towards advancing for scheme beneficiaries is found not satisfactory as per the beneficiaries' unanimous utterance. One of them says, *"It is the government that forcing bankers to co-operate with us else bankers will never help us who are like burden to them. They are not used to give detailed information to us but will give some documents which we could not understand properly"*

Few are of opinion that bank officials are given much work and they will be in stress and that may be the reason why they could not attend everyone in person.

3.2.3. Theme 3: Perceived Lot of documentation and red tapism

Financial inclusion plans are to help the down trodden, poor and gullible people by taking them into mainstream of the financial system of the economy and uplift them from their present level into next higher level so that inclusive growth can happen. Postmortem history about government offices and procuring loan from banks is terrible in the minds of the people. They assume lot of documentation and of course lot of delay in getting a benefit in government linked financial benefits. One of the respondents noted, *"Had the PMEGP website and bank officials are given the details in our vernacular language and in detail we would get things faster but due a small communication non synchrony there will be a un necessary delay in the process"*

The review of our projects and the sanction of loan and training given are good but there is a need of acceleration in sanctioning of subsidized advances to the beneficiaries. Another beneficiary says, *"Though this scheme is very good, people think 'let's not go for it' because its governments project and its only given to BPL and socially backward sections but that is not so. This massage is not been conveyed to majority of the youngsters."*

3.2.4. Theme 4: Literacy is confused with the term financial literacy

Another theme emerged was financial illiteracy issue. Many of the respondents admit that they could not read and understand reports and financial statements. In this regard one of the informants opine, *"Happily this scheme imparts us financial literacy. We can run our business effectively if we are financial literates. Through proper training facility this scheme is making us financial literates."*

Many of the financial inclusion plans just hovers around pulling the outreach section into the mainstream but this plan also stretch its hand towards financial literacy, which is commendable. As one of the beneficiary share,

"Now I can read budget copy and I can understand finance related terminologies. Thanks to Gitserd training and pmegp scheme"

Financial inclusion plans are taking good shapes day by day, which is evidenced by this scheme.

4. DISCUSSIONS

In this part, we will be throwing some light on the major challenges that are evidenced by our exploratory investigation. The beneficiaries are likely to face major challenges from 3 domain i.e., lack of trust among people towards commercial banks, communication gap between the government plans and the people, and financial literacy. In order to overcome the challenges, the possible strategies as suggested by the informants are discussed in table 4. However, the possible strategies as suggested are exploratory in nature and its implementation is contingent upon the further evidence and deliberations amongst various stakeholders.

TABLE 4: STRATEGIES TO EXECUTE FINANCIAL INCLUSION PLAN IN AN EFFECTIVE WAY

| Challenge | Possible Strategies |
|--|--|
| Lack of trust among people towards commercial banks. | <ol style="list-style-type: none"> 1. Finding the reason behind this by counseling bank officials and to give proper training to them if found necessary. 2. It's better to approach people through village administration as they trust them more. 3. Giving poor customers due recognition and regards so that they feel comfortable in bank. 4. After looking into its viability to open separate section for government plan related beneficiaries. |
| Communication gap between the government plans and the people. | <ol style="list-style-type: none"> 1. To create awareness among people about the governments run schemes via local governments and village administration. 2. Use of Information Communication Technology (ICT). 3. Using Business Correspondents (BC) in spreading relevant information to the target people. |
| Financial literacy | <ol style="list-style-type: none"> 1. To start a comprehensive financial education program parallel to financial inclusion program, which is going on only with this FIP, i.e., pmegp but need to be extended towards other plans too. 2. Reducing the cost of educating unbanked customer using innovative methods and technologies which suites the need of illiterate customers. 3. Engaging trusts, NGOs and local educated people in financial education. 4. Educational institution should play a role similar to the role played by commercial banks in FIP. 5. Creating awareness by putting advertisement in radio and other media, which has to reach the poor, specifically in local languages so that it would be more effective. |

5. LIMITATIONS AND FUTURE DIRECTIONS OF RESEARCH

The objective of the study was to explore the perceived perceptions of the financial inclusion plan (PMEGP) beneficiaries about financial inclusion and to address the problems associated with the same. This study has used qualitative technique of data analysis Based on the findings of the study, three major research directions emerge is: A) How to increase the trust level between the people and the financial suppliers i.e., commercial banks? B) How to fill the communication gap between the government plans and the target people? C) How to uplift the magnitude of financial literacy of the literate people? Further, future research targeted to model the micro credit beneficiaries' impact on financial well being would be invaluable. As well as studies which incorporate data collection to permit empirically validating of the model will further validate the findings of the study.

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A STUDY ON THE IMPACT OF ONLINE ADVERTISING AMONG THE YOUTH IN CHENNAI CITY

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ABSTRACT

Internet has enormous potential as an advertising medium because it offers many advantages to overcome the weaknesses of traditional advertisements. In this article, the author is analyzed the impact of online advertising of various products among youth. The study was conducted by survey method by circulation of questionnaire among 150 respondents in Chennai city. The study revealed that online advertising provides information about range of products and services. It was also identified that online advertising influenced the purchasing behaviour of youth. The purchasing behavior of the youth has been mainly driven by online advertising.

KEYWORDS

advertisement, social development.

JEL CODES

M31, M37, C83, C88.

INTRODUCTION

One of the most significant developments to affect advertising in 21st century has been the development of internet as a medium of mass communication. As a communication tool, the internet is emerging as a new challenge to mass media advertising. As a result of this, many advertising companies are modifying their traditional techniques to cater to a wider range of public. Internet has enormous potential as an advertising medium because it offers many advantages to overcome the weaknesses of traditional advertisements. The potential of online advertising is vast as the audience of it is genuinely global. The budget on online advertising got increased over a period of time since the youth prefer on line-based transactions rather than other modes of transactions. Since, India is emerging as one of top most countries having major youth population, online advertising could be an effective medium of advertising in order to understand the pulse of youth in India.

ONLINE ADVERTISING

Technopedia defines online advertising as an advertising strategy that involves the use of internet as a medium to obtain website traffic and target and deliver marketing messages to the right customers. Online advertising is a type of mass communication, which is based on traditional form of advertising but develops its own communication strategies in order to reach out to the customers. Broadly, online advertising is about delivering advertisements to internet/online users via websites, E-mails, advertisement supported software and internet enabled smart phones.

REVIEW OF LITERATURE

Peter J. Danaher and Guy W. Mullarkey have published their research article entitled *"Factors Affecting Online Advertising Recall: A Study of Students"*. In this research article, they examined factors that might impact on web advertising recall and recognition. These factors include the viewing mode, duration of page viewing, and web page context factors, including text and page background complexity and the style of the banner advertisement. Via an experimental design conducted on a student sample and test these factors over several levels. The key finding is that the longer a person is exposed to a web page containing a banner advertisement, the more likely they are to remember that banner advertisement. They found that recognition scores are much higher than both unaided and aided recall scores. In addition, some minimum and maximum thresholds are observed. To achieve reasonable advertising recall, some minimum level of exposure (around 40 seconds) is required. However, when a user is in surfing mode, advertising recognition does not increase appreciably when exposure exceeds 40 seconds.

Neelika Arora has published research article entitled *"Trends in Online Advertising" (December 2004)*. The global online advertising revenues are expected to touch US \$10bn by 2006. In India, the revenues at present are estimated to be Rs. 80 cr. and are expected to increase six times more within the next five years. In India, Internet as a medium is accepted by a wider industrial segment in all the sectors and portals like indiatimes.com, exchange4media.com, rediffmail.com, agencyfaqs.com etc. are attracting major online spenders.

Shelly Rodgers and Esther Thorson Have published research paper entitled *"The Interactive Advertising Model: How Users Perceive and Process Online Ads"*. The authors provide an integrative processing model of Internet Advertising, which incorporates the functional and structural schools of thought. The model begins with the functional perspective, which attempts to identify reasons for Internet use. Since most individuals enter cyberspace with some goal or agenda, in mind, the authors argue that a model of online processing should begin with consideration of Internet functions. These functions, according to the authors, operates conjointly with the user's mode-ranging from high goal-directed to playful-to influence the types of ads web users will attend to and process. The authors offer a broad scheme in which to classify most Internet ads, as well as a number of common features unique to these ads. The authors conclude by offering a number of hypotheses suggested by the model. They offer an Interactive model of ad processing that can be used, tested and retested by anyone interested in Internet advertising research. In short, they propose an interactive information-processing model of Internet advertising that incorporates both function and structure.

OBJECTIVES OF THE STUDY

1. To study the opinion of the youth about online advertising
2. To understand the impact of personal characteristics of the youth such as age, gender, education and perception of internet experience of youth towards online advertising.
3. To identify the most effective means of advertising media for the youth.
4. To find out the impact of online advertisement advertising on the purchase behaviour of the youth.

RESEARCH METHODOLOGY

This study has used primary data as the source of information. Questionnaire was used to collect the primary data from the respondents in Chennai city.

Sample Design and Sample Size

A random sampling was followed to select the respondents. The sample size of the survey is 150 respondents of 3 groups based on age which were classified as follows:

- Age Below 20 years,

- Age Between 20 - 25 years and
- Age Between 26 - 30 years

Statistical Tools

SPSS 20.0 was used in order to analyse the data to get their mean, frequencies and percentages. The hypothesis was tested with the help of Chi square Test.

ANALYSIS AND INTERPRETATION**TABLE 1: OPINION OF THE YOUTH ABOUT ONLINE ADVERTISING**

| S. No. | Variables | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|--------|--|----------------|-------|---------|----------|-------------------|
| 1 | Online advertising helps to know the availability of new products. | 55 | 49 | 33 | 7 | 6 |
| 2 | Online advertising helps to improve the standard of living | 29 | 62 | 39 | 13 | 7 |
| 3 | Online advertising is a main source of information about new fashion | 43 | 55 | 35 | 11 | 6 |
| 4 | Online advertising provides accurate information about the products/services | 23 | 50 | 47 | 19 | 11 |
| 5 | Online advertising promotes social development | 11 | 44 | 55 | 31 | 9 |
| 6 | Online advertising makes fantasy | 15 | 48 | 50 | 21 | 16 |
| 7 | Online advertising helps to up-date the availability of new products | 31 | 56 | 40 | 19 | 4 |
| 8 | Online advertising irritates | 32 | 28 | 37 | 21 | 32 |

TABLE 2: IMPACT OF ONLINE ADVERTISEMENTS ON THE PURCHASE BEHAVIOUR OF YOUTH

| S. No. | Variables | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|--------|---|----------------|-------|---------|----------|-------------------|
| 1 | Appropriate websites motivate to purchase | 66 | 41 | 30 | 4 | 9 |
| 2 | Online advertisements help to buy products without analysing the consequences | 29 | 67 | 40 | 8 | 6 |
| 3 | Online advertisements influence to make unnecessary purchases | 28 | 58 | 34 | 25 | 5 |
| 4 | Captions of online advertising motivate to purchase | 19 | 47 | 43 | 37 | 4 |

Interpretation

Regarding the usefulness of the appropriate websites which motivate them to purchase, 66 of them strongly agree, 41 of them agree, and 30 of them are neutral and only 13 disagree.

Regarding the usefulness of online advertisements helping to buy products without analysing the consequences, 67 of them agree, 40 of them are neutral to, 29 of them strongly agree and 14 of them disagree.

Regarding online advertisements influencing them to make unnecessary purchases 58 of them agree, 34 of them are neutral, 28 of them strongly agree and 30 of them disagree.

Regarding the impact of captions of online advertising motivating them to purchase, 47 of them agree, 43 of them are neutral and 19 of them strongly agree and 41 of them disagree.

TABLE 3: THE MOST EFFECTIVE MEANS OF ADVERTISING MEDIA FOR THE YOUTH

| Preference of advertisement method | Online Advertising (Mean Score) | | | | |
|------------------------------------|---|-------------------------------|--|---|---|
| | Helps to overcome Shopping related problems | Saves time on product search. | Offers variety of products or services | Creates awareness about the latest price offers and discounts | Helps to make offline purchase decision |
| Text ads | 2.98 | 3.16 | 3.11 | 3 | 2.83 |
| Banner ads | 3.05 | 3.04 | 2.93 | 3.18 | 3.12 |
| Video ads | 3.44 | 3.23 | 3.36 | 3.17 | 3.55 |

Interpretation

Helps to overcome shopping related problems - The highest value of mean score 3.44 shows that video advertisements are highly preferred because they help to overcome shopping related problems, followed by Banner advertisements and Text advertisements.

Saves product search time - The highest value of mean score 3.23 shows that video advertisements are the highly preferred to save time on shopping and product search, followed by Text advertisements and Banner advertisements.

Offers variety of products or services - The highest value of mean score 3.36 shows that video advertisements are highly preferred because they help them to know the availability of variety of products/services, followed by Text advertisements and Banner advertisements.

Awareness about latest price offers and discount - The highest value of mean score 3.18 shows that Banner advertisements are highly preferred because they bring awareness about the latest price and discount available, followed by Video advertisements and Text advertisements.

Making purchase decision offline - The highest value of mean score 3.55 shows that video advertisements are the highly preferred because they help to make better purchase decisions, followed by Banner advertisements and Text advertisements.

The impact of personal characteristics of gender, age, education level and hours of usage per session on the perception of youth towards online advertising

H₀₁: Gender does not influence youth's perception towards online advertising.

H_{a1}: Gender influences youth's perception towards online advertising.

TABLE 4

| S.No. | Chi-square Variables | p-values | Results |
|-------|---|----------|----------|
| 1 | Gender vs Online advertising brings better products | 0.123 | Accepted |
| 2 | Gender vs Online advertising helps to improve standard of living | 0.041 | Rejected |
| 3 | Gender vs Online advertising is a main source of information about new fashion | 0.328 | Accepted |
| 4 | Gender vs Online advertising provides accurate information about products/services | 0.544 | Accepted |
| 5 | Gender vs Online advertising promotes social development | 0.547 | Accepted |
| 6 | Gender vs Online advertising makes people fantasy | 0.060 | Accepted |
| 7 | Gender vs Online advertising helps to up-date about the availability of new products. | 0.300 | Accepted |
| 8 | Gender vs Online advertising | 0.448 | Accepted |

Interpretation

Here the null hypothesis related to the Chi- square test relationship between gender and 7 variables are in the acceptance region as 'p' values are greater than the 0.05 and 1 variable (standard of living) is rejected, as the 'p' value is less than 0.05. This implies that the gender has no significant relationship with online advertisement in providing better products, more accurate information, promoting social development, making people fantasy and providing up-dated information about the products and services.

H₀₂: Age does not influence youth's perception towards online advertising.

H_{a2}: Age influences youth's perception towards online advertising.

TABLE 5

| S.No. | Chi-square Variables | p-values | Results |
|-------|---|----------|----------|
| 1 | Age vs Online advertising brings better products | 0.937 | Accepted |
| 2 | Age vs Online advertising helps to improve the standard of living | 0.513 | Accepted |
| 3 | Age vs Online advertising is a main source of information about new fashion | 0.655 | Accepted |
| 4 | Age vs Online advertising provides accurate information about products/services | 0.131 | Accepted |
| 5 | Age vs Online advertising promotes social development | 0.529 | Accepted |
| 6 | Age vs Online advertising makes people fantasy | 0.249 | Accepted |
| 7 | Age vs Online advertising helps to up-date the availability of products. | 0.061 | Accepted |
| 8 | Age vs Online advertising irritates | 0.056 | Accepted |

Interpretation

Here the null hypothesis related to the Chi- square test relationship between age and 8 variables are in the acceptance region as 'p' values are greater than the 0.05 This implies that the age has no significant relationship with online advertisements provide better products, improve standard of living, main source of information about new fashion, provide more accurate information, promote social development, make people fantasy and provide up-dated information about the availability of new products.

H₀₃: Education level does not influence youth's perception towards online advertising.

H_{a3}: Education level influences youth's perception towards online advertising.

TABLE 6

| S.No. | Chi-square Variables | p-values | Results |
|-------|---|----------|----------|
| 1 | Education level vs Online advertising brings better products | 0.933 | Accepted |
| 2 | Education level vs Online advertising helps to improve standard of living | 0.196 | Accepted |
| 3 | Education level vs Online advertising is a main source of information about new fashion | 0.023 | Rejected |
| 4 | Education level vs Online advertising provides accurate information about products/services | 0.944 | Accepted |
| 5 | Education level vs Online advertising promotes social development | 0.829 | Accepted |
| 6 | Education level vs Online advertising makes people fantasy | 0.312 | Accepted |
| 7 | Education level vs Online advertising helps to up-date the availability of products. | 0.162 | Accepted |
| 8 | Education level vs Online advertising irritates | 0.522 | Accepted |

Interpretation

Here the null hypothesis related to the Chi- square test relationship between education level and 7 variables are in the acceptance region as 'p' values are greater than the 0.05 and 1 variable (standard of living) is rejected, as the 'p' value is less than 0.05. This implies that the education level has no significant relationship with online advertisements provide better products, improve standard of living, provide more accurate information, promote social development, make people fantasy and provide up-dated information about the products.

H₀₄: Hours of usage per session does not influence the youth's perception towards online advertising.

H_{a4}: Hours of usage per session influence the youth's perception towards online advertising.

TABLE 7

| S.No. | Chi-square Variables | p-values | Results |
|-------|--|----------|----------|
| 1 | Hours of usage per session vs Online advertising brings better products | 0.051 | Accepted |
| 2 | Hours of usage per session vs Online advertising helps to improve standard of living | 0.223 | Accepted |
| 3 | Hours of usage per session vs Online advertising is a main source of information about new fashion | 0.852 | Accepted |
| 4 | Hours of usage per session vs Online advertising provides accurate information about products/services | 0.676 | Accepted |
| 5 | Hours of usage per session vs Online advertising promotes social development | 0.272 | Accepted |
| 6 | Hours of usage per session vs Online advertising makes people fantasy | 0.729 | Accepted |
| 7 | Hours of usage per session vs Online advertising helps to up-date the availability of products. | 0.536 | Accepted |
| 8 | Hours of usage per session vs Online advertising irritates | 0.758 | Accepted |

Interpretation

Here the null hypothesis related to the Chi- square test relationship between hours of usage per session and 8 variables are in the acceptance region as 'p' values are greater than the 0.05 This implies that the Hours of usage per session has no significant relationships with online advertisements provide better products, help to improve standard of living, main source of information about new fashion, provide more accurate information, promote social development, make people fantasy and provide up-dated information.

FINDINGS

1. Out of 150 respondents, 95 of them are males and 55 of them are female consumers. i.e. 63.3% of them are males and 36.7% of them are females.
2. Out of 150 respondents, most of them fall in the age group of 20-25, 26-30 and below 20.
3. Out of 150 respondents, most of the respondents are post graduates, followed by graduates and the remaining are research scholars.
4. Out of 150 respondents 82 of them are students and the remaining 42 are working personnel.
5. Out of 150 respondents, 74 of them spend at least one hour a day and the remaining 36 use the online 24*7.
6. 136 respondents are aware of online advertising & shopping, 14 of them do not know online advertising & shopping.
7. 55 respondents strongly agree and 49 respondents agree and 33 respondents are neutral to the statement that online advertising brings better products.
8. Regarding online advertising as a main source of information about new fashion, 55 of them agree, 43 of them strongly agree and 35 of them are neutral to the statement.
9. Regarding online advertising provides accurate information about products and services, 50 of them agree and 47 of them are neutral and 23 of them strongly agree to the statement.
10. Regarding online advertisements promoting social development, 55 of them are neutral, 44 of them agree and 11 of them strongly agree.
11. Regarding online advertising making people fantasy, 50 of them are neutral, 48 of them agree and 15 of them strongly agree to the statement.
12. Regarding the usefulness of online advertising to update the availability of the products, 56 respondents agree and 40 are neutral and 31 of them strongly agree to the statement
13. Regarding the irritation experienced by the respondents, 37 of them are neutral, 32 of them strongly agree and 32 of them strongly disagree to the statement.
14. Regarding the usefulness of online advertisements to make purchases 36 respondents agree, 35 of them strongly agree, 32 of them are neutral and 28 of them disagree to the statement.
15. Regarding the usefulness of the appropriate websites, which motivate them to purchase, 66 of them strongly agree, 41 of them agree, and 30 of them are neutral and only 13 disagree.

16. Regarding the usefulness of online advertisements helping to buy products without analysing the consequences, 67 of them agree, 40 of them are neutral to, 29 of them strongly agree and 14 of them disagree.
17. Regarding online advertisements influencing them to make unnecessary purchases 58 of them agree, 34 of them are neutral, 28 of them strongly agree and 30 of them disagree.
18. Regarding the impact of captions of online advertising motivating them to purchase, 47 of them agree, 43 of them are neutral and 19 of them strongly agree and 41 of them disagree.
19. The p value of chi square test is 0.123, which is more than 0.05 at 5% level of significance which means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between genders and therefore, online advertising brings better products for the youth.
20. The p value of chi square test is 0.041, which is less than 0.05 at 5% level of significance and it means that the alternative hypothesis is accepted and the null hypothesis is rejected i.e. there is a significant difference between the gender on line advertising and therefore, it is concluded that online advertising helps to improve the standard of living.
21. The p value of chi square test is 0.328, which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the gender on online advertising and therefore, it is concluded that on line advertising is the primary source of information for knowing the new products and services.
22. The p value of chi square test is 0.544, which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the gender on online advertising and therefore, it is concluded that online advertising provides an accurate information about products and services.
23. The p value of chi square test is 0.547, which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the gender on online advertising and therefore, it is concluded that online advertising is useful for social development.
24. The p value of chi square test is 0.060 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the gender on line advertising and it promotes fantasy.
25. The p value of chi square test is 0.300 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the gender and online advertising and it is useful to update the products available in the market
26. The p value of chi square test 0.448 which is more than 0.05 at 5% level of significance which means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. therefore, it is concluded that there is no significant difference between the gender on online advertising and the irritation made to the customers.
27. The p value of chi square test is 0.937 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. therefore, it is concluded that there is no significant difference between the age and online advertising and it brings better products and services for the youth.
28. The p value of chi square test is 0.513 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and online advertising and therefore, it is concluded that it helps to improve the standard of living of people.
29. The p value of chi square test is 0.655 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and online advertising and therefore it is concluded that it is the primary source of information about new fashion.
30. The p value of chi square test is 0.131 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and online advertising and therefore, it is concluded that it provides accurate information about products and services.
31. The p value of chi square test is 0.529, which is more than 0.05 at 5% level of significance which means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and usefulness of online advertising for the promotion of social development.
32. The p value of chi square test is 0.249 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and the usefulness of online advertising making people fantasy.
33. The p value of chi square test is 0.061 which is more than 0.05 at 5% level of significance which means the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and online advertising helps to up-date products available in the market.
34. The p value of chi square test is 0.056 which is more than 0.05 at 5% level of significance which means the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the age and the irritation made by online advertising.
35. The p value of chi square test is 0.933 which is more than 0.05 at 5% level of significance which means the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and online advertising brings better products for the youth.
36. The p value of chi square test is 0.196 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and the use of online advertising to improve the standard of living.
37. The p value of chi square test is 0.023, which is less than 0.05 at 5% level of significance, and it means that the null hypothesis is rejected and the alternative hypothesis is accepted i.e. there is a significant difference between the education level and the usefulness of online advertising as a main source of information about new fashion.
38. The p value of chi square test is 0.944 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and online advertising provides accurate information about products/services.
39. The p value of chi square test is 0.829 is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and online advertising promotes social development.
40. The p value of chi square test is 0.312 is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and online advertising makes people fantasy.
41. The p value of chi square test is 0.162 is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and online advertising helps to up-date the availability of products and services.
42. The p value of chi square test is 0.522 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the education level and online advertisement irritation.
43. The p value of chi square test is 0.051 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising brings better products for the youth.
44. The p value of chi square test is 0.223 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising helps to improve standard of living.
45. The p value of chi square test is 0.852 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising is useful as a main source of information about new fashion.

46. The p value of chi square test is 0.676 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising provides accurate information about the availability of products and services.
47. The p value of chi square test is 0.272 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising promotes social development.
48. The p value of chi square test is 0.729 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising makes people fantasy.
49. The p value of chi square test is 0.536 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising helps to up- date the availability of products and services in the market.
50. The p value of chi square test is 0.758 which is more than 0.05 at 5% level of significance and it means that the null hypothesis is accepted and the alternative hypothesis is rejected i.e. there is no significant difference between the hours of usage and online advertising irritation.
51. The highest value of mean score value 3.44 shows that video advertisements are the most preferred medium to address their shopping related issues.
52. The highest value of mean score value 3.23 shows that video advertisements are the most preferred medium which saves their search time for shopping and product selection.
53. The highest value of mean score value 3.36 shows that video advertisements are preferred to know the variety of products and services to the consumers.
54. The highest value of mean score 3.18 shows that Banner advertisements help them to know the availability latest products, prices and discounts, followed by online advertising and then by Video advertisements.
55. The highest value of mean score 3.55 shows that online video advertisements help them to make purchase decisions comparing to offline and 28 of them disagree to the statement.

CONCLUSION

From the above analysis and findings, it is evidenced that most of respondents agree that online advertising is useful to know the availability of new products and range of products and services. The perception of the youth shows that online advertising influences the purchasing behaviour of youth. Therefore, it is concluded that online advertising really has the impact on purchasing behavior of the youth. As the youth have easy access to the online transactions, it is becoming one of the pertinent and important source of business transactions where there is a possibility of getting wider range of products as well they feel very happy about using technology by placing order anywhere, any time and it mainly saves time and energy while they buy products through online transactions.

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A CONTRAST BETWEEN ACCOUNTING STANDARD-17, INDIAN ACCOUNTING STANDARD-108 & INTERNATIONAL FINANCIAL REPORTING STANDARD-8

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ABSTRACT

Segment disclosures have become an integral part of overall corporate disclosures aiming at improving the quantum and quality of financial information available in the hands of various stakeholders of firms. The disclosures leave information that is more valuable in the hands of investors to be used in appraising the performance of the firm as a whole and its constituents. Researcher in this paper makes an attempt to have comparisons between IFRS 8, Ind AS 108 and AS 17. This research is based on descriptive analysis and done with the help of secondary data which has been collected from sources like journals, websites etc.

KEYWORDS

comparison, financial disclosure, financial reporting, operating segment, segment reporting.

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INTRODUCTION

The traditional method of measuring the financial performance gives the overall financial performance only. It will not provide rooms for making profitable decisions. Hence, the new method of segment-wise presentation is insisted by the Accounting Standard 17. With the help of Segment reporting, the stakeholder, knows about the future profitability and performance of the company segment-wise, in order to take a tentative decision. It also shows the transparency of the business reports and locates which segment is in what position.

“**Segment reporting** is the reporting of the operating segments of a company in the disclosures accompanying its financial statements”. Segment reporting is required for publicly-held entities and is not required for privately held ones. Segment reporting not only provide information to investors but also to creditors about the financial performance of the operating units of a company, which they can use as the base for decision making.

An **operating segment** of an entity is that which is a profit centre, has discrete financial information available, and whose results are reviewed regularly by the entity's chief operating decision maker for purposes of performance assessment and resource allocation. Segment manager of an operating segment is accountable to the chief operating decision maker for the results of the segment.

A **business segment** is a part of a company that can be identified by the products it provides or by the services or geographical locations it operates in.

The information's included in segment reporting are:

1. The factors used to identify reportable segments.
2. The type of product & services sold by each segment.
3. The basis of organization (such as being organized around a geographical region, product line & so forth).
4. Revenues.
5. Expenses.
6. Depreciation or amortization.
7. Profit & loss.
8. Other items.

The present era has witnessed an irreversible trend of political, economic, commercial and technological independence, which has led to the concept of global economy, global business, and global resource management. The corporate sector is developing in leaps and bounds, horizontally and vertically. Different companies provide different products and services or operate in different geographical areas having diverse rates of productivity, prospects for growth and risks. The following may be shown as the importance of segment reporting:

1. Information about various products and services of a company and its operations in different areas often called segment information is relevant to assess the risks and returns of a diversified or multi-locational company which may not be ascertainable from the consolidated accounting statements.
2. The segment reporting facilitates provides better transparency of the financial data of an enterprise.
3. This helps the readers of the financial statements to reach a more judged quality decision making in respect of the horizontal and vertical divisions of any enterprise.
4. Segment reporting is definitely a right step in the right direction towards improving the quality of financial statements.

REVIEW OF LITERATURE

- Dana Hollie & Shaokun (Carol) Yu (2015), studied “A Perspective On Segment Reporting Choices And Segment Reconciliations.” and found that Segment reconciliation may involve issues with earnings measurement, including: (a) variations between management determined performance measurements at the segment level and traditional GAAP earnings measurements at the firm level, (b) unreportable segments, and (c) unallocated items such as costs, expenses, revenues, or gains.

- **Nufazil Altaf (2014)**, studied "Impact of Segment Reporting On Stock Market Performance." which concluded that using regression analysis and taking share price as dependent variable and business segments, geographical segments, EPS, and book value as independent variables results show that variations in share price are explained by business segments, geographical segments, EPS and book value.

NEED OF STUDY

This study will help to understand the Segment reporting in a better way. As this study focuses on the comparison of Accounting standards applicable in India and worldwide, this will create greater awareness and understanding among different stakeholders.

OBJECTIVES

1. To know about segment reporting in India.
2. To do a comparative study between Accounting Standard-17 (AS-17) and International Financial Reporting Standard (IFRS-8).
3. To do a comparative study between Accounting Standard-17 (AS-17) and Indian Accounting Standard (Ind AS-108).

RESEARCH METHODOLOGY

The study focuses on an extensive study of secondary data collected from various books, National & International journals, government reports, publications from various websites, which focused on various aspects of Segment Reporting.

SEGMENT DISCLOSURES IN INDIA

In Indian companies Act, 2013 has the arrangement for disclosures of some segmental data in distributed annual reports, for example, sales, production, stocks, and purchases. In addition, data about the authorized limit and introduced limit with respect to each item are likewise to be given in the annual reports. It has been discovered that many enhanced Indian companies create segment data of their administrative arranging control and basic leadership, for example, income statements, sales or different gross income, cost of products sold, net edge on sales, segmented commitment edge, offering costs, managerial costs, segmented not benefit before tax, segmented balance sheet.

INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS)

The IFRS establishment has a three-level administration structure in view of an autonomous standard setting leading group of specialists (International Accounting Standard Board), represented and directed by trustees from around the globe (IFRS foundation trustee) who then are responsible to a checking-leading body of open experts (IFRS Foundation Monitoring Board). International Financial Reporting Standard, more often called IFRS, are principles issued by the IFRS establishment and the International Accounting Standard Board (IASB) to give a typical worldwide dialect to business issues with the globe that organization accounts are justifiable and equivalent crosswise over global limits. They are the result of developing universal shareholding and exchange and are especially imperative for organizations that have to deal in few nations. They are the guidelines to be trailed by bookkeepers to key up books of records, which are practically identical, reasonable, dependable and important according to the clients inside or outside. IFRS started as an endeavour to blend booking over the European Association yet the estimation of harmonization made the idea alluring far and wide.

INDIAN ACCOUNTING STANDARD (IND – AS)

Indian Accounting Standard (Curtailed as **Ind-AS**) the Accounting standard received by organizations in India and issued under supervision and control of Accounting Standards Board (ASB), which was constituted as a body in the year 1977. ASB is a panel under organization Institute of Chartered Accountants of India (ICAI) which comprises of delegates from the administration division, academicians, other expert bodies' like ICAI, agents from ASSOCHAM, CII, FICCI, etc.

Now India will have two sets of accounting standards viz. existing accounting standards under Companies (Accounting Standard) Rules, 2006 and IFRS converged Indian Accounting Standards (Ind AS). Ind AS are named and numbered in the same way as the corresponding International Financial Reporting Standards (IFRS). National Advisory Council on Accounting Standards (NACAS) prescribes these principles to the Ministry of Corporate Affairs (MCA). MCA needs to explain the bookkeeping gauges material to organizations in India. As on date, MCA has informed 41 Ind AS. This should be connected to the organizations of the financial year 2015-16 will fully and from 2016-17 on a compulsory premise.

Companies shall follow Ind-AS either voluntarily or mandatorily. Once an organization takes after Indian AS, either obligatory or intentionally, it can't return to an old technique for bookkeeping. Each organization with total assets of at the very least ₹500crs, need to compulsorily take after Ind-AS from the earliest starting point on or after 1st April 2016. Each listed and unlisted organizations with total assets of at the very least ₹250crs and not less than ₹500crs need to obligatory take after Ind-AS from the earliest starting point on or after 1st April 2017.

DIFFERENCE BETWEEN AS-17 (SEGMENT REPORTING) & IFRS 8 (OPERATING SEGMENTS)

TABLE 1

| Sl. No. | Particulars | Segment Reporting under AS-17. | Segment Reporting under IFRS-8. |
|---------|---|---|---|
| 1. | Standard applicable | The Reporting of different Operating Segments of the Company under Indian GAAP is done under AS 17 Segment Reporting. | The Reporting of different Operating Segments of the Company under IFRS is done under IFRS 8-Operating Segments. |
| 2. | On which entities the Standard is applicable. | (a) Entities whose equity or debt securities are recorded or are listed on any stock exchange, paying little respect to whether in India or outside India. (b) Banks (including cooperative banks), financial institutions or entities carrying on insurance business. (c) All commercial, industrial and business reporting entities, whose turnover (barring other income) surpasses rupees fifty crores in the promptly going before accounting year. (d) All commercial, industrial and business reporting entities having borrowings (counting open stores) in an excess of rupees ten cores whenever within an accounting year. Holding and subsidiary entities of any of the above. | Entities whose equity or debt Securities are exchanged on an open market or that issue equity or debt securities in an open market, or record (or are presently filing) financial statements with a managerial relationship for explanations behind issuing securities in an open market. |
| 3. | Concept of CODM | No such idea of CODM or "Chief Operating Decision Maker" is characterized in AS-17. | IFRS-8 requires recognizing evidence of CODM. The term 'Chief Operating Decision Maker' is a limit and not a man with specific title. The limit of CODM is to distribute advantages for and assess the working results of the segments of an entity. The CODM could be an individual, for example, the central authority officer or the head king officer, or it could be a group of administrators, like top managerial staff or an administration board of trustees. |
| 4. | What are the Operating Segments | Business or topography based parts that are subject to risk and returns that are one of a kind in connection to those of various segments. Properly there are two sorts of segments perceived under AS-17: 1. Business segments 2. Geographical segments | IFRS 8 does impose necessity to report segment data on item or land commence. It doesn't portray segments as business or geological fragments rather it describes operating segments as business practices that may pick up wages or achieve costs, whose working results are often investigated by the chief operating decision maker and for which discrete budgetary data is available. |
| 5. | The requirement of Primary and Secondary Segment | AS 17 requires the affirmation of essential segment and optional segment and the overwhelming source and nature of risks and returns of the entity oversees whether the essential segment detailing organisation will be business segment or geographical segment. | IFRS 8 does not require the entity to decide any "primary" and a "secondary" premise of segment reporting. |
| 6. | On what factor is the measurement of segment disclosure based on? | Segment data to be set up in similarity with accounting courses of action got for preparing and demonstrating the entity's financial statements. | Segment divulgements rely upon administration information offered an explanation to the chief operating decision maker. This may realize differentiates between the whole point by point data and those reported in the entity's essential financial statement. |
| 7. | Definition of terms | The terms Segment Revenue, Segment Expense, Segment Result, Segment Assets and Segment Liabilities are plainly characterized. | IFRS 8 does not characterize terms Segment Revenue, Segment Expense, Segment Result, Segment Assets and Segment Liabilities. On the other, the standard requires extended divulgence as for the preface on which the data concerning segment profit and loss, segment assets and segment liabilities for each reportable segment has been prepared. |
| 8. | Disclosures Required | Indian AS-17 determines the financial parameters that must be disclosed for each reportable segment, for example, Segment Revenue, Segment Result, and so forth. | On the other hand IFRS 8 requires the measure of profit and loss and assets for being disclosed for each segment. Additional things, for instance, pay from external customer, devaluation and amortization, intrigue pay intrigue cost etc. are required to be revealed if the foreordained entireties are consolidated into the measure of segment profit or loss minded by the CODM, or are by and large reliably given to the CODM, paying little respect to the likelihood that prohibited in that measure of segment profit and loss. |
| 9. | Aggregation Criteria | The accumulation criteria under AS-17 is relatively liberal. | On the other, gathering criteria (para 12) under IFRS 8 is restrictive and represent more arranged in nature, which will provoke argument in the quantity of declared segments. For example, the nature of goods and services may be equivalent; in any case, an aggregation of such portions is unfeasible under IFRS 8 if the sort/class of clients contrasts. |
| 10. | Comparability of Information | Segment Information gave under AS-17 is effectively similar crosswise over companies as particular financial parameters are required to be disclosed under AS-17. | IFRS 8 does not show any monetary parameters. Or then again perhaps the segment parameters rely upon simply internal reporting then the same would be especially open-finished and along these lines similitude across over organizations would not be possible. The basic reason behind this is: 1. CODM will pick what to reveal, and 2. CODM can pick to disclose equivalent data in an extensive variety of ways. |

DIFFERENCE BETWEEN AS 17 (SEGMENT REPORTING) & IND-AS 108 (OPERATING SEGMENTS)**TABLE 2**

| Sl. No. | Segment reporting as under AS-17 | Segment reporting as under IND-AS 108 |
|----------------|---|--|
| 1. | AS 17 requires distinguishing proof of two arrangements of segments: 1. In the light of related goods and services, and 2. Other on geographical zones in light of risks and returns approach. One set is viewed as essential segments and alternate as auxiliary segments. | Identification of segments under Ind AS 108 depends on “administrative approach” i.e. operating segments are distinguished in view of the inside reports consistently evaluated by the CODM. |
| 2. | AS 17 requires segment information to be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements. Accordingly, existing AS 17 also defines segment revenue, segment expense, segment result, segment assets and segment liabilities. | Ind AS 108 requires that the amounts reported for each operating segment shall be measured on the same basis as used by the chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance. |
| 3. | AS 17 does not deal specifies any aggregation criteria for two or more segments. | Ind AS 108 specifies aggregation criteria for aggregation of two or more segments. |
| 4. | A clarification has been given in the AS 17 that on the off chance that there is not one or the other, neither in excess of one business segment nor in excess of one topographical segment, segment data according to this standard isn't required to be revealed. But that as it may, this reality should be unveiled by the method of commentary. | Ind AS 108 requires certain disclosures even in case of entities having a single reportable segment. |
| 5. | An explanation has been given in the AS 17 that interest expense relating to overdrafts and other operating liabilities identified to a particular segment should not be included as a part of the segment expense. It also provides that in case interest is included as a part of the cost of inventories and those inventories are part of segment assets of a particular segment, such interest should be considered as a segment expense. These aspects are specifically dealt with keeping in view that the definition of 'segment expense' given in AS 17 excludes interest. | Ind AS 108 requires the separate disclosures about interest revenue and interest expense of each reportable segment; therefore, these aspects have not been specifically dealt with. |
| 6. | Disclosures in existing AS 17 are based on the classification of the segments as primary or secondary segments. Disclosure requirements for primary segments are more detailed as compared to secondary segments. | Ind AS 108 requires disclosures of revenues from external customers for each product and service. With regard to geographical information, it requires the disclosure of revenues from customers in the country of domicile and in all foreign countries, non-current assets in the country of domicile and all foreign countries. It also requires disclosure of information about major customers. |

CONCLUSION

The IFRS embraces the management way to deal with segment reporting and along these lines; it gives a chance to the clients of financial statements to look at the performance from the senior management viewpoint. It encourages the clients of financial statements in order to ask and inspect how the entity is controlled by its senior decision makers.

Reporting under IFRS 8 likewise lessens the cost of setting up the information on reportable segments on the grounds that the information is now to be utilized internally by management and promptly accessible on an opportune premise. AS-17 then again is not in light of this guideline, but rather it is harmonious with the goals and standards of the Indian Accounting Standards. In any case, then again on the off chance that we look to the downside of IFRS 8, we evaluate that it permits the preparers of the segment information more prudence to characterize segments and segment information as they seek, and does not force any mandatory requirement for geographical disclosures. The companies fundamentally are hesitant to give geographical disclosure particularly when they are of politically delicate nature as they help to evaluate risks, particularly those connected to a nation or regional components. IFRS-8 permits the management attentiveness whether to give such information or not.

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IMPACT OF MGNREGA PROGRAMME ON WOMEN EMPOWERMENT IN RURAL KERALA: AN EMPIRICAL STUDY

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ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee Act 2005 was brought by central Govt. in 2006 for achieving some goal such as eradicating rural poverty, women empowerment and creation some social assets. The act aims at strengthening women employment by enforcing that about 1/3 of total work force should be women and also there is equal wage for men and women. In Kerala women participation, make this programs a great success. Hence, this study aims at analysing how this scheme is benefited for women empowerment in Anthikad panchayath in Thrissur district in Kerala. From the study it is found that this scheme playing a significant role in creating employment opportunities for women in the panchayath and help to increase the income and expenditure of households. The scheme significantly enhance the socio- economic decision making power to women in the man dominated rural society and also giving more self-respect among women.

KEYWORDS

women empowerment, financial autonomy, self-confidence, freedom to travel, freedom to speak.

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INTRODUCTION

Women constitute around 70% of total Population in India. But their living condition is very poor. Every time women's are treated as poorest people just because of gender inequality. The discrimination against women is increasing day by day. Poverty, illiteracy poor financial background, low standard of living etc make women's condition more worse. To eliminate such evils from society empowering women is most necessary. Empowered women contribute more to the society. By getting better educational facilities and opportunity to do better employment, help them to improve their position in the society.

In 2005, Central Government introduced MGNREG Scheme to ensure 100 days guaranteed employment to poorest people especially women's to uplift them from utter Poverty and improve their Standard of living. MGNREG is a powerful instrument for inclusive growth in rural India. Through its impact on social Protection, live hood Security empowerment of women. It is the one of the largest employment generation scheme of India govt. Through the Study the researcher Analysis, how this scheme is beneficial for empowerment of rural women's in Kerala.

MGNREGA

MGNREGA is an Indian labour and social security measure introduced by central Govt in 2005 with the aim of enhancing the live hood security of rural poor by giving them better guaranteed employment opportunity. The act was 1st Proposed in 1991 by P.V. Narasimhan Rao. In 2006 it was finally accepted in parliament and from 1st April 2008 on wards the act was implemented in all state in India. Apart from creating economic security to rural people, it help in creating rural assets(such as roads, canals, ponds etc.) and also helps in protecting environment, empowering rural women's etc. This programme is very effective for empowering women and development of rural India.

NEED OF MGNREGA

This scheme is beneficial for us because of following:

- ✓ To act as media for socio- economic development.
- ✓ Provide unskilled work for rural India in the rural area.
- ✓ Ensuring Sustainable development by developing the natural resources.
- ✓ Providing an important role to Panchayath Raj.
- ✓ Social protection for most vulnerable people living in rural India by providing employment opportunities.
- ✓ Live hood Securities for poor through creation of durable assets, improved water security, soil conservation and higher land productivity.

RESEARCH PROBLEM

One of the Major Problem faced by our country is unemployment and poverty. To improve the living Condition of poor people in India, there are lots of employment generation scheme were introduced by various Central and State Government at various Period in India. But most of the schemes are not much effective to reduce poverty among rural poor. In 2006, Union Govt introduced MGNREGA programme. It is one of the largest employment generation programme of India Govt. Now it is also considered as the largest women empowerment project in India. The main aim of these programme is that, through generating employment opportunity uplift the rural poor especially women's. Through this scheme Government ensure 100 days granted employment to every adult who are willing to the take unskilled manual job in every family in a financial year. This Program is very attractive among women's because this scheme stipulate that one third of total workers should be women.

In this context, the present study analyses how this programme is effective for women empowerment. The present study conducted among MGNREGA women workers in Anthikkad panchayath, it is a costal panchayath in Thrissur district. In the panchayath most of the women's have only primary education. In this circumstance to earn their own earnings is possible only through unskilled manual work. Here MGNREGA is a blessed programme to the rural women to improve their earning capacity, decision making power etc. In anthikad panchayath out of total registered MGNREGA workers women constituted the major part, so the present study analyze the growth of women participation in this scheme and also analyse how this scheme is beneficial for socio-economic upliftment of rural women in the Panchayath.

OBJECTIVES OF THE STUDY

1. To analyses the Socio- economic profile of MGNREGA workers.
2. To know the extent to which this scheme is successful in achieving women empowerment in Anthikad Panchayath.
3. To identify the various problem faced by MGNREG workers.

SIGNIFICANCE OF THE STUDY

Women population is a round half of the total population of India, however the condition of this half is very pathetic. Women's are subjected to gender discrimination on the basis of access to education, health, and employment and abuse of various kind of domestic violence.

Development of a state depends upon the empowerment of backward population category i.e. women. The real empowerment should begin from rural area were the most of the population resides. Rural women's are powerless to worker outside their home because of family restriction, Social and traditional barriers etc. Therefore their potential often remains underutilized. Urban women get a variety of employment opportunities to improve their earning capacity. But rural women get lessor opportunity. In such a situation the scheme like MGNREGA is a blesses one to improve the standard of living of rural poor and giving them more financial independency and autonomy in decision making etc. The present study analyses how this scheme is beneficial for empowering women's in Anthikkad panchayath in Thrissur district in Kerala.

SCOPE OF THE STUDY

The present study analyses the extent to which MGNREG is successful in achieving women empowerment. Geographically the study limited to Antikkad panchayath in Thrissur District in Kerala.

METHODOLOGY**SAMPLING DESIGN AND DATA COLLECTION METHOD**

The research design used in the study is description in nature. By using convenient sampling method 50 MGNREG workers are selected from Anthikkad Panchayath in Thrissur district in Kerala. The data is mainly collected from Primary sources. Structured questionnaire are distributed among the workers to collect primary data. Secondary data was collected from various source like books, journals, website etc.

TOOLS OF ANALYSIS

Simple Percentage analysis and rank test are applied for analyzing the data.

REVIEW OF LITERATURE

Soumya Mohanty (2012) in her study on "Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and Tribal Livelihoods: A case study in Sundargarh district of Odisha". The study concluded that MGNREGA is considered as a "Silver Bullet" for eradicating rural poverty and unemployment, by way of generating demand for productive labour force in villages. It provides an alternative source of livelihood which will have an impact on reducing migration, restricting child labour, alleviating poverty and making villages self-sustaining through productive assets creation such as road construction, work etc for which it has been considered as the largest antipoverty programme in Sundargarh district.

Dr G Xavier, G. Mari (2014) in his study on "impact of MGNREGA on women empowerment with special reference to Kalakkanmol panchayat in Sivagangai district, Tamil Nadu". The study analyse the impact of MGNREGA on socio-economic empowerment of women in Kalakkanmoi panchayat of Sivaganga district, Tamil Nadu. Through the present study researcher also analyse the various risk associated with the women during the working time of MGNREGA. The study finds that the MGNREGA programme help to increases the income and expenditure of the households and the scheme significantly enhances the social and economic decision making power to women in the men dominated rural society. Hence, the scheme ensures improved standard of living of the vulnerable poor, more specifically among women. The major problem faced by the are poor worksite facility, hot climate condition and reduction of leisure time etc. increase the work burden of workers during the working hours of MGNREGA.

Gowhar Bashir Ahangar (2014) in his article titled "women empowerment through MGNREG: A case study of block Shahabad of district Anantnag, Jammu & Kashmir. The findings of the study shows that through this programme women's are benefited most as worker, than as community. They take this opportunities to speak out and freedom from their routine family activates so empowerment of women has emerged as a unintended consequence of MGNREGA. Payment of wage through bank help the workers to increase their deposits in bank, which help the bank in financial inclusion process and equal wage for men and women, help to keep gender quality in the society. Old people and widows are more benefited of this scheme.

Midhula Mohank & Hemalatha A.V (2016) Through their study "MGNREGA - An Analytical Study" through the study researchers closely examined the significance of the scheme in empowering women from various aspects and also try to find out the success of the scheme. They make a critical analysis on the scheme, that though the scheme provides various opportunities to women, but it is doubt whether the social status and welfare of women have been improved much. The study reveals the real situation of women who enjoyed the benefit under MGNREG Scheme.

Shammim Ahmed, Mohammed Jamshed (2017) through their article titled "Women Empowerment through MGNREG An Empirical study of Haryana ", discuss the need and importance for the empowerment of women in the country and also discuss the emerging issues and challenges faced by the women especially the rural women. at the end of the study the researcher conclude that implementation of MGNREGA as a support system to the rural women through facilitating the essential process of entrepreneurship, capacity building, education, health and hygiene etc. This scheme is very helpful for rural India, for achievement of inclusive growth. The researchers point out that the overall development of a nation is highly dependent on the gender equality and the prosperity of back ward population i.e. women. The paper also analyse the potential of MGNREG scheme and its role in improving performance of women's in Haryana.

DATA ANALYSIS AND FINDINGS OF THE STUDY

TABLE 1: SOCIO- ECONOMIC PROFILE OF RESPONDENTS

| Category | No. of respondents | Percentage |
|----------------------------------|--------------------|------------|
| Marital status | | |
| Married | 36 | 72 |
| Un married | 8 | 16 |
| Widow | 6 | 12 |
| Age Group | | |
| 21-30 | 6 | 12 |
| 31-40 | 17 | 34 |
| 41-50 | 20 | 40 |
| 51and above | 7 | 14 |
| Educational Qualification | | |
| Primary | 27 | 54 |
| SSLC | 19 | 38 |
| +2/PDC | 2 | 4 |
| Others | 2 | 4 |
| Income Level | | |
| Below 5000 | 4 | 8 |
| 5000-10000 | 28 | 56 |
| 10000-15000 | 8 | 16 |
| 15000-20000 | 7 | 14 |
| Above 20000 | 4 | 8 |
| APL | | |
| APL | 10 | 20 |
| BPL | 40 | 80 |
| Type of family | | |
| Nuclear family | 38 | 76 |
| Joint Family | 12 | 24 |

Demographic features of respondents

- The Above table shows that 72 % of the respondents are married, 16% are un married and 12% are windows. This shows that through MGNREG programme workers get additional income to their family along with their spouse.
- 40% of the female workers engaged with this scheme is belong to the age group of 41-50 Yrs, 34% belongs to 31-40 Yrs, 14% belongs to 51 Yrs and above. All this shows that even old age women's prefer this work with happy due to possibility of doing less risky job and the work is also available nearest to their home without much time stipulation.
- Among the respondents majority have less educational qualification, 54% have only Primary education, 38% are SSLC holders, 4% belong to other vocational schemes. Due to lower educational qualification it is difficult for them to find out other alternative Jobs.
- 80% of the respondents are BPL card holders this shows the incidence of poverty is high the Panchayath.

Family income

56% of them have family income between 1000-15000, 16% have family income between 10000-15000 and 8% have income below 5000. 78% opines that their family income is increased after joining this scheme. 12% have the opinion that this work does not help them much for improving their financial condition because their income just match with their expenditure.

Work experience

50% of the respondents have only 1-3 years of experience, 27% have 3-7 years of experience, only 7% have expenditure less than one year.

Type of savings hold

Payment of wage through bank help the workers to increase their deposits in the bank. 68% have savings account, 32% have no savings account because their income just match with their expenditure, so they have no excess income for savings. Due to getting regular income through this programme many of the respondents opt various savings and investment scheme. 25% have fixed deposits in bank, 18% have deposit in gold, 40% have various health insurance scheme, 15% have recurring deposit account in post office investment in Chit ties.

Expenditure pattern

The Expenditure pattern of the respondents are analysed by using ranking method. It shows that their major expenditure is for food and households and then followed by medical expenditure, repayment of bank loan, and to meet various educational expenditure of their children's.

Periodicity of Wage

Majority of respondents, 80% of them are getting wage monthly. Only 20% are receive wage weekly. All are getting wage through bank account this shows that this programs is very helpful for financial inclusion development in the Panchayath.

Family Support

Support from family is very important for women to perform better in their field, 83% have get good family support to do this work 17% of them does not get much support from their family.

TABLE 2: WOMEN EMPOWERMENT FACTORS

| | Highly improved | | Improved | | Not Improved | |
|--|--------------------|----|--------------------|----|--------------------|----|
| | No. of Respondents | % | No. of Respondents | % | No. of Respondents | % |
| Autonomy in domestic & Financial decision making | 24 | 48 | 20 | 40 | 6 | 12 |
| Self confidence | 15 | 30 | 25 | 50 | 10 | 20 |
| Ability to deal with banking transitions | 28 | 56 | 16 | 32 | 6 | 12 |
| Freedom to Travel | 15 | 30 | 27 | 54 | 8 | 16 |
| Participation in panchayath Raj activities | 29 | 58 | 12 | 24 | 24 | 18 |
| Group thinking | 10 | 20 | 14 | 28 | 28 | 52 |
| Financial Position | 12 | 24 | 25 | 50 | 50 | 26 |
| Leader ship quality at work site | 8 | 16 | 12 | 24 | 24 | 60 |
| Participation in political activities | 5 | 10 | 7 | 14 | 14 | 76 |

Source: Primary Data

Women empowerment factors

From the above table it is clear that MGNREG workers are empowered through this scheme in various ways such as 48% are highly improved to taking various domestic and financial decisions. 40% acquired self-confidence to speak out after joining this scheme. Earning capacity of the of the workers are increased through this scheme. 56% of them opines that this scheme help them highly to improve their ability to deal with banking transitions and likewise leadership quality, group thinking and ability to participate in political activity etc. are less improved through this Scheme.

TABLE 3: SATISFACTION TOWARDS WORKSITE FACILITIES

| | H.S | | S | | N | | D.S | | H.DS | |
|--------------------------------------|-----|----|----|----|----|----|-----|----|------|----|
| Allotment of work | 14 | 28 | 17 | 34 | 20 | 38 | - | - | - | - |
| Grievance redressal | 10 | 20 | 17 | 35 | 8 | 15 | 9 | 18 | 6 | 12 |
| Transparency in policy and programme | 29 | 57 | 16 | 33 | 3 | 7 | 2 | 3 | - | - |
| Cooperation with functionaries | 22 | 43 | 24 | 47 | 2 | 3 | 2 | 7 | - | - |
| Regularity in wage payment | 15 | 30 | 10 | 20 | 8 | 16 | 12 | 24 | 5 | 10 |
| Formality to Join the Scheme | 42 | 84 | 5 | 10 | 3 | 6 | - | - | - | - |
| Work site facilities | 5 | 10 | 25 | 50 | 5 | 10 | 15 | 30 | - | - |
| Training programme | 4 | 7 | 30 | 60 | 16 | 20 | 6 | 13 | - | - |

Source: primary data

(HS=Highly satisfied=Satisfied=N=Neutral, DS= Dissatisfied, H.DS-Highly dissatisfied,)

From the above it is found that respondents are dissatisfied with delay in payment of wage, work site facilities, delay in allotment of work etc. They are satisfied with formality to join this scheme, transparency of policy and programme and cooperation from functionaries for the smooth conduct of this programme.

SUGGESTIONS

- Social audit on MGNREGA should strength to improve the working condition of workers and effective use of working days and resources.
- Fast job registration process, speedy issuing of job card, avoiding delay in getting wages etc. improve this scheme in future.
- Through massive advertisement programme panchayath authorities should create awareness among rural poor about this scheme.
- Some work site infrastructure facilities are poor so the authorities should take necessary step to provide most modern work equipment to the workers.

CONCLUSION

MGNREGA scheme is one of the best poverty eradication programme of Central Govt. launched in the year 2005. This Scheme aim at creating employment opportunities, thrift among rural people, improving standard of living of rural people, empowerment of women, create infrastructure development in rural area, prevent migration of rural people to urban area and largely participate in financial inclusion process by opening bank account and post office accounts.

The present study analyses how this Scheme is beneficial for empowerment of women's in rural Kerala. The study conducted among MGNREG workers at Anthikad panchayath in Thrissur district shows that this scheme is highly beneficial to poor women in the Panchayath. Through this programme they can improve their earning capacity, decision making power, self-confidence, social participation and social status. Even though some draw backs are there in implementing this programme. It was a big movement of India Govt. in generating employment and bringing the standard living of poor especially women in rural area.

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