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REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESIS (ES)

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

LIMITATIONS

SCOPE FOR FURTHER RESEARCH

REFERENCES

APPENDIX/ANNEXURE

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- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.

- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

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- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

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WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

PERCEPTIONS OF EXECUTIVE LEVEL EMPLOYEES TOWARDS HRM PRACTICES IN SELECTED PRIVATE SECTOR BANKS IN PUNJAB

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ABSTRACT
In Indian economy, banking industry has been undergoing exponential growth since this sector has been made open for private and foreign players. Technological advancements like CBS/computerized branches, e-banking, diversified banking activities have made this industry as one of the profitable industries and at the same time industry is facing competition and the same is resulting in mergers and takeovers. Success of every organization largely depends upon the way how it manages its Human resources. As Human resources is one of the most important inputs, especially when the service sector is in question. Many private banks, medium or small have been taken over by big players in last few years. One of the prominent reasons for the poor performance by some of the banks may be the poor implementation or adoption of HR practices. This paper aims to look into this aspect that which HR practices have been adopted by the banks understudy and to what extent these HR practices have been proved appropriate. It has been found that the banks under study have adopted and implemented the prevalent HRM practices in a better way which further lead to job satisfaction and organizational commitment among their executive level employees.

KEYWORDS
HRM practices, executive level employees, private sector banks in Punjab.

INTRODUCTION
Indian economy has witnessed great changes in all the sectors since it has adopted the economic reforms. Privatization and Globalization have led to improved quality of products and services due to healthy competition and many other factors. The Indian banking industry has been undergoing exponential growth since this sector has been made open for private players. Technological advancements like CBS/computerized branches, e-banking, diversified banking activities have made this industry as one of the profitable industries. It has been observed that in the present scenario a stable, satisfied manpower always gives a competitive edge to any organization in addition to its other strengths like high standard infrastructure and quality finished product or service. Organizations are undertaking such HR practices which are resulting not only in empowerment amongst employees but also helping in shaping healthy organizational culture which leads to higher quality service.

If organizations are to be sustainable in the medium to long-term span, employees must be motivated to care about the work they do, to acquire knowledge-related skills, and to perform the work to the best of their abilities. The HR department plays a pivotal role in motivating employees to do so and the various HR practices channelise their efforts for better adaptation to the given job.

Across the globe, researchers have observed that managers are gaining awareness regarding influence of Human nature on the business results through related policies and practices adopted by the organisation. Managers need to be more alert due to the profound impact of human nature in the workplace. Bank's operations are now no more confined to accepting deposits and advancing loans but many other diversified activities have come under their purview. So what is required on the parts of management is to try their best to meet the industry requirements by developing and utilizing the competencies of their employees. In order to improve the productivity and quality, the banks in foreign countries especially the American and Europeans are focusing to implement such management systems and HR practices with greater employee involvement. It has also helped the management to gain the competitive advantage of a workforce strategically aligned with the organisation's goals and objectives.

For this they are undertaking exclusive HR Practices for their most valuable human assets. These HR practices pivot not only in inculcating empowerment amongst the employees but also help in shaping a healthy organizational culture, which leads to higher productivity.

HR PRACTICES: MEANING AND ITS CONSTITUENTS
'Any practice that deals with enhancing competencies, commitment and culture building can be considered an HR practice. The practice can take the form of a system, a process, an activity, a norm, a rule, an accepted or expected habit, or just a way of doing things. They need to be identified and implemented cost-effectively, reviewing and revising them from time to time to enhance their effectiveness and appropriateness'**. (Rao, 1999)** [18]
Good HR practices also energize people through commitment and motivation and also lead them to work hard.

HR Practices include:

1. HR Planning
2. Recruitment & Selection
3. Induction
4. Training & Development
5. Career Planning
6. Compensation
7. Reward & Recognition
8. Suggestions Scheme
9. Promotion & Transfers
10. Exit Policy
11. Performance Appraisal
12. Safety, Health Policy
13. Employees Welfare
14. Fringe Benefits

There is no single best practice which all organizations should aspire to. Rather, each firm has a distinctive HR system that represents a core competencies required for the survival and sustainability for that particular organization. "Best practices" in HR are subjective and transitory. What is best for one company may not be best for another. "Best practice" is not a set of discrete actions but rather a cohesive and holistic approach to organizational management.

Systematic **HR Planning** must be designed on all the levels of the organisation. HR Planning is essentially the process of getting the right number of qualified people into the right job at the right time so that an organisation can meet the set objectives. 'Faced with intensified and complex competitive pressure, firms have closely examined their organisational structures, and especially how they organize employment. This change of focus to the "human side of the business" has necessitated the implementation of continuous improvement HR programs'. **(Longenecker et al., 1998)** [13]

Recruitment is the process of generating a pool of qualified candidates for a particular job. The firm must announce the jobs availability to the market and attract qualified candidates to apply. The firm may seek applicants from inside the organisation, outside the organisation or both. Recruitment is "the process of searching for the prospective employees and stimulating them to apply for jobs in the organization." **(Flippo Edwin B., 1984).** [5]

'With a pool of applicants, the next step is to select the best candidates for the job. This usually means whittling down the applicant pool by using the screening tools such as tests, assessment centers and background & reference checks'. **(Dessler, 2006)** [4] '**Selection** devices provide managers with information that helps them predict whether an applicant will prove a successful job performer. Selection activities primarily predict which job applicant will be successful if hired. During selection process, candidates also learn about job and organisation. Proper selection can minimize the cost of replacement and training, reduce legal challenges, and result in more productive workforce'. **(DeCenzo and Robbins, 2004)** [3]

'**Induction** is a process through which a new employee is introduced to the organization. It refers to the process of welcoming and socializing the individual and organization. It is a process wherein an individual is made to feel comfortable and at home in the organization. It is the responsibility of the HR department to execute the induction programme. It is either the HR manager or an HR representative who conducts this programme'. **(Jyothi and Venkatesh, 2006).** [11]

The step immediately succeeding the selection process is **Placement**. Placement is the determination of the job to which an accepted candidate is to be assigned, and his assignment to that job. It is a matching of what the supervisor has reason to think he can do with the job demands. It is a matching of what he imposes in strain, working conditions, and what he offers in form of payroll, companionship with others, promotional possibilities etc.'. **(Pigors and Myers, 1973)** [16] Placement is an important HR activity. When handled carefully, it reduces absenteeism and employee turnover, prevents accidents, and clarifies expectations.

Employee **Training and Development** ensures a continuous supply of employees with the right skills and knowledge to meet the business needs. Training and development is the heart of a continuous effort designed to improve employee competency and organisational performance **(Noe et.al, 2006).** [15]

An important component of the **Performance Management** process is the growth and development of employees' work-related competencies. This process offers an opportunity for the employer and employees to work together to improve and build upon their performance and to contribute to organizational effectiveness. For this purpose, 'Organisations usually conduct appraisals for administrative and/or developmental purposes'. **(Cleveland et al., 1989)** [2]

'The methods widely used in the industry for Performance Appraisal are: Ranking, Person-to-Person comparison, Grading, Graphic Scales, Checklists, Forced-Choice Description, Behaviorally Anchored Rating Scales (BARS), Essay Form Appraisal, Management By Objectives, 360° Performance Appraisal'. **(Flippo, 1987)** [6] Performance Management system should aim at developing employee's knowledge and skills that support the organization's strategy and goals. Delivering performance feedback by the managers makes employees to know their strengths and identify steps to correct any shortcomings.

Career Planning guides the progress of individuals within an organization in accordance with assessments of organizational needs and the potential, preferences and actual performance of individual members of the company. It helps the individual to discover his own talents, needs and motives related to work and provide a sense of affiliation with the organization and a feeling that the organization is interested in the individual's development. It leads to optimal personal development by developing abilities and aptitudes to the full and is conducive to job satisfaction by providing assignments most suited to the individual's needs and tastes'. **(Gupta, 2005)** [7]

'The **Reward or Compensation** is what people receive for their contribution to an organisation and it includes monetary and non-monetary components. Remuneration does not simply compensate employees for their efforts - it also has an impact on the recruitment and retention of talented people. Traditionally, human resource or personnel sections have been concerned with levels and schemes of payment whereas the process of paying employees - the payroll function - has been the responsibility of finance departments. There is a trend towards integrating the two, driven by new computerized packages offering a range of facilities'. **(Price, 2006)** [17]

'The real challenge is to provide elegant but simple incentive systems that promise dependable rewards for specific results, that matter to individuals, and that match achievement to organizational objectives. The same principle applies to reward systems. Simply put, reward and incentive programs should be designed to recognize and encourage good performance'. **(Burke, 2005)** [1]

A pat on the back for a job well done is a great way of motivating employees to step up their performance levels. It is for this reason that HR managers are paying more attention towards designing **employee recognition** programs to motivate as well as retain their valuable employees. Another reason why employee recognition programs are receiving greater attention is the direct linkage between such programs with customer service and profits. To be effective, HR managers should strive to develop a sense of purpose among employees, ensure fair compensation, promote employee participation at all levels, and stimulate high levels of job commitment.

Employee recognition schemes consider formal employee recognition award schemes, a popular method for identifying role models in the organisation who do something out of the ordinary. These schemes examine the aims of recognition schemes and how they work in practice, including eligibility, nominations, different levels of recognition, award types and values, judging panels and how to maintain interest in the scheme over time **(IDS HR Study Plus, 2006)** [8]

Suggestion Systems are 'A system allowing employees to voice complaints, make recommendations or submit ideas regarding company policies, procedures, working conditions, benefits, etc. Suggestion is a "proposal, idea which is put forward" and Suggestion Box as "place in a company where members of staff can put forward their ideas for making the company more efficient and profitable" **(The Dictionary of Business, 1994)**

Employees in an organization change jobs frequently. Workforce mobility occurs in the form of **Promotions or Transfers**. From the individual's point of view, it may signify career development, but from the organization's point of view, these changes are necessitated by various factors. The mobility might take place between jobs in various departments or divisions. In response to external changes in the business environment, organizations may resort to restructuring, relocation, and reorganization of jobs. At times, the objectives of the organization such as expansion and diversification may necessitate promotions or transfers. Retirements and resignations may also lead to job changes.

Transfers should take place for better utilization of employee's skills, to expand their capabilities and provide them exposure to various situations and kinds of assignments. However, there are certain problems associated with transfers. At times, a transfer may be an unwelcome shift to an employee who would not like to move. There might be some adjustment problems also. There are also instances where productivity suffers because of transfer of an efficient employee. Hence, organizations need to clearly specify their transfer policy.

There is of course no single solution to arrest employee attrition. But **exit interviews**, if conducted systematically, and if the data is carefully analyzed for identifying underlying reasons for employee turnover, organizations can certainly put in place effective measures to minimize it. From the company's point of view, an exit interview can provide invaluable feedback about employee's attitudes towards the working environment, the terms and conditions of their work, whether there are any systems or procedures that they need to adopt and the effect of morale (or lack of it) at the office.

REVIEW OF LITERATURE

Dennis Rose, (2005); [19] studied the relationships between involvement oriented human resource practices and work outcomes mediated by high involvement work processes. Involvement-oriented HR practices were found to impact significantly on work outcomes. High involvement work process explained significant variance in results and mediated the relationship between HR practices and outcomes.

Julia Naggiar, (2001); [9] in her study about IT industry explored that the knowledge based economy, the shortage of skilled labor, and the shifting work force demographics have made retention issues particularly significant. Her work examined the application of a best practice retention model in IT organizations. It was found that Orientation, career development, non financial compensation, and feedback confer competitive advantage to IT organizations in terms of retention, while training, intrinsic motivational strategies, and financial compensation are necessary practices to avoid dissatisfaction, but don't encourage retention.

Aliza D.Racelis, (2006); [20] studied the relationship between rewards and recognition practices and firm performance, as well as recruitment and retention system and firms performance, using a questionnaire for traditional HRM activities(recruitment, selection, performance management, training compensation and employee relations) This study (about Philippines Banks) provided the modest evidence for positive significant relationship between firm performance and HRM practices.

Karthik Namasivayam, Li Miao, Xinyuan Zhao, (2007) [12] examined the relationships between compensation (direct and indirect) practices in hotel organizations and their performance after taking sample from 1223 US hotels. The results show that in the case of management employees, direct compensation fully mediated the relationship between indirect compensation and hotel performance. In the case of non-management employees, however, such relationship was only partially mediated by direct compensation.

Marwat Z A (2007) [14] in his study about Pakistan telecom sector explored contribution of human resource management practices including selection, Training, career planning, compensation, performance appraisal, job definition and employee participation on perceived employee performance. Results highlighted that all the tested variables are positively correlated but correlation of compensation and training are highest 0.67 & 0.66 respectively.

S M Irfan, (2009); [8] His study focuses on the concept that organizational well structured HRM policies and top management commitment for quality services play a positive role for satisfaction of employees and customer. In well structured organizations where HRM and quality practices are implemented, a healthy culture and a competitive working environment develops, which creates motivation and commitment among employees for achieving quality and financial objectives of the organization.

Singh A K (2010) [22] investigated the effect of the HRM practices and organization culture on managerial effectiveness in public sector organizations in India. This study revealed that the HRM practices and organizational culture are strong predictors of the managerial effectiveness of the public sector organizations surveyed.

OBJECTIVES OF THE STUDY

This papers have been prepared with the following objectives:

1. To know that which HRM practices out of first 10 (taken from the list mentioned earlier, i,e. from HR Planning to Exit Policy, for this study) are being adopted by the private sector banks understudy.
2. To know the perceptions of the managerial level employees in the selected private sector banks understudy towards prevalent HRM Practices.

RESEARCH METHODOLOGY

Following six private sector banks have been covered for this study, each running more than 50 branches in the state.

1. HDFC Bank Ltd.
2. ICICI Bank Ltd.
3. Axis Bank
4. ING Vysya Bank
5. Indusind Bank
6. Yes Bank

A total of 300 executive level employees or managers were requested to fill the questionnaire drafted for the proposed study. Both primary and secondary data have been collected to present a comprehensive analysis of proposed study in the present Private banking industry scenario. Primary Data was collected through questionnaires from executives or employees at managerial level for studying the impact of prevalent HR Practices as perceived by them in regard to level of appropriateness of the same. Comprehensive review of existing literature has been done to know and understand the existing gaps in the literature. Journals, Books, Magazines, Internet and Newspapers have also been scanned to know the human resource management scenario and the research undertaken in the field so far.

ANALYSIS OF DATA

To arrive at pertinent analysis, the collected data was put to plan statistical analysis. The tools employed to test, the drafted hypothesis for analysis include; Factor Analysis, Analysis of Variance (ANOVA), Multiple Comparison, Co-relation and Regression Analysis. After scoring the questionnaire the data was tabulated for each variable being studied separately for each Private bank. The computation of the data was done in order to do the following statistical analysis 1) Descriptive Analysis 2) Inferential Analysis 3) Correlation Analysis

In this study, HR Practices have been studied in detail for six selected private sector banks. Only those private banks were selected for this study whose total number of branches being run is more than 50 in Punjab. Initially, an attempt was made to observe the prevalence of these HR Practices in the individual units and an HR Practices Index was developed to focus on the most important factors. The HRPI is followed by the bank-wise and factor wise analysis of HR Practices in these six selected banks. Analysis of Variance (ANOVA) of the factors of HR Practices is then performed for the testing of significance of the difference among the sample means. Finally, pair-wise multiple comparisons have been performed on all the six units to study the perception of appropriateness of HR Practices in the banks under study.

PREVALENT HR PRACTICES IN BANKS UNDERSTUDY

The first step that the researcher adopted to achieve the purpose of the study was to observe the prevalence of HR practices in the six banks understudy. While studying this researcher analyzed from the mean scores of the ten HR Practices that these were perceived to be prevalent by the respondents in the following descending order: Induction (4.3232), Training & Development (4.2302), Recruitment & Selection (4.2288), HR Planning (4.1663), Career Planning (3.9583), Suggestion Scheme (3.95), Rewards & Recognition (3.9404), Promotions & Transfer (3.9354), Career Planning (3.6183), Exit Policy (3.5589). Thus, it shows that the Induction process is perceived to be highly prevalent and Exit Policy least in all the six banks understudy. For the convenience of studying these ten HR practices further, their grouping was done; five factors were thus formed using factor analysis.

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HR PRACTICES INDEX

By performing factor analysis and by calculating Eigen values of Variance- Covariance matrix of the ten HR Practices, various factors have been identified. The ten variables relating to Human Resource Practices mentioned in the questionnaire have been grouped using factor analysis techniques into five factors.

These factors are named as: Procurement and Development; Employee Benefits; Suggestions & Schemes; Promotions and Transfers and Exit Policy. The HR Practices that were grouped together for the factor **Procurement and Development** are HR Planning, Recruitment and Selection, Induction, Training and Development and Performance Appraisal. For the factor **Employee Benefits,** 2 HR practices, Career Planning and Reward & Recognition were taken to-gather. The researcher has taken the factors **Suggestion & Schemes**, **Promotion & Transfers** and **Exit Policy** independently from the HR Practices mentioned in the questionnaire.

The following table 1 represents the five factors of HR Practices with their corresponding HR Practice number as in the questionnaire.

TABLE 1: FACTORS OF HR PRACTICES IN THE BANKS UNDERSTUDY

Sr.	Factors	HR Practices
1.	Procurement and Development	1-5
2	Employee Benefits	6-7
3.	Suggestions & Schemes	8
4.	Promotions and Transfers	9
5.	Exit Policy	10

After the formulation of factors of HR Practices, Human Resource Practices Index (HRPI) was developed to focus on the most important factors. This Human Resource Practice Index is presented below:

TABLE 2: HUMAN RESOURCE PRACTICES INDEX OF BANKS UNDER STUDY

	HDFC	AXIS	ING VYSYA	YES BANK	INDUSIND	ICICI
Factors	Mean	Mean	Mean	Mean	Mean	Mean
Procurement & Development	3.8173	3.7142	3.7833	3.8848	3.6935	3.9327
Employee Benefits	3.4121	3.2004	3.4521	3.7169	3.1336	3.6164
Employee Schemes	4.2376	3.7278	4.1501	3.9375	3.9241	4.1445
Promotions & Transfers	3.7132	3.7530	3.9500	3.9679	3.5889	4.3563
Exit Policy	3.3786	3.7278	3.7577	3.2259	3.7625	4.0125
Average	3.7954	3.5987	3.8163	3.7460	3.6184	3.9489

Table 2 of HRPI shows the comparison of appropriateness of prevalent HR Practices as perceived by the employees at managerial level in all the six banks under study. It was observed from table above, that the averages are varying between 3.5987 (AXIS) and 3.9489 (ICICI). From here we can infer that HR practices perceived by the managerial employees at ICICI (3.9489) are highly appropriate followed by ING VYSYA (3.8163), HDFC (3.7954), YES BANK (3.7460), INDUSIND (3.6184) and AXIS (3.5987).

The graph below also depicts a detailed analysis of the means of appropriateness of prevalent HR Practices as perceived by the employees at managerial level at the six banks under study.

GRAPH I: ANALYSIS OF AVERAGE OF HR PRACTICES IN BANKS UNDERSTUDY
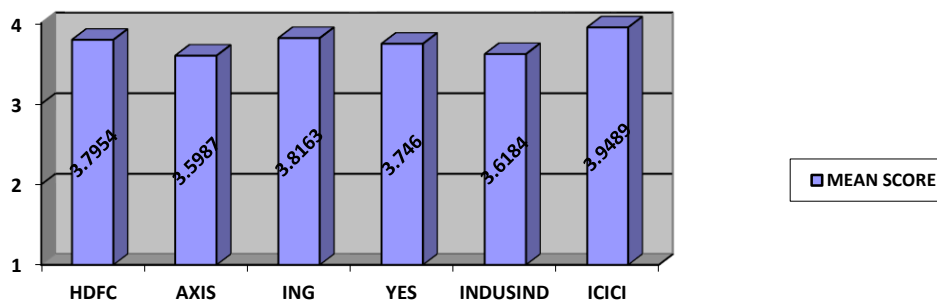
COMPANYWIDE ANALYSIS OF APPROPRIATENESS OF PREVALENT HR PRACTICES

From the table 2, a company wise analysis of appropriateness of prevalent HR Practices as perceived by the employees at managerial level is discussed here.

In **HDFC**, it is observed that the means of various factors of HR Practices are ranging between 3.3786 (Exit Policy) and 4.2376 (Employee Schemes). Both the values are on the higher side of the Likert scale (1-5). It is, thus, inferred that all the factors of HR practices undertaken at HDFC are appropriate. Though factor Employee Schemes, having the highest mean, is perceived as highly appropriate by the respondents.

For **AXIS** the means were observed to be in the range of 3.2004 (Employee Benefits) and 3.753 (Promotions & Transfers) and It highlights that all the factors of HR Practices undertaken at AXIS are appropriate. However, the perception of the respondents regarding the factor Promotions & Transfers is highly appropriate and for Employee Benefits the least.

In **ING VYSYA**, it is observed that, the mean of various factors of HR Practices are ranging between 3.4521 (Employee Benefits) and 4.1501 (Employee Schemes). Both the values are on the higher side of the Likert scale (1-5). It is, thus, inferred that all the factors of HR Practices as perceived by the managerial employees at ING VYSYA are appropriate but the factor Employee Schemes, having highest mean score, is perceived to be highly appropriate.

For **YES BANK**, the means were observed to be in the range of 3.2259 (Exit Policy) and 3.9679 (Promotions & Transfers). This highlights that the managerial level employees at YES BANK perceive that all the factors of HR Practices undertaken in their unit are appropriate. However, the perception regarding the factor Promotions & Transfers is highly appropriate and regarding Exit policy the least.

It is observed in **INDUSIND,** from the means of the various HR Practices that their values are ranging between 3.1336 (Employee Benefits) and 3.9241 (Employee Schemes). It is observed from the range of mean values that all are on the higher side of the Likert scale (1-5). It is inferred from here that all the factors of HR Practices undertaken at INDUSIND are perceived to be appropriate but the factor Employee Schemes is highly appropriate as perceived by the managerial employees, as its mean value is the highest.

For **ICICI** the means were observed to be in the range of 3.6164 (Employee Benefits) and 4.3563 (Promotions & Transfers). It highlights that all the factors of HR practices at ICICI are perceived to be appropriate by their managerial level employees. However, the factor Promotions & Transfers as perceived by the managerial employees is highly appropriate and Employee Benefits the least.

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FACTOR WISE COMPARISON OF HR PRACTICES

PROCUREMENT & DEVELOPMENT: It is observed from the means of the factor Procurement & Development of HR Practices in the banks under study from the Table 2 that the mean values are ranging between 3.6935 (INDUSIND) and 3.9327 (ICICI). Both the means as perceived by the respondents are on the higher side of the Likert scale (1-5). It is, thus, inferred that the managerial employees in all the six banks under study perceive that the factor Procurement & Development as appropriate in their units. However, it is highly appropriate in ICICI and least in INDUSIND.

EMPLOYEE BENEFITS: For the HR Practices factor, Employee Benefits, it is observed that the means for the six banks under study are varying between 3.1336 (INDUSIND) and 3.7169 (YES BANK). It is thus, inferred that they are on the higher side of the Likert scale (1-5). Hence, the managerial level employees in all the units under study perceive that their employers are given appropriate benefits to the employees, but they are perceived to be highly appropriate in YES BANK and least in INDUSIND.

EMPLOYEE SCHEMES: It is observed from the means of the factor, Employee Schemes of HR Practices in the six banks under study that the means are varying between 3.7278 (AXIS) and 4.2376 (HDFC). Both the means are on the higher side of the Likert scale (1-5). From this we draw that all the six banks under study have appropriate Employee Schemes for their employees at the managerial level as perceived by the respondents. However, Employee Schemes are highly appropriate in HDFC and least in AXIS.

PROMOTIONS & TRANSFERS: For the HR Practices factor, Promotions & Transfers, it is observed that the means for the six banks under study are ranging between 3.5889 (INDUSIND) and 4.3563(ICICI). The inference drawn from here is that the managerial employees at all the six banks under study perceived the factor Promotions and Transfers to be appropriate as the values of the means are on the higher side of Likert scale (1-5). The observation here is that it is perceived to be highly appropriate in ICICI and least in INDUSIND.

EXIT POLICY: The observation drawn from the means of the factor, Exit Policy of HR Practices in the six banks under study is that their means are ranging between 3.2259 (YES BANK) and 4.0125 (ICICI). These means are on the higher side of the Likert scale (1-5). It is observed from here that the respondents in all the six banks under study perceived Exit Policy to be appropriate. It is perceived to be highly appropriate in ICICI and least in YES BANK.

The overall analysis drawn from the HR Practices Index (HRPI) is that out of all the five factors of HR Practices in the six banks under study, the highest mean (4.3563) is that of the factor Promotions & Transfers at ICICI and lowest mean (3.1336) is that of Employee Benefits at INDUSIND as perceived by the employees at the managerial level. Therefore, it is observed that managerial employees at ICICI regard the factor 'Promotions & Transfers' to be highly appropriate. From this, we can infer that growth and development opportunities are satisfactory in ICICI, as managers who are a part of the sample perceive it to be appropriate. In contrast, the factor Employee Benefits is found to be least appropriate at INDUSIND. There is scope for more improvement as far as providing various kinds of benefits to managers is concerned. Thus, the management should give due consideration towards the kind of benefits it can offer to its managerial employees, so that the employees start perceiving this factor in particular and also other practices as being appropriate.

ANALYSIS OF VARIANCE (ANOVA) OF FACTORS OF HR PRACTICES IN BANKS UNDERSTUDY

In this study, the researcher tested for the significance of the difference among the sample means through an Analysis of Variance (ANOVA). This is done by F-test for testing the significance of the difference of one factor in all six banks understudy. The results of the analysis through SPSS have been explained below:

TABLE 3: ANALYSIS OF VARIANCE (ANOVA) OF FACTOR 'PROCUREMENT & DEVELOPMENT' OF HR PRACTICES IN BANKS UNDER STUDY

Sources of Variation	Sum of squares	Degree of Freedom	Mean Square	F-Value	Significance (0.05)
Between groups	1.606	5	0.321	2.478	0.033
Within groups	26.565	265	0.10		
Total	28.17	270			

Hypothesis

$$H_0: \overline{X}_A = \overline{X}_H = \overline{X}_{IV} = \overline{X}_Y = \overline{X}ii = \overline{X}_{IC}$$; H_0 accepted, when probability is $\geq$ 0.05

$$H_1: \overline{X}_A \neq \overline{X}_H \neq \overline{X}_{IV} \neq \overline{X}_Y \neq \overline{X}ii \neq \overline{X}_{IC}$$; H_1 accepted, when probability is < 0.05

where X_A, X^H, X^{IV}, X^Y, x^{ii}, x^{IC} are the Mean of Procurement & Development of AXIS, HDFC, ING VYSYA, YES BANK, INDUSIND & ICICI.

Since the probability 0.033 is less than 0.05 therefore at 5% level of significance alternate hypothesis is accepted. The inference is that the respondents perceive that the appropriateness of Procurement & Development factor of HR practices in these six banks under study is significantly different and this difference is not by sampling or chance.

Hence, from the above analysis, it is inferred, that in all the six banks understudy the perception of the managerial employees, for the factor Procurement and Development of HR Practices, is not the same.

TABLE 4: ANALYSIS OF VARIANCE (ANOVA) OF FACTOR 'EMPLOYEE BENEFITS' OF HR PRACTICES IN BANKS UNDER STUDY

Sources of Variation	Sum of squares	Degree of Freedom	Mean Square	F-Value	Significance (0.05)
Between groups	8.841	5	1.768	7.205	0
Within groups	49.571	255	0.194		
Total	58.412	260			

Hypothesis

$$H_0: \overline{X}_A = \overline{X}_H = \overline{X}_{IV} = \overline{X}_Y = \overline{X}ii = \overline{X}_{IC}$$; H_0 accepted, when probability is $\geq$ 0.05

$$H_1: \overline{X}_A \neq \overline{X}_H \neq \overline{X}_{IV} \neq \overline{X}_Y \neq \overline{X}ii \neq \overline{X}_{IC}$$; H_1 accepted, when probability is < 0.05

where X_A, X^H, X^{IV}, X^Y, x^{ii}, x^{IC} are the Mean of Employee Benefits of AXIS, HDFC, ING VYSYA, YES BANK, INDUSIND & ICICI

It is inferred here that as the probability is 0 which is < 0.05 therefore at 5% level of significance, the factor Employee Benefits is significantly different. Hence, alternate hypothesis gets accepted for the six banks under study. Thus, the Employee Benefits factor of HR Practices is perceived not to be the same in all the units by the respondents.

TABLE 5: ANALYSIS OF VARIANCE (ANOVA) OF FACTOR 'EMPLOYEE SCHEMES' OF HR PRACTICES IN BANKS UNDER STUDY

Sources of Variation	Sum of squares	Degree of Freedom	Mean Square	F-Value	Significance (0.05)
Between groups	6.842	5	1.368	6.692	0
Within groups	41.71	264	0.158		
Total	48.552	269			

Hypothesis

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$$H_0 : \overline{X}_A = \overline{X}_H = \overline{X}_{IV} = \overline{X}_Y = \overline{X}ii = \overline{X}_{IC}$$; H_0 accepted, when probability is $\geq$ 0.05

$$H_1 : \overline{X}_A \neq \overline{X}_H \neq \overline{X}_{IV} \neq \overline{X}_Y \neq \overline{X}ii \neq \overline{X}_{IC}$$; H_1 accepted, when probability is < 0.05

where X_A, X^H, X^{IV}, X^Y, X^{ii}, X^{IC} are the Mean of Employee Schemes of AXIS, HDFC, ING VYSYA, YES BANK, INDUSIND & ICICI

Since the probability 0 is less than 0.05 therefore at 5% level of significance alternate hypothesis is accepted. The inference is that the average of the factor, Employee Schemes, for the six banks under study is perceived to be significantly different by the employees at the managerial level. This difference is not by sampling or chance; it is a real difference.

Hence, we can infer that the factor, Employee Scheme is perceived differently by all the employees at the managerial level in the six banks understudy. The differences so observed help us to infer that the HR Practices grouped under the factor Employee Schemes are varying from one unit to another.

TABLE 6: ANALYSIS OF VARIANCE (ANOVA) OF FACTOR 'PROMOTION & TRANSFERS' OF HR PRACTICES IN BANKS UNDER STUDY

Sources of Variation	Sum of squares	Degree of Freedom	Mean Square	F-Value	Significance (0.05)
Between groups	9.883	5	1.977	7.557	0
Within groups	40.017	203	0.197		
Total	49.899	208			

Hypothesis

$$H_0 : \overline{X}_A = \overline{X}_H = \overline{X}_{IV} = \overline{X}_Y = \overline{X}ii = \overline{X}_{IC}$$; H_0 accepted, when probability is $\geq$ 0.05

$$H_1 : \overline{X}_A \neq \overline{X}_H \neq \overline{X}_{IV} \neq \overline{X}_Y \neq \overline{X}ii \neq \overline{X}_{IC}$$; H_1 accepted, when probability is < 0.05

where X_A, X^H, X^{IV}, X^Y, X^{ii}, X^{IC} are the Mean of Promotions & Transfers of AXIS, HDFC, ING VYSYA, YES BANK, INDUSIND & ICICI.

Since the probability is 0<0.05, therefore, at 5% level of significance, the alternate hypothesis is accepted. Hence, we can infer that the factor, Promotions & Transfers is perceived differently by all the employees at the managerial level in the six banks understudy. The differences so observed help us to infer that the HR Practices grouped under the factor Promotions & Transfers are varying from one unit to another.

From this the researcher draws the inference that the mean values of the factor, Promotion & Transfers, for the six banks under study is significantly different as perceived by the managerial employees. This difference is a real difference and not by sampling or chance.

TABLE 7: ANALYSIS OF VARIANCE (ANOVA) OF FACTORS 'EXIT POLICY' OF HR PRACTICES IN BANKS UNDER STUDY

Sources of Variation	Sum of squares	Degree of Freedom	Mean Square	F-Value	Significance (0.05)
Between groups	11.247	5	2.249	4.939	0
Within groups	74.232	223	0.338		
Total	85.479	228			

Hypothesis

$$H_0 : \overline{X}_A = \overline{X}_H = \overline{X}_{IV} = \overline{X}_Y = \overline{X}ii = \overline{X}_{IC}$$; H_0 accepted, when probability is $\geq$ 0.05

$$H_1 : \overline{X}_A \neq \overline{X}_H \neq \overline{X}_{IV} \neq \overline{X}_Y \neq \overline{X}ii \neq \overline{X}_{IC}$$; H_1 accepted, when probability is < 0.05

where X_A, X^H, X^{IV}, X^Y, X^{ii}, X^{IC} are the Mean of Exit Policy of AXIS, HDFC, ING VYSYA, YES BANK, INDUSIND & ICICI.

The probability is 0<0.05 for the factor, Exit Policy. Alternate hypothesis, is thus, accepted at 5% level of significance. Hence, the researcher observes that the mean values of the factor, Exit policy is perceived to be different in all the six banks understudy.

The researcher inferred from the preceding Analysis of Variance (ANOVA) of HR Practices factors like Procurement and Development; Employee Benefits; Employee Schemes; Promotions and Transfers; Exit Policy in all the six banks under study to be significantly different at 5% Level of Significance. Hence, we draw the inference that the appropriateness of prevalent HR Practices in all the six banks understudy is perceived to be different by their managerial employees. The researcher concluded from the overall analysis that the appropriateness of prevalent HR practices is perceived to be different by the managerial employees in the six banks under study.

Thus, the Hypothesis "H1: The appropriateness of prevalent HR Practices is perceived to be similar by the employees at the managerial level in the banks understudy" is established as rejected.

MULTIPLE COMPARISONS IN BANKS UNDER STUDY

This study presents pair wise multiple comparisons of banks under study with respect to the perception of appropriateness of HR Practices (i.e. Procurement and Development, Employee Benefits, Employee Schemes, Promotions and Transfers and Exit Policy).

Wherein

$$H_0 : \overline{X}_I = \overline{X}_J$$

$$H_1 : \overline{X}_I \neq \overline{X}_J$$

where $\overline{X}_I$ is the mean of a factor corresponding to I^{th} unit and $\overline{X}_J$ is the mean of the same factor corresponding to J^{th} unit. If the probability < 0.05, null hypothesis is rejected, alternate hypothesis is accepted. If probability is $\geq$ 0.05, null hypothesis is accepted and alternate hypothesis is rejected at 5% level of significance.

A pair wise multiple comparison procedure was conducted on the perception regarding the appropriateness of HR Practices in six banks under study with respect to the factors of HR practices (i.e. Procurement & Development; Benefits; Employee Schemes; Promotions & Transfers; Exit Policy). By examining the paired comparisons table of the six banks i.e., HDFC, ING VYSYA, YES BANK, INDUSIND, ICICI and AXIS only those pairs have been presented in the table that has significantly different mean values.

TABLE 8: MULTIPLE COMPARISONS IN BANKS UNDERSTUDY

Multiple Comparisons			
Dependent Variable	(I) ORGANIS	(J) ORGANIS	Significance
Procurement & Development	AXIS	YES BANK	0.008
	YES BANK	INDUSIND	0.002
Employee Benefits	AXIS	YES BANK	0
	ING VYSYA	YES BANK	0.002
	ING VYSYA	INDUSIND	0.008
	INDUSIND	ICICI	0.012
	YES BANK	INDUSIND	0
Employee Schemes	HDFC	AXIS	0.001
	AXIS	ING VYSYA,	0.001
	AXIS	ICICI	0.018
	YES BANK	HDFC	0.035
Promotions & Transfers	HDFC	ICICI	0.015
	AXIS	ICICI	0.002
	INDUSIND	ICICI	0.001
Exit Policy	HDFC	ICICI	0.046
	AXIS	YES BANK	0.002
	YES BANK	INDUSIND	0.006
	YES BANK	ICICI	0

The perception of the managerial employees regarding the appropriateness of HR Practices is different in the following pairs of the banks understudy. These units are AXIS & YES BANK and YES BANK & INDUSIND for the HR Practices factor, **Procurement & Development**. AXIS & YES BANK; ING VYSYA & YES BANK; ING VYSYA & INDUSIND; INDUSIND & ICICI and YES BANK & INDUSIND for the HR practices factor, **Employee Benefits.** HDFC & AXIS; AXIS & ING VYSYA; AXIS & ICICI and YES BANK & HDFC for the Human Resource Practices factor, **Employee Schemes.** HDFC & ICICI; AXIS & ICICI and INDUSIND & ICICI for the HR practices factor, **Promotions & Transfers.** HDFC & ICICI; AXIS & YES BANK; YES BANK & INDUSIND and YES BANK & ICICI for the HR Practices factor **Exit Policy.** The alternate hypothesis is thus accepted and null hypothesis is rejected because the appropriateness of prevalent HR Practices for the above mentioned pairs is perceived to be significantly different from each other at 5% level of significance.

CONCLUSION

It was observed from the preceding analysis that the appropriateness of HR practices as perceived by the managerial employees holds an important place in the six banks under study. The study was conducted on fourteen HR Practices in HDFC, ICICI, AXIS, YES, INDUSIND and ING VYSYA. To study the appropriateness of the HR Practices, an attempt was made to identify those HR Practices that are prevalent in these six banks. Overall, a positive overview was observed in case of these HR Practices, with the exception of Exit Policy and Career Planning. These fourteen practices were clubbed under five main factors by performing factor analysis of different statements of HR practices in the questionnaire. The five factors that were obtained from this factor analysis were Procurement and Development, Employee Benefits, Employee Schemes, Promotions and Transfers, and Exit Policy.

From the study it was concluded that the average scores of the appropriateness of the prevalent HR Practices as perceived by the managerial employees were varying between 3.5987 and 3.9489 for AXIS and ICICI respectively. The inference derived from here was that there is a significant difference between appropriateness of the HR Practices being undertaken in the six banks under study. It was also observed from the average of the factors that the trend of appropriateness of the HR Practices in pairs was high in ICICI (3.9489) and ING VYSYA (3.8163) followed by HDFC (3.7954) and YES BANK (3.7460) and INDUSIND (3.6184) and AXIS (3.5987).

From the Analysis of Variance (ANOVA), the researcher drew the inference that the perceived appropriateness of the factors like Procurement & Development; Employee Benefits; Employee Schemes; Promotions & Transfers and Exit Policy is also significantly different in all the six banks under study i.e. the level of perceived appropriateness of prevalent HR practices undertaken vary significantly from one unit to the other. The inference drawn from pair-wise multiple comparisons were that the appropriateness of HR Practices in different pairs of the banks studied under each factor was significantly different.

The researcher concluded from the overall analysis that the appropriateness of prevalent HR practices is perceived to be different by the managerial employees in the six banks under study.

Thus, the Hypothesis "H1: The appropriateness of prevalent HR Practices is perceived to be similar by the employees at the managerial level in the banks understudy." is established as rejected.

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WOMEN PREFERENCE AS A JEWELLERY BUYER: IMPACT OF CELEBRITY ENDORSEMENT

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ABSTRACT
Indians are well known for their craziness for celebrities, mainly cricketers and bollywood stars. They try to imitate them, to be like them. To take the advantage of this "fan following" of celebrities, marketers have associated the celebrities with their products to increase the appeal of their product offerings. Various researches have proven the positive impact of celebrity endorsement on the products especially low involvement products. This study is mainly focussing on the impact of celebrity endorsement on high involvement product i.e. Jewellery especially focussing on women as she is considered as an important and strong consumer because of her role in the decision making of products/services in the household. No marketer can afford to ignore her spending and influencing powers. Today's woman is more educated, confident, bold, knowledgeable and independent than before. For the study, we have used the Purposive sampling technique as the data is collected from women who like to wear jewellery. The sample of 200 women respondents was collected from DOABA region called as NRI hub of Punjab comprising of four districts namely Jalandhar, Hoshiarpur, Kapurthala and Shaheed Bhagat Singh nagar. To see the impact of celebrity endorsement on the women preference for gold, diamond, platinum and stone studded jewellery, the technique of multiple regression analysis was used. Though, it creates a brand image and helps to positioned the company as a brand in the mind of the people of the DOABA region(Punjab) but the results have shown that the impact of the celebrity endorsement in influencing the choice of jewellery by women of area under study is insignificant. The study might help the marketers in devising the advertising strategies and proper allocation of the budget in right direction in case of jewellery promotions.

KEYWORDS
celebrity endorsement, consumer buying behaviour, jewellery consumer.

INTRODUCTION
"In a fast changing world, a company is only as good as its last product."

Steve Jobs

The above lines by Steve jobs reflect the importance of Customer in today's world. Customer is considered as a King because it is the customer only which makes any business to grow or fall. That's the reason; all companies are busy in making strategies to make the customers happy because they know that if customers are happy, they will make the company to survive in this competitive market. So, the companies are investing huge money in conducting the research on Consumer buying behaviour to understand 5W'sH of consumers i.e. who will buy, what they buy, when they buy, where they buy, why they why and how they buy. Solomon (1995) and Schiffman & Kanuk (2009) defined consumer behaviour that it is the study of processes involving the selection, purchasing, usage or disposing of services, products, ideas by the individuals/groups to satisfy the needs. Researchers like Perner (2000), Sharma (2011) stated that buyers of different demographic orientation like age, gender and country are likely to perform in a dissimilar buying behaviour. On gender basis, many researchers like Bakshi (2009) stated that due to the different upbringing of men and women and socialization with other social, psychological and biological factors leads to different type of behaviour of men and women in different situations. Both the genders are different in every stage of decision making. Women find pleasure and have satisfaction when they do shopping as compared to their counterparts. She considered as a very important decision maker or the influencer for the buying of the products in every household. Now days, despite of being called as "Simple House wife", she is playing a role of Chief Purchasing officer in the family. From a small involvement product to high involvement product, she influences the buying decision. In case of Jewellery, she is the sole decision maker in most of the cases as the men stated that doing shopping of jewellery is not their cup of tea. Men mainly purchase the jewellery for giving as a gift to women and whereas women purchase it for her and for gifting purpose.

Customer behaves differently for high and low involvement products. In case of high involvement products, the problem decision making process starts with problem identification, then information search, then alternatives evaluation, followed by purchase decision and lastly. Jewellery is considered as a high involvement product with makes the customer to go through the entire consumer decision making process for making the buying decision. People buy the jewellery for different reasons. Khor, E.T. (2010) stated that mainly in modern era, people do shopping for reasons like having social status, for self esteem and for the mental satisfaction. Pooler (2003) stated that shoppers now don't act in a what that makes a sense from an economic or logical point of view. They buy the things when the things are expensive to show-off their status in the society. Lin, W.B. (2012) stated that expensive products are having high prestige value to the consumers. Jewellery industry is one of the largest consumer sector of the country as compared to automobile, apparels and the telecom sector. In this sector, there are more than 5 Lac players, mainly small players who are contributes 6%-7% (approximately) in the GDP of India. Government of India (GOI) has decided to put more focus on Gems and Jewellery sector for promoting the exports. India is exporting 95% of the world's total diamonds as per Gems and Jewellery Export Promotion Council. As per the report by Research and Markets, this market is having the potential to grow at a CAGR of 15.95% from 2014 to 2019. Untracht (1997) stated that jewellery is considered as a most important and integral part of everyone's life rather than a display of someone's wealth and status. It's a reflection of someone's culture. The Indian Jewellery market is undergoing a gradual change from unorganized formats to organized one and its retailing is changed to "*Precious fashion accessory*" from a '*Storehouse of value*'. Nowadays, Branded jewellery becomes the new mantra by creating a niche market for itself and the big or small players in this sector invest a good amount of money in creating a brand value of their products and to attract the customers more and more. They are hiring celebrities to endorse their products like Aishwarya Rai & Amitabh Bachan (Kalyan Jewellers), Hema Mailini (Malabar), Bipasha Basu (Gili), Priyanka Chopra (Asmi), Sonakshi Sinha (D'mas) etc. Kambitsis *et al.* (2002) stated in today's era, celebrity endorsement is considered as a billion-dollar industry having potential to generate sales. The companies have linked brands with the celebrities as they want to take the advantage of the people likeness for the celebrity to generate sales for the company. The marketers are spending big amount of money hiring celebrities for their company's offerings based on the belief that they are more effective spokesperson for their products or services to the masses. Celebrities become the face of the company's products. People recognize the product with the celebrity. In a today's competitive scenario, when it becomes very difficult for marketers to differentiate their products/services from others, the concept of celebrity endorsement has yielded good returns for the companies. The intense use of celebrities for endorsing the products has increased drastically in the past few years. They promote various kinds of products and services. It is not limited to a specific sector of the economy but covers almost all industry categories. India is full with the fans that admire their favourite celebrities as a god and ready to do anything to become like the celebrity. Indian movie titled "Fan" featuring Shahrukh Khan and directed

by Maneesh Sharma shows the love/madness of the fan with the celebrity. Bashir and Malik (2009) stated that celebrities used in ads have greater positive influence on people and as per Amos et al. (2008), the ads that use celebrity endorsers are having more popularity as compared to the other ads. Instead of relying on friends, reference groups, family and other sources, people start relying on ads. According to Pughazhendi *et al.* (2012), marketers use dominant and famous celebrity personalities in ads to increase the appeal of product to the viewer. This study shows that consumer behaviour and attitude regarding brand, advertisements and purchase decision are positively affects by the multiple celebrities' ads in low involvement products but in high involvement products there is no major difference. Ellis (2000) stated that the impact of celebrities is more on young generation because of their age and independency. They go for the media guidance for shaping their personalities and behaviours. So, marketers are associating their products with the face of the celebrity. People purchase and remind the products with the face value of the celebrity. Ad makers make every possible attempt to be tuned into what's the closest to the heart of the viewer for selling its product and to win the trust of the consumer, which cost him a lot.

HYPOTHESES FORMULATION

H1: There is a significant impact of celebrity endorsement on the women preference for gold jewellery.
H2: There is a significant impact of celebrity endorsement on the women preference for diamond jewellery.
H3: There is a significant impact of celebrity endorsement on the women preference for platinum jewellery.
H4: There is a significant impact of celebrity endorsement on the women preference for stone studded jewellery.

RESEARCH METHODOLOGY

This research is descriptive which includes the study the impact of the celebrity endorsements on the female buying behaviour of the jewellery. The study was conducted in Doaba Region(Punjab) consists of four districts namely Hoshiarpur, Jalandhar, Shaheed Bhagat Singh Nagar and Kapurthala. This area considered as one of the densely populated and most fertile region of the Punjab. Many people of this region reside outside India because of which this area is also called as Hub of NRI's (Non Residents Indians). Due to high literacy rate, agricultural development and large no. of NRI's in this region, the people are having more disposable income results into more spending. Data was collected with the help of a questionnaire. The measurement of variables was based on the Likert five point scale with options ranging from 5-Strongly Agree, 4-Agree, 3-Neutral, 2-Disagree, 1-Strongly Disagree. The questions used in the questionnaire were either framed or taken from the previous researchers. The questionnaire will comprise of two sections: First section is related with the demographics of the respondents including the gender, area, age, marital status, education level, occupation and income level and in second section, questions relevant to the research objectives were framed. The sample size is 200 women taken from the region under study. As per Hair et al (2013) suggested that about 200-500 respondents will be sufficient to represent the entire population in management studies. The non probability sampling techniques, namely purposive sampling was used. The Statistical Package for the Social Science (SPSS) for Microsoft Windows 20.00 was used to complete the analysis of the collected data. Multiple regression analysis was used to determine the impact of the celebrity endorsement on the female jewellery buying preference at 5% level of significance. In jewellery, we are considering Gold jewellery, Diamond Jewellery, Platinum and Stone studded jewellery and in Celebrity endorsements, the variables taken are trust, credibility, Attractiveness, Popularity and Proper product match fit.

RELIABILITY TEST: Cronbach' s alpha is a coefficient that helps to rate the internal consistency or the correlation of items in a test. Its value varies form 0-1.

RELIABILITY STATISTICS		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.830	.835	9

If the test has a strong internal consistency, as per various measurement experts, the value of alpha should lie between 0.70-0.90. Nunally (1978) stated that if the alpha value is more than 0.70, it is considered as an acceptable value. In the study, alpha value is 0.830 which shows the data collected in this study is highly reliable.

ANALYSIS AND RESULTS

Table 1 comprises of the respondent's demographics. Maximum of the women are in the age group of 20-30 comprising 47.5% of the total population and in case of education, 40.5% women were Post graduates ha 40.5%.

TABLE 1: RESPONDENT'S DEMOGRAPHICS

		Frequency	Percentage
Age	Less than 20	23	11.5%
	20-30	95	47.5%
	31-40	52	26.0%
	41-60	28	14.0%
	Above 60	2	1.0%
Education	Upto 10th	12	6.0%
	12th	27	13.5%
	Graduation	71	35.5%
	Post-graduation	81	40.5%
	Diploma	9	4.5%
Occupation	Not in job	103	51.5%
	Salaried	68	34.0%
	Professional	19	9.5%
	Business	10	5.0%
	Agriculture	0	0.0%
Income	Less than 25,000	147	73.5%
	25,000-50,000	37	18.5%
	50,0001-75,000	14	7.0%
	754,001-1 Lakh	1	0.5%
	More than 1 Lakh	1	0.5%
District	Hoshiarpur	40	20.0%
	Jalandhar	65	32.5%
	Kapurthala	28	14.0%
	Shaheed Bhagat Singh Nagar	67	33.5%

Most of the women were not in job and income of 147 women lies in the slab of Less than Rs. 25,000. The distribution of the women population is DOABA region is given as Hoshiarpur (20%), Jalandhar (32.5%), Kapurthala (14%) and Shaheed Bhagat Singh Nagar(33.5%).
The model summary, The F-Ratio (ANOVA) and the coefficients and their significance are explained in the following tables for the testing of the hypothesis.

For Hypothesis 1: There is a significant impact of celebrity endorsement on the women preference for gold jewellery.

From the table 1.1, it is found that the R square is 0.105. This indicates that the determination power of the regression equation is about 10.5 percent. Hence 10.5 percent variation in the preference for gold jewellery women is explained by the independent variables and rest 89.5 percent is unexplained in the model. The standard error of the estimates is 1.193.

TABLE 1.1: MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.324[a]	.105	.082	1.193
a. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility				

TABLE 1.2: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.281	5	6.456	4.537	.001[b]
	Residual	276.039	194	1.423		
	Total	308.320	199			
a. Dependent Variable: Preference for Gold Jewellery						
b. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility						

The F ratio (ANOVA) is 4.537, which is statistically significant at 5 percent level of significance. Therefore, the model is acceptable. The regression model is estimated by enter method.

TABLE 1.3: COEFFICIENTS[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.452	.321		7.633	.000
	Trust	.102	.111	.100	.918	.360
	Credibility	-.123	.125	-.110	-.989	.324
	Attractiveness	.134	.110	.130	1.217	.225
	Popularity	.203	.101	.196	2.009	.046
	Proper Product Match Fit	.044	.088	.043	.504	.615
a. Dependent Variable: Preference for Gold Jewellery						

From the Table 1.3, it is clear that the intercept is 2.452, indicates the autonomous impact of celebrity endorsement. The variables such as trust, attractiveness and proper product match fit have positive impact on the gold jewellery preference by women but are statistically insignificant. Only popularity variable is statistically significant at 5 percent level of significance i.e. there is a significant impact of popularity on the gold preference by women. The coefficient of credibility is negative; hence it is showing negative impact on gold jewellery preference by women but this statement cannot be accepted for DOABA Region of Punjab as it is statistically insignificant.

For Hypotheses 2: There is a significant impact of celebrity endorsement on the women preference for diamond jewellery

TABLE 2.1: MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.335[a]	.112	.089	1.212
a. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility				

From the table 2.1, it is found that the R square is 0.112. This indicates that the determination power of the regression equation is about 11.2 percent. Hence 11.2 percent variation in the preference for diamond jewellery is explained by the independent variables. The rest of 88.8 percent of preference of diamond jewellery is unexplained in the model. The standard error of the estimates is 1.212.

TABLE 2.2: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	35.980	5	7.196	4.895	.000[b]
	Residual	285.200	194	1.470		
	Total	321.180	199			
a. Dependent Variable: Preference for Diamond Jewellery						
b. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility						

The F ratio (ANOVA) is 4.895, which is statistically significant at 5 percent level of significance. Therefore, the model is acceptable. The regression model is estimated by enter method.

TABLE 2.3: COEFFICIENTS[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.195	.326		6.722	.000
	Trust	.194	.112	.188	1.728	.086
	Credibility	-.100	.127	-.087	-.787	.432
	Attractiveness	.015	.112	.014	.135	.893
	Popularity	.297	.103	.280	2.883	.004
	Proper Product Match Fit	-.088	.090	-.083	-.984	.326
a. Dependent Variable: Preference for Diamond Jewellery						

In the Table 2.3, the intercept is 2.195 shows the autonomous impact of celebrity endorsement on the preference of diamond jewellery by women. Only popularity variable is statistically significant at 5 percent level of significance i.e. there is a significant impact of popularity of the celebrity on the diamond jewellery preference by women. The variables such as trust and attractiveness have positive impact on the diamond jewellery preference by women and credibility and proper product match fit are having the negative impact but are statistically insignificant. Thus, statement cannot be accepted for DOABA Region of Punjab as it is statistically insignificant.

For Hypotheses 3: There is a significant impact of celebrity endorsement on the women preference for platinum jewellery.

TABLE 3.1: MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.418ᵃ	.175	.153	1.248
a. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility				

From the table 3.1, it is found that the R square is 0.175. This indicates that the determination power of the regression equation is about 17.5 percent. Hence 17.5 percent variation in the preference for platinum jewellery is explained by the independent variables. The rest of 82.5 percent of preference of platinum jewellery is unexplained in the model. The standard error of the estimates is 1.284.

TABLE 3.2: ANOVAᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.883	5	12.777	8.204	.000ᵇ
	Residual	302.112	194	1.557		
	Total	365.995	199			
a. Dependent Variable: Preference for Platinum Jewellery						
b. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility						

The F ratio (ANOVA) is 8.204, which is statistically significant at 5 percent level of significance. Therefore, the model is acceptable. The regression model is estimated by enter method.

TABLE 3.3: COEFFICIENTSᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.676	.336		4.989	.000
	Trust	.265	.116	.240	2.286	.023
	Credibility	.118	.130	.097	.905	.367
	Attractiveness	.135	.116	.120	1.172	.243
	Popularity	.105	.106	.093	.992	.322
	Proper Product Match Fit	-.164	.092	-.145	-1.781	.076
a. Dependent Variable: Preference for Platinum Jewellery						

From the Table 3.3, the intercept is 1.676 indicates the autonomous impact of the celebrity endorsement on the preference of platinum jewellery by women. Only Trust variable is statistically significant at 5 percent level of significance i.e. there is a significant impact of trust of the celebrity on the platinum jewellery preference by women. The variables such as credibility, attractiveness and popularity have positive impact on the platinum jewellery preference by women and proper product match fit are having the negative impact but are statistically insignificant. So, cannot be accepted for DOABA Region of Punjab.

Hypotheses 4: There is a significant impact of celebrity endorsement on the women preference for stone studded jewellery

TABLE 4.1: MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.395ᵃ	.156	.134	1.259

a. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility

From the table 4.1, it is found that the R square is 0.156. This indicates that the determination power of the regression equation is about 15.6 percent. Hence 15.6 percent variation in the preference for stone studded jewellery is explained by the independent variables. The rest of 84.4 percent of preference of stone studded jewellery is unexplained in the model. The standard error of the estimates is 1.259.

TABLE 4.2: ANOVAᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56.710	5	11.342	7.161	.000ᵇ
	Residual	307.270	194	1.584		
	Total	363.980	199			
a. Dependent Variable: Preference for Stone Studded Jewellery						
b. Predictors: (Constant), Proper Product Match Fit, Trust, Popularity, Attractiveness, Credibility						

The F ratio (ANOVA) is 7.161, which is statistically significant at 5 percent level of significance. Therefore, the model is acceptable. The regression model is estimated by enter method.

TABLE 4.3: COEFFICIENTSᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.045	.339		6.034	.000
	Trust	.278	.117	.253	2.383	.018
	Credibility	.228	.131	.187	1.734	.084
	Attractiveness	.040	.117	.036	.347	.729
	Popularity	.003	.107	.003	.033	.974
	Proper Product Match Fit	-.124	.093	-.110	-1.336	.183
a. Dependent Variable: Preference for Stone Studded Jewellery						

From the Table 4.3 the intercept is 2.045 indicates the autonomous impact of the celebrity endorsement on the preference of stone studded jewellery by women. Only Trust variable is statistically significant at 5 percent level of significance i.e. there is a significant impact of trust of the celebrity on the stone studded jewellery preference by women. The variables such as credibility, attractiveness and popularity have positive impact on the stone studded jewellery preference by women and proper product match fit is having the negative impact but are statistically insignificant. So, cannot be accepted for DOABA Region of Punjab.

CONCLUSION

The study shows that in case of jewellery preference by the women, celebrity endorsement impact is least. The results have shown that variable like popularity of celebrity impact the preference of gold and diamond jewellery by women and in case of platinum and stone studded jewellery, trust on the celebrity impacts the preference. Doaba region is called the NRI (Non Resident of India) hub of Punjab and these people are having high disposable income. So, their preference for the jewellery is not so much impacted by the celebrities endorsing the products. They buy the jewellery what they like, when they like and from where they like.

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Whosoever is the celebrity endorsing the product in ads, that have least effect on women preference of some particular type of the jewellery. Celebrity endorsement for jewellery is helping the company in creating the brand image and capturing the position in the minds of the customer as a brand only but don't convince the customer to buy it in that time.

LIMITATION OF THE STUDY AND SCOPE FOR THE FURTHER RESEARCH

1. The sample size which was taken from the study is 200 respondents only and data was collected from only four districts of the Punjab. So, somebody who want to do working on a similar study should take the sample size more than 200 and area can be the multiple cities which truly represent the entire population.
2. In the study, men section is not considered which constitutes the 52.77% population of Punjab.
3. Because of the demonetisation announced on 8th November, 2016, some respondents refused and some were hesitated to reveal the information regarding to the jewellery which probably affected the results of the study.

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LIQUIDITY AND PROFITABILITY ANALYSIS OF SELECTED STEEL COMPANIES

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ABSTRACT
Operating management is concerned with the execution of policies resulting into operating activities sales based profitability ratios are used to evaluate the performance of operating management and investment based profitability ratios are used to assess whether a firm has generated reasonable return on capital employed a few prominent liquidity ratios are also used for the analysis of short term solvency in assessing the liquidity position of business unit. Thus the profitability ratios are intended to explain to the consequence and judgment of business units which is the sole decisive factor of overall efficiency of business unit.

INTRODUCTION
LIQUIDITY AND PROFITABILITY ANALYSIS OF SELECTED STEEL COMPANIES

The word profitability is collected of two words, namely, income and ability. The term income has been explained above and the term ability indicates the power of an industry entity to earn earnings only. The ability of a concern also denotes its earning control or operating routine. The profitability may be definite as the ability of a given investment to earn a return from its use.

Profitability is a virtual concept whereas profit is a complete association. In spite of being closely related to and commonly co-dependent, profit and profitability are two different approaches. In other words, in spite of their general nature, each one of them has a separate role in industry.

As a supreme phrase, profit has no significance to compare the effectiveness of a business group. A very high profit does not always specify sound organizational efficiency and low profitability is not always a sign of organizational illness. Therefore, it can be said that profit is not the prime variable on the source of which the operational efficiency and financial efficiency of an organization can be compared. To measure the efficiency of capital employed and to measure operational competence, profitability analysis is measured as one of the best techniques.

Profitability is a class of financial metrics that are used to assess a business's capability to generate revenues as compared to its expenses and other relevant costs incurred during a specific period of time. For most of the synthesis reports, with a higher value compared to the ratio of a competitor or the same compared to an earlier period is a hint that the company is going well. Profitability is the main focus of every company.

Without profitability the business will not survive in the long run. So measuring current and past profitability and projecting future profitability is very important. The profitability ratios are useful to get insight of a business. It helps an analyst to get indication on the sufficiency or adequacy of profits. The statistical tools are used to understand the efficiencies/inefficiencies of a business unit and assist management and owners to take necessary actions. Profitability ratios are used as the tools for Solvency and profitability analysis and communicate about the actual financial position of a business. The purpose of the profitability indicators for the calculation is to measure the operational efficiency of a company and the returns generated by a company. The various stakeholders of a company are interested in the profitability indicators for various purposes. The stakeholders of a company are owners, management, creditors, lenders, etc.

RATIOS USED FOR LIQUIDITY AND PROFITABILITY
Tata Steel, SAIL, JSW Steel companies offering its different services including software consulting. This paper analysis the Liquidity and Profitability of these three STEEL companies. The different Solvency ratios and Profitability ratios used for analyzing the financial performance of these companies are summarized and briefed in this section:

FIG. 1
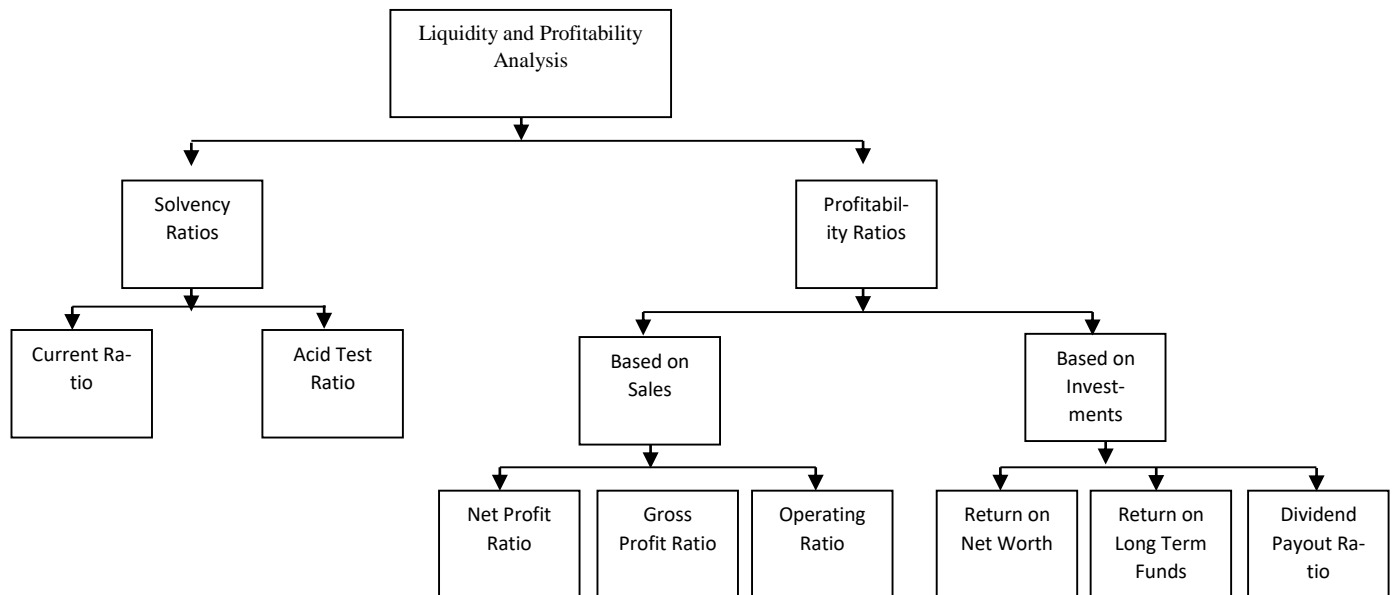
Current Ratio is the ratio is the indicator of the firm's commitment to meet its short-term liabilities. It is an index of the concerns financial stability A very high ratio is not desirable which means less efficient use of funds, slow moving stock, and increase in debtors, Cash and Bank balance lying idle. A very low ratio can mean that the concern is not maintaining adequate Cash balances that can result in Bad Credit Image and loss of Creditors confidence. An ideal current ratio is 2:1, which means creditors will be able to get their payment in full.

Acid test Ratio is an indicator of a company's short-term liquidity. The Acid test Ratio measures a company's ability to meet its short-term obligations with its most liquid assets. For this reason, the ratio excludes inventories from current assets; an ideal current ratio is 1:1. The ratio derives its name presumably from the fact that assets such as cash and marketable securities are quick sources of cash.

Net profit ratio reveals the remaining profit after all costs (production cost, administration cost, selling and distribution cost and financing cost) from sales and revenue. As such, it is one of the best ways of overall results of a firm; the measure is commonly reported on a trend line to judge performance over time. It is also used to evaluate the results of a business unit with its competitors. Net profit is not a pointer of cash flows, since net profit incorporates a number of non-cash expenses, such as accrued expenses, amortization, and depreciation etc. It is defined as the ratio of net profit to the net revenue.

Gross profit ratio is a profitability ratio shows the relationship between gross profit and total net sales. It is used to found the operational efficiency of a business unit its comes by dividing the gross profit by net sales and its shows in percentage.

Operating ratio shows the sound effectiveness of a business unit by dividing operating expense to net sales.

Return on net worth is also known as Return on Equity (ROE). It is calculated by the relationship of net income to the shareholder's equity. Return on Equity is a good indicator of a firm's ability at generating Income.

Return on long term fund is a relationship between the net profit and long term fund. Long term fund is the total investment by business unit for long term. It is considered by dividing the EBIT (Earnings before interest and tax) by the long term fund.

Dividend payout ratio is defined as the ratio of yearly dividend per share by the business unit. It is also defined as the ratio of dividends to the net income.

REVIEW OF LITERATURE

Lakshmi and Narasa have studied for five years to know the financial reliability of Cipla Ltd using various ratios and concluded that overall performance of Cipla Ltd. was satisfactory. Solanki has analyzed the sugar industry of two regions (northern and southern) on the basis of EBDIT, EBIT, GROSS PROFIT, PAT, and PBT and found that some sugar companies of southern region are performing better than that of their northern region's counterparts. Kavitha and Palanivelu have measured the growth and productivity situation of Iron and Steel Companies listed in Stock Exchange they have used ratio analysis and statistical tools t-test and found that the Short term solvency of listed companies were satisfactory. Koradia has examined the prosperity of public sector oil companies and used four ratios (Operating Profit, Gross Profit, Net profit and Capital employed ratio) and ANOVA analysis and found that there is significant difference between profitability ratios over the year but no significant difference between return on capital employed. In last decade, the profitability and growth of Steel companies is rarely analyzed using any mathematical and statistical tool. In this paper, authors have proposed that analysis using Ratio Analysis and ANOVA analysis.

RESEARCH METHODOLOGY

The study is primarily focused on secondary data which has been composed from the Newspapers, Director's report, Annual reports, Journals, Books, Research Papers, Websites, and various other documents of the selected Steel companies. Data has been composed for a period of last five years (i.e. from 2011-12 to 2015-16) mainly to analyze potency and profitability of Tata Steel, SAIL, JSW Steel companies. In order to evaluate the potency and profitability, financial and statistical tools like Ratio analysis, ANOVA analysis have been used.

OBJECTIVES OF THE STUDY

The study has been examined and evaluates all the prospects of the potency and profitability of selected Steel companies on certain parameters through ratio analysis and ANOVA analysis. The following are the broad objectives of the study:

1. To analyze the trends in the growth and profitability of Tata Steel, SAIL, JSW Steel companies during the last five years.
2. To appraise the financial position of Tata Steel, SAIL, JSW Steel companies through various ratios.
3. To study the significance relationship between the companies and between the years by using ANOVA.

HYPOTHESES OF STUDY

$H0_1$ There is no significant difference in Current Ratio between the companies and between years.
$H0_2$ There is no significant difference in Acid Test Ratio between the companies and between years.
$H0_3$ There is no significant difference in Net Ratio between the companies and between years.
$H0_4$ There is no significant difference in Gross Profit Ratio between the companies and between years.
$H0_5$ There is no significant difference in Operating Ratio between the companies and between years.

H0$_6$ There is no significant difference in Return on Net Worth between the companies and between years.

H0$_7$ There is no significant difference in Return on Long Term Funds between the companies and between years.

H0$_8$ There is no significant difference in Return on dividend payout ratio between the companies and between years.

ANALYSIS

LIQUIDITY COMPARISON AND DATA ANALYSIS THROUGH CURRENT RATIO

TABLE 1.1

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
	TATA STEEL	0.52	0.62	0.57	0.86	0.93	0.70	0.18	26.17	0.52	0.93
CURRENT RATIO	SAIL	0.62	0.68	0.79	1.01	1.22	0.86	0.25	28.76	0.62	1.22
	JSW STEEL	0.77	1.02	0.82	0.88	0.76	0.85	0.11	12.51	0.76	1.02

Source: www.moneycontrol.com

Table 1.1 shows that Current Ratio of TATA STEEL is so fluctuating year by year its 0.93 in 2011-12, 0.86 in 2012-13 and 0.52 in 2015-16. In SAIL its good 1.22 in 2011-12 but decrease year by year continuously 1.01 in 2012-13, 0.79 in 2013-14 and 0.62 in 2015-16. In case of JSW STEEL it's so varied 0.76 in 2011-12, 0.88 in 2012-13, 1.02 in 2014-15 and 0.77 in 2015-16.

CHART 1.1
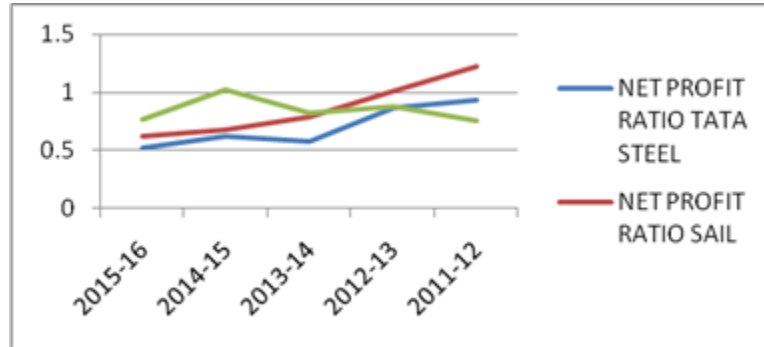
TABLE 1.2

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	0.0827	2	0.0413		
Within Samples	0.4263	12	0.0355	1.1633	3.8853
Total	0.5090	14			

From Table 1.2, it can be seen that the calculated value of 'F' (1.1633) is less than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is false, and thus, there is significant difference in Net Ratio between the companies and between years.

LIQUIDITY COMPARISON AND DATA ANALYSIS THROUGH ACID TEST RATIO

TABLE 1.3

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
	TATA STEEL	0.32	0.27	0.32	0.61	0.69	0.44	0.19	43.68	0.27	0.69
ACID TEST RATIO	SAIL	0.44	0.55	0.62	0.68	0.82	0.62	0.14	22.86	0.44	0.82
	JSW STEEL	0.55	0.67	0.71	0.69	0.54	0.63	0.08	12.78	0.54	0.71

Source: www.moneycontrol.com

Table 1.3 shows that Acid Test Ratio of TATA STEEL is fluctuating a lot 0.69 in 2011-12, 0.61 in 2012-13, 0.32 in 2013-14 and 0.32 in 2015-16. In case of SAIL 0.82 in 2011-12 but its fall down every year 0.68 in 2012-13, 0.62 in 2013-14 and 0.44 in 2015-16. In JSW STEEL its up down 0.54 in 2011-12, 0.69 in 2012-13, 0.71 in 2013-14 and 0.55 in 2015-16.

CHART 1.2
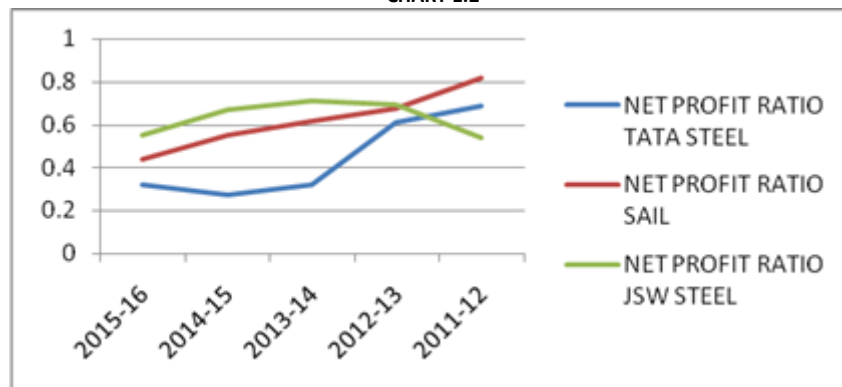
TABLE 1.4

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	0.1143	2	0.0572		
Within Samples	0.2560	12	0.0213	2.6793	3.8853
Total	0.3704	14			

From Table 1.4, it can be seen that the calculated value of 'F' (2.6793) is less than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is false, and thus, there is significant difference in Net Ratio between the companies and between years.

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PROFITABILITY COMPARISON & DATA ANALYSIS BASED ON SALES THROUGH NET PROFIT RATIO

TABLE 1.5

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
NET PROFIT RATIO	TATA STEEL	12.82	15.41	15.08	12.94	19.73	15.20	2.80	18.42	12.82	19.73
	SAIL	-10.58	4.57	5.6	4.86	7.94	2.48	7.42	299.38	-10.58	7.94
	JSW STEEL	-9.53	4.7	2.94	5.07	5.07	1.65	6.31	382.53	-9.53	5.07

Source: www.moneycontrol.com

Table 1.5 shows that the Net Profit to turnover ratio for Tata steel was 19.73% in the year 2011-12 which decreased to 12.94% in the year 2012-13. It shows that the company's profit has decreased as against the turnover of the company and then it continuously decreased for and reached 12.82% in the year 2015-16 which shows the operating deficiency of the management of the company. It is not a good indication for the company. Net Profit to turnover ratio also so floating for SAIL it was 7.94 % in 2011-12 its decrease/increase since 2014-15 but in 2015-16 its -10.58% that's so danger zone of the company. In case of JSW STEEL its 5.07% constant in the year 2011-12 and 2012-13 then its again go so down -9.53 % in 2015-16 this is not a good indication for company.

CHART 1.3
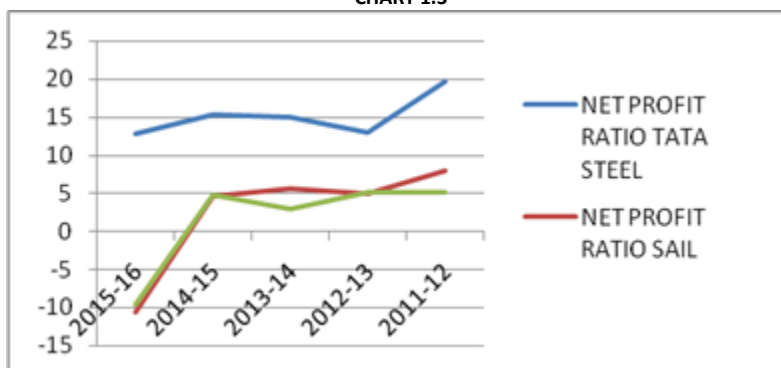
TABLE 1.6

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	576.5454	2	288.2727	8.4199	3.8853
Within Samples	410.8452	12	34.2371		
Total	987.3906	14			

From Table 1.6, it can be seen that the calculated value of 'F' (8.4199) is more than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is true, and thus, there is no significant difference in Net Ratio between the companies and between years.

PROFITABILITY COMPARISON & DATA ANALYSIS BASED ON SALES THROUGH GROSS PROFIT RATIO

TABLE 1.7

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
GROSS PROFIT RATIO	TATA STEEL	13.81	19.17	26.1	24.83	30.6	22.90	6.52	28.45	13.81	30.6
	SAIL	-14.62	6.3	4.71	7.2	9.66	2.65	9.82	370.53	-14.62	9.66
	JSW STEEL	8.63	13.2	13.37	12.21	12.09	11.90	1.92	16.10	8.63	13.37

Source: www.moneycontrol.com

Table 1.7 shows that the Gross Profit to turnover of TATA STEEL was 30.6% in the year 2011-12 which decreased to 24.83% in the year 2012-13. It shows that the company's profit has decreased as against the turnover of the company and then it continuously decreased for and reached 13.81% in the year 2015-16 which shows the operating deficiency of the management of the company. It is not a good indication for the company. In SAIL 9.66 % in 2011-12 and it's in decline mode till 2013-14. 4.71 % but it's again rise in 2014-15 to 6.3% but in 2015-16 its fall down to -14.62% is not a good indication for the company. JSW STEEL Gross profit ratio in 2011-12 is 12.09% and continuously rise two years 2012-13, 12.21% and 2013-14, 13.37% but in 2014-15 its start to fall down 13.2% and in 2015-16 8.63% is it not good time for the company.

CHART NO. 1.4

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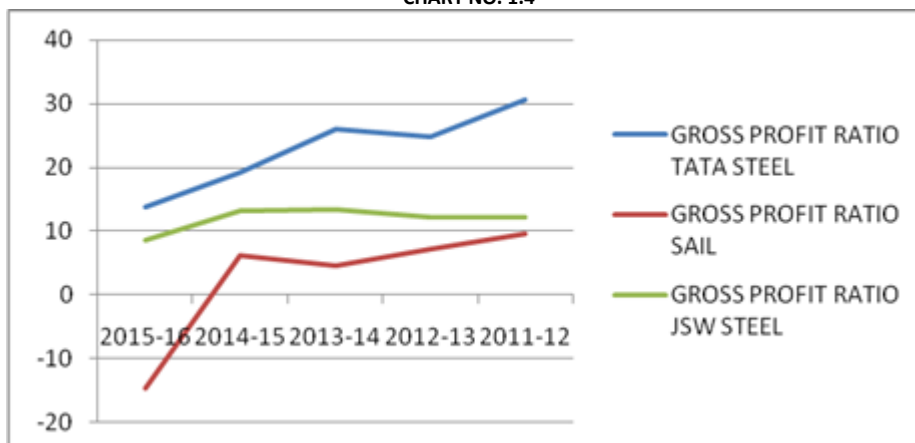
TABLE 1.8

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	1027.9167	2	513.9583	10.8176	3.8853
Within Samples	570.1335	12	47.5111		
Total	1598.0502	14			

From Table 1.8, it can be seen that the calculated value of 'F' (10.8176) is more than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is true, and thus, there is no significant difference in Net Ratio between the companies and between years.

PROFITABILITY COMPARISON & DATA ANALYSIS BASED ON SALES THROUGH OPERATING RATIO

TABLE 1.9

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
	TATA STEEL	18.87	23.95	30.72	29.12	33.99	27.33	5.96	21.80	18.87	33.99
OPERATING RATIO	SAIL	-9.25	10.18	8.39	10.34	13.04	6.54	8.98	137.34	-9.25	13.04
	JSW STEEL	15.58	19.24	19.38	17.77	17.42	17.88	1.55	8.67	15.58	19.38

Source: www.moneycontrol.com

Table 1.9 shows that the Operating Profit companies in TATA STEEL was 33.99% in the year 2011-12 which decreased year by year and reach 18.87% in 2015-16. SAIL operating ratio shows 13.04% in 2011-12 and it's also in decline mode till 2015-16 -9.25 % and loss in any organization is not a good sign. JSW STEEL shows in 2011-12 17.42% and continuously rise two years 2012-13, 17.77% and 2013-14 19.38% but in 2014-15 its start to fall down 19.24% and in 2015-16 it is 15.58%.

CHART 1.5
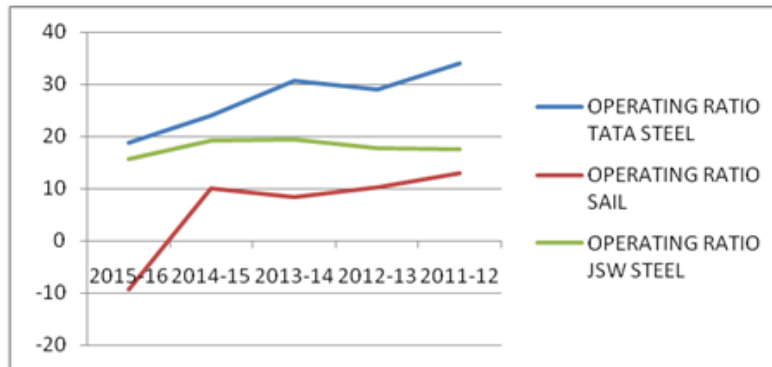
TABLE 1.10

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	1083.5244	2	541.7622	13.7055	3.8853
Within Samples	474.3473	12	39.5289		
Total	1557.8717	14			

From Table 1.10, it can be seen that the calculated value of 'F' (13.7055) is more than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is true, and thus, there is no significant difference in Net Ratio between the companies and between years.

PROFITABILITY COMPARISON & DATA ANALYSIS BASED ON CAPITAL EMPLOYED THROUGH RETURN ON NET WORTH

TABLE 1.11

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
	TATA STEEL	6.95	9.65	10.48	9.17	12.72	9.79	2.09	21.38	6.95	12.72
RETURN ON NET WORTH	SAIL	-10.53	4.81	6.13	5.29	9.24	2.99	7.75	259.41	-10.53	9.24
	JSW STEEL	-16.8	8.56	5.55	9.02	8.77	3.02	11.17	369.83	-16.8	9.02

Source: www.moneycontrol.com

Table No. 1.11 shows that TATA STEEL Return on Net Worth is 12.72 in 2011-12 and 9.17 in 2012-13 then rise 10.48 in 2013-14 after that it's continuously down 9.6 in 2014-15 and 6.9 in 2015-16. SAIL Return on Net Worth is so floating 9.24 in 2011-12, 5.29 in 2012-13, 6.13 in 2013.14, 4.81 in 2014-15 and -10.53 in 2015-16. In JSW STEEL Return on Net worth 8.77 in 2011-12, 9.02 in 2012-13 and decline 5.55 in 2013-14 then increase 8.56 in 2014-15 then fall down to -16.8 in 2015-16.

CHART 1.6
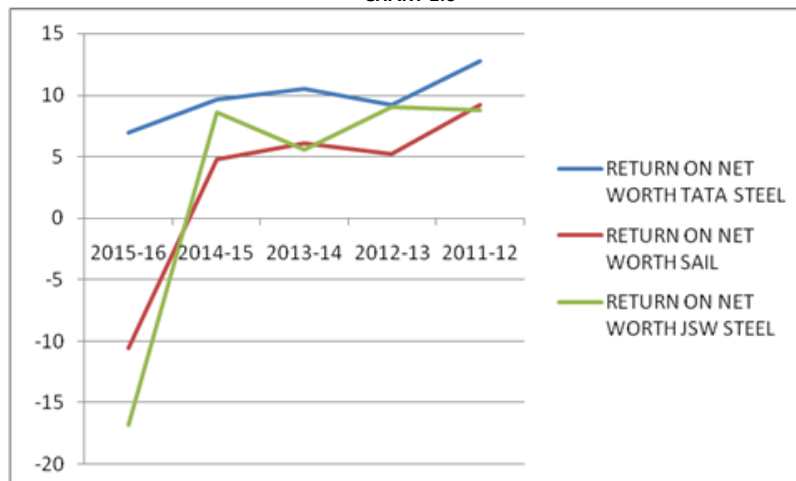
TABLE 1.12

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	153.6829	2	76.8414	1.2184	3.8853
Within Samples	756.8328	12	63.0694		
Total	910.5157	14			

From Table 1.12, it can be seen that the calculated value of 'F' (1.2184) is less than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is false, and thus, there is significant difference in Net Ratio between the companies and between years.

PROFITABILITY COMPARISON & DATA ANALYSIS BASED ON CAPITAL EMPLOYED THROUGH LONG TERM FUNDS

TABLE 1.13

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
RETURN ON LONG TERM FUNDS	TATA STEEL	9.53	9.25	13.38	12.81	14.78	11.95	2.45	20.47	9.25	14.78
	SAIL	-9.29	6.78	5.47	7.66	11.87	4.50	8.07	179.45	-9.29	11.87
	JSW STEEL	7.3	12.79	14.08	12.99	13.56	12.14	2.75	22.68	7.3	14.08

Source: www.moneycontrol.com

From Table 1.3, it can be seen that Long term Funds of TATA STEEL is 14.78 in 2011-12, 12.81 in 2012-13, 13.38 in 2013-14 then fall down 9.25 in 2014-15 and rise 9.53 in 2015-16. SAIL Long term Funds 11.87 in 2011-12 then continuously fall down two years 7.66 in 2012-13, 5.47 in 2013-14 then hike 6.78 in 2014-15 but so much down -9.29 in 2015-16. JSW STEEL 13.56 in 2011-12 then so varied 12.99 in 2012-13, 14.08 in 2013-14, 12.79 in 2014-15 and so decline 7.3 in 2015-16.

CHART 1.7
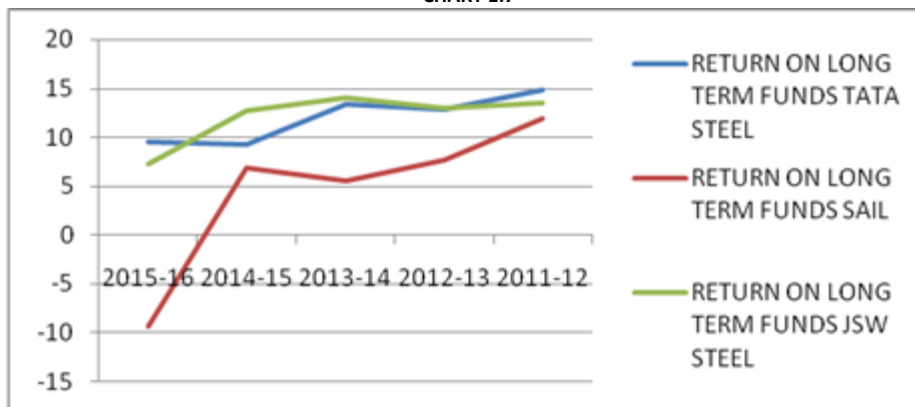
TABLE 1.14

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	190.0521	2	95.0260	3.6212	3.8853
Within Samples	314.8962	12	26.2414		
Total	504.9483	14			

From Table 1.14, it can be seen that the calculated value of 'F' (3.6212) is less than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is false, and thus, there is significant difference in Net Ratio between the companies and between years.

GROWTH AND PROFITABILITY COMPARISON & DATA ANALYSIS THROUGH DIVIDEND PAYOUT RATIO

TABLE 1.15

COMPANIES/YEAR		2015-16	2014-15	2013-14	2012-13	2011-12	AVG	SD	CO-EFF	MIN	MAX
DIVIDEND PAYOUT RATIO	TATA STEEL	15.85	12.06	15.14	17.88	17.4	15.67	2.30	14.70	12.06	17.88
	SAIL	0	39.47	31.88	38.06	22.43	26.37	16.20	61.43	0	39.47
	JSW STEEL	0	12.43	22.01	12.58	10.47	11.50	7.84	68.18	0	22.01

Source: www.moneycontrol.com

From Table 1.15, it can be seen that Dividend Payout Ratio of TATA STEEL 17.4 in 2011-12, 17.88 in 2012-13 then continuously decrease in two years 15.14 in 2013-14, 12.06 in 2014-15 then increase 15.85 in 2015-16. SAIL Dividend Payout Ratio 22.43 in 2011-12 then increase 38.06 in 2012-13 again varied 31.88 in 2013-14, 39.47 in 2014-15 but zero in 2015-16. In case of JSW STEEL 10.47 in 2011-12 then adopt increasing order 12.58 in 2012-13, 22.01 in 2013-14 but sudden decline 12.43 in 2014-15 and zero in 2015-16.

CHART 1.8
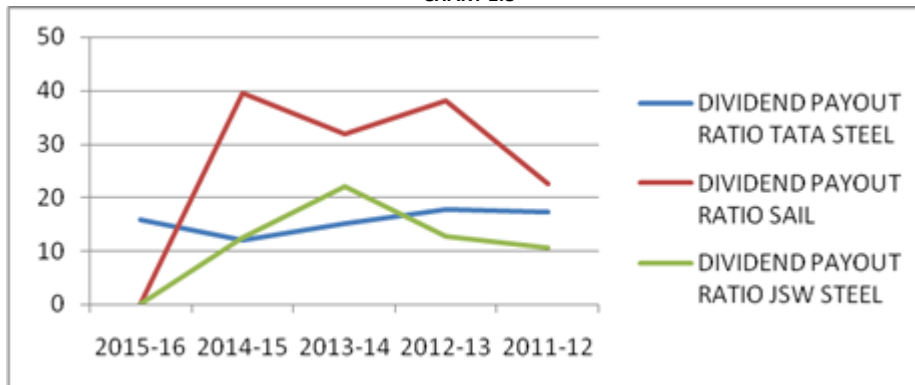
TABLE 1.16

Source of Variation	Sum of Squares	Degrees of Freedom	Mean of Square	F-Ratio	F crit.
Between Samples	588.3699	2	294.1849	2.6814	3.8853
Within Samples	1316.5513	12	109.7126		
Total	1904.9212	14			

From Table 1.16, it can be seen that the calculated value of 'F' (2.6814) is less than the table value of 'F' (3.8853) at 5% level of significance. Hence, the null hypothesis is false, and thus, there is significant difference in Net Ratio between the companies and between years.

LIMITATIONS OF THE STUDY

1. This study is based on secondary data taken from published annual reports of selected cement companies.
2. The different views have been applied in the calculation of different ratios.
3. The present study is largely based on Ratio and ANOVA analysis. It has its own limitations.

CONCLUSION

The acceptance of the null hypothesis would suggest that there is no significant difference between the productivity of the selected units, which means that the productivity ratios of the units came from identical populations, in such steel units as the comparison of the liquidity, and profitability will have little significance. In contrast, the rejection of the Null hypothesis will reveal that there is significant difference between liquidity, and profitability ratios of the units, suggesting the usefulness of comparisons the level of significance used in this case will also be at 5 percent, while degrees of freedom were 13 in the present study. There is no significant difference between the years in operating profit ratio, net profit ratio, gross profit ratio, whereas there is significant difference between the companies in return on net worth ratio, return on capital employed ratio and dividend payout ratio. It can be concluded from the above ratios that the performance of TATA STEL in terms of operating profit ratio, net profit ratio and gross profit ratio showed a very good performance. Return on net worth and return on long term funds of SAIL is not satisfactory whereas in case of JSW STEEL, it was good. JSW STEEL showed an average performance during the study period.

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A STUDY ON IMPRESSION OF STRESS AND SURVIVING STRATEGIES AMONG THE BANK EMPLOYEES IN TIRUNELVELI DISTRICT

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ABSTRACT
High stress jobs refer to work, which involves hectic schedule and complex job responsibility that result into imbalance between personal work and life. The most of the bank employees recognize their problems in managing the stress. It may be due to lack of recognition, unclear job expectations, poor decision making, lack of professional respect acceptance of poor - quality work and customer service, disrespectful behaviour, adequate explanation of reasons, process, or likely outcomes mandatory overtime.

KEYWORDS
stress, job performance, quality of work.

INTRODUCTION
Stress management has become the most important and valuable technique to boost the employee morale and the company productivity in all companies. High stress jobs refer to work, which involves hectic schedule and complex job responsibility that result into imbalance between personal work and life. Over work may affect physical health of individual result into ineffective work and dissatisfaction among employees leading to imbalance in family or personal life also.

REVIEW OF LITERATURE
Khalid A. (2012) There is a direct relationship between stress and job performance in any organization. To improve the performance of an individual in an organization an employee should receive good support from their leaders. Hence, a supportive leader can improve the performance of an employee even at unfavourable situations[1].

Kavitha (2012) The article focuses on the organizational role stress for the employees in the IT sector. It also highlights that women face more stress than men in the organization to be more specific married women faces more stress than the unmarried women[2].

STATEMENT OF THE PROBLEM
A well – defined problem is "half work done". Many creative efforts fail because the problem is either unclear or it is focused in the workplace. The most of the bank employees recognize their problems in managing the stress. It may be due to lack of recognition, unclear job expectations, poor decision making, lack of professional respect acceptance of poor - quality work and customer service, disrespectful behaviour, adequate explanation of reasons, process, or likely outcomes mandatory overtime. Hence the study made on "Impression of Stress and Surviving Strategies Among The Bank Employees In Tirunelveli District".

OBJECTIVES
1. To identify the reasons for stress among bank employees.
2. To analysis place stressors in categories: internal & external.
3. To study the ways to manage stress and maintain control on stress.
4. To offer suggestions to manage stress.

HYPOTHESIS
➢ There is no relationship between Age wise classification and time management for bank employees
➢ There is no relationship between Age wise classification and fear to crime for bank employees.

RESEARCH METHODOLOGY
The study is based on both primary and secondary data. The primary data has been collected from 125 respondents through interview schedule by adopting convenience sampling technique. The secondary data was collected from books, magazines, journals, encyclopaedia and websites. Simple percentage analysis, rank test and chi square test has been applied to analyse the primary data.

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ANALYSIS OF DATA

TABLE 1: SOCIO ECONOMIC PROFILE OF THE RESPONDENTS

Socio Economic Variables		No. of respondents	percentage
Gender	Male	75	60
	Female	50	40
Age	Below 25 Years	40	32
	25 – 35 Years	37	30
	35 – 45 Years	13	10
	45 – 55 Years	25	20
	Above 55 Years	10	8
Marital Status	Married	95	76
	Unmarried	30	24
Type Of The Family	Joint	45	36
	Nuclear	80	64
Suffered By Stress	Mentally	72	58
	Physically	53	42

Source: Primary Data

According to the above data it is clear, that 60% of the respondents are male and 40% are female. Majority of the respondents 32% are below 25 years; Most of the respondents 75% are married; only 36% of the respondents are living in joint family system. 58% of the respondents are mentally suffered by stress, and 42% of the respondents are physically suffered by stress.

TABLE 2: REASONS FOR FREQUENT STRESS

PARTICULARS	HA	A	NO	DA	HDA	MEAN SCORE	LEVEL
Time management	75	25	10	10	5	4.24	HA
Fear to crime	52	14	32	17	10	3.6	A
Business professions	5	7	5	73	35	1.9	DA
Conflicts work spot	51	15	32	17	10	3.6	A
Things under estimate	72	28	10	10	5	4.1	HA

Source: Primary data

HA-HIGHLY AGREE, A-AGREE, NO-NO OPINION, DA-DISAGREE, HDA-HIGHLY DISAGREE

The above table shows that the respondents were highly agreed for time management (4.24) things under estimate (4.1) the respondents were agreed for fear to crime (3.6); conflicts work spot (3.6) the respondents were disagreed for business profession (1.9).

CHI-SQUARE ANALYSIS

To analyse the relationship between the age and the time management quality of the bank employees the researcher has used the chi-square test. The following hypothesis has been framed.

H_0: There is no relationship between Age wise classification and time management for bank employees.

TABLE 3: AGE WISE CLASSIFICATION TO TIME MANAGEMENT FOR BANK EMPLOYEES

S.No.	Opinion	Below 25 years to 35 years	35 years to 55 years	Total
1.	Agree	67	33	100
2.	Disagree	10	15	25
Total		77	48	125

Source: Primary data

CHI-SQUARE ANALYSIS

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

Calculated value: 6.1636

Table value : 3.841

Degrees of freedom: 1

Level of significance: 5%

It is clearly demarcated from the above table that the null hypothesis is rejected because the calculated (6.1636) value is more than table value (3.841). Hence, there is a relationship between Age wise classifications to time management the bank employees. The age has a direct impact on the time management process.

CHI-SQUARE ANALYSIS

To analyse the relationship between the age and the fear to crime for the bank employees the researcher has used the chi-square test. The following hypothesis has been framed:

H_0 : There is no relationship between Age wise classification and fear to crime for bank employees.

TABLE 4: AGE WISE CLASSIFICATION AND FEAR TO CRIME FOR BANK EMPLOYEES

S.No.	Opinion	Below 25 years to 35 years	35 years to 55 years	Total
1.	Agree	45	27	72
2.	Disagree	32	21	53
	Total	77	48	125

Source: Primary data

CHI-SQUARE ANALYSIS

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

Calculation value: 0.5298

Table value: 3.841

Degrees of freedom: 1

Level of significance: 5%

According to the above table it is clearly well-defined that the null hypothesis is accepted because the calculated (0.5298) value is less than table value (3.841). Hence, it is concluded that there is no direct relationship between Age wise classifications and the fear to crime for the bank employees.

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FINDINGS OF THE STUDY

1. Most (60%) of the respondents are male.
2. Only 8% of the respondents are above 55 years.
3. Majority (76%) of the respondents are married. The Marital status has an influence in the stress management.
4. Majority (64%) of the respondents are living in Nuclear family system.
5. 52% of the respondents are mentally suffered by stress.
6. 48% of the respondents are physically suffered by stress.
7. Time Management and Things under estimate are the highly agreed by the bank employees for the reasons for frequent stress with the mean score of 4.24 and 4.1.
8. There is a relationship between Age wise classifications to time management the bank employees.
9. There is no direct relationship between Age wise classifications and the fear to crime for the bank employees.

SUGGESTIONS

1. Bank employees are mostly affected from stress in work place. Therefore, the healthy way to remove the stress is yoga/meditation.
2. Proper division of work system should be followed.
3. Many employees are suffered from lack of professional knowledge. Its high time the government should take necessary steps to train and motivate them.
4. Since the job is monotony, the steps can be taken for diversification.
5. In rural areas, many numbers of employees should be appointed to deliver who do not understand much of banking.
6. The single mistake will be a costly one. So workload should be avoided.
7. The bank should provide necessary way for the constant update of the employees to the very end of the career to stay relevant.

CONCLUSIONS

Job satisfaction and productivity were indicated as two areas most affected by work related stress. Therefore, stress cannot be considered just an individual issue because reduced job satisfaction and lower productivity has a direct effect on the company as a whole.

From this study, it can be concluded that employees have realized the importance of managing stress in the workplace because of the wide variety of programs now offered to manage stress. The study is concluded that major problem spaced on the work spot stress management. The instruction to clear that direction of work management for work place, to identify the nature of work in the bank employees in one-hour stress management session focusing on mental relaxations techniques and effective training program.

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A STUDY OF INTERNET USERS' ATTITUDE AND PERCEPTION TOWARDS ONLINE SHOPPING

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ABSTRACT

E-tailing, a sub set of E-commerce, facilitates online shopping with fingertips. It has mushroomed with online shopping websites in past few years in India. Existing literature revealed that people are not switching from traditional "Brick & Mortar" shopping practice to online shopping practice with the same rate in developing countries as it is in developed countries. Researchers still striving hard to understand why online shopping is not a part of everyone's lifestyle. Therefore, the present study attempt to understand the attitude and perception of customers towards online shopping. In order to complement the title, the study focuses on two aspects, first what is frequency of online shopping with respect to Age, Gender and Income level of respondent. Second, what derives respondent to shop online and what make them reluctant in adopting it. In the present study an attempt has been made to analyze the attitude & perception of the people towards online shopping in Punjab. For the analysis of data descriptive statistics have been applied. Majority of the respondents assumed that transaction security, personal privacy, product price, product quality, convenience, accessibility, promotions and advertisement, delivery time, quality comparison and reputation of the company are the important variables in online shopping.

KEYWORDS
e-tailing, e-commerce, retailing, navigation, attitude, perception.

INTRODUCTION

Online shopping phenomena seems to be in its infancy stage in developing countries. Researchers had projected that it may appear as a common trend in developing countries. Today, online shopping has become massively convenient and offers wide range of products to be purchased (Vegiayan, K.D., Ming, C. W., & Harun, M. L. O. 2013) Therefore the question is still unanswered that why it is not a part of people's lifestyle if online shopping is a pleasure giving exercise. Enlarging numbers of people are moving towards more intensive use of the Internet as the accessibility of technology, the availability of information, and the ability to interact through the Internet increase and evolve. Obvious capabilities of the Internet include avenues for gathering information, purchasing a product, or rendering a service. The new invention in Internet technology allow for the expanding of shopping options beyond traditional methods that may be more time consuming. Issues with having to physically gather information with offline shopping methods are alleviated, and customers are better able to efficiently use their time. For instance, instead of having to physically visit different stores to compare prices or rely on circular pamphlets in newspapers, a consumer is able to search and retrieve needed information through the Internet (Changchiz, 2006).

The development of internet has created a paradigm shift of the traditional way people shop. A consumer is no longer bound to opening times for specific locations; he can become active at virtually any time and place and purchase of products or services. The number of internet users is constantly increasing which also which also signifies that online purchasing is increasing. The previous primary reason for shopping online was price, which has now changed to convenience. The importance of analyzing and identifying factors that influence the consumer when he or she decides to buy on the internet is crucial Since the internet is a new medium for there have been new demands set by the consumer. That is why it is crucial for the online retailers to know what influences the online consumer.

Internet is changing the way consumers shop and buy goods and services, and has rapidly evolved into a global phenomenon. Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the product from a particular store. Many experts are optimistic about the prospect of online business (Shergill and Chen, 2005).

Consumers have different personalities, which may influence their perception and how they perceive their online shopping behaviours that can be classified in two main orientations of utilitarian and hedonic. Consumers who are utilitarian have goal-oriented shopping behaviours. Utilitarian shoppers shop online based on rational necessity which is related to a specific goal. They look for task-oriented, efficient, rational, deliberate online shopping rather than an entertaining experience. What they expect most from online shopping is to purchase in an efficient and timely way and to achieve their goals with the least amount of irritation. Since customers attach greater importance to the transaction related features of the website rather than the entertainment features. Consumers who are hedonist have experiential shopping behaviour. Hedonists not only gather information by shopping online but also seek fun, excitement, arousal, joy, festive, escapism, fantasy, adventure, etc. These experiential shoppers want to be immersed in the experience rather than to achieve their goals by shopping online and their perceived experiences also depend on the medium characteristics that induce enjoyable experiences. Hedonic (or experiential) shoppers are more attracted to well-designed online shopping sites that are easy-to-navigate and visually appealing (Narges, 2009).

Much research has been concentrated on the online shopping in the world. However, there is still a need for closer examination on the online shopping buying behavior in developing countries like India. Shore (1998) and Stiglitz (1998) reported that implementation of information system depends on specific social, cultural, economic, legal and political context, which may differ significantly from one country to another country. While both established and new, large and small scale businesses are now using the Internet as a medium of sales of their products and services (for example Dell computer, Amazon.com, in the world and jobstreet.com, rediff.com). Still there is a huge research gap that exists not only between countries, especially between developed and developing countries, which may differ significantly between countries (Stieglitz, 1998; Shore, 1998; Spanos et al., 2002) that limit the generalization of research results from developed countries to developing country contexts (Dewan and Kraemer, 2000; Clarke, 2001). Dewan and Kraemer (2000) and Clarke (2001) argued in their study that findings from developed countries are not directly transferable to developing countries.

REVIEW OF LITERATURE

Vegiayan, K. D., Ming, C. W., & Harun, M. L. O. (2013). They wrote that the purchase quality (Wide range, Covers interest, Purchase Process, Adequate security and Safety) variable shows to have highest relationship with the customer. The study suggested that customer also do find, their inquiries regarding their purchases are not being answered promptly, some retailer takes a week or more to response to customers. Suggests retailers need to take this issue into consideration and

perform improvement. This also includes of elements increase the interest of the customer to make their purchase. Halimi, Anahita Bagherzad and Chavosh, Alireza and Choshalyc, Sahar Hosseinikhah and Esferjani, Pejman Sheibani and Doghezlou, Aliakbar Hozhabri (February 22, 2012) they presented the factor affecting consumers attitude towards online purchasing. The study revealed that the product characteristics has not any significant relationship with the customer's attitude towards online shopping in the case of Singaporean degree holders. Also, assured that they can obtain more success the if customers personal information would be kept safe and can increase their trust by providing facilities that provide more safe transactions for them when they do online purchasing. Suggested that E-retailers should design more user friendly websites. Hong, Weiyin and Thong, James Y.L. and Tam, Kar Ya observed that a good fit between the information format and the shopping task will result in significant improvements in online shopping performance. Their findings suggested that given the same information content, varying the information format is capable of influencing the consumers' online shopping behaviour. Tsai Janic, Cranor Lorrie, Acquisti Alessandro and Fong Christina (October 2006) found that most people have concerns when they are on the Internet and when they shop online, but most do not read privacy policies in their entirety. Instead, they tend to notice the presence of privacy policies more often than they read them. Nayyar, Ruchi and gupta S.L(2011) Age has also been found to had an influence on internet retailing adoption. Internet usage had not diffused uniformly amongst all age groups, hence the difference in attitude towards online purchase. And added that, education has not shown any significant association to internet retailing. Higher income motivates more online purchasing. Similar justification had obtained between position in the organization and internet retailing adoption with increases higher online retailing prospects. Sajjad Nazir, Arsalan Tayyab, Aziz Sajid, Haroon ur Rashid and Irum Javed (May 2012) According to their survey, online shopping is getting popularity in the young generation such as students and professionals. Students usually prefer to shop goods from its original source and they mostly prefer online shopping When a consumer to make purchases online to shop something, he or she is affected by assorted factors. The main influencing factors have been identified as, price, confidence, security, convenience, time, after sale service and discounted deals. They again found that people got petrified when their personal and account details are asked in online shopping Gagandeep Nagra, R Gopal wrote that the frequency of online shopping is relatively less in the country and testified statistically that gender does impact Possession of internet and Frequency of online purchase. Their study revealed that the respondents had perceived online shopping in a positive manner. They projected the growth of online shopping in near future on the basis of their results. Karve, Sunil (Jan 2014) He explored that most of the youth go for online shopping and unearth some of the habits of the youth while buying online like they purchase on monthly basis the most and also the mode of payment is preferred through credit card and spend moderately. He also discovered that Flip kart was ranked highest followed by Amazon by the respondent. 76% respondents felt that it was safe and secure to do online shopping. 67% respondents felt that there can be chances of being cheated while shopping onlineDelafrooz, Narges et al. (2010) analyzed that there were four main factors which influenced consumers' attitude towards online shopping. Those factors were utilitarian orientation, convenience, price and wider selection. He discussed that there were three more things which affected the sales of e-retailers. Those were personalities of consumers, online shopping perceived benefits and material of shopping sites. if a e-marketer wanted to utilitarian's as their consumers then they should be task oriented and if they wanted hedonics as their consumers, they should focus on the attractiveness and user friendly attributes of their shopping sites. Saprikis, Vaggelis et al. (2010) analyzed the perceptions of Greek University Student's on online shopping in terms of demographic profile, expectations of online stores, advantages and problems related to online purchases. He found that there were lot of differences regarding online purchases due to the various consumers' characteristics and the types of products and services. The results showed significant differences between the two groups of respondents, the adopters who were involved in the online shopping and the non-adopters who were not interested in online shopping. Adopters were having higher expectations from e-marketers on issues related to privacy policy and risk. The differences found were related to their particular perceptions on advantages and problems of online shopping. Syed et al. (2008) analyzed that there were four key factors which influenced the young consumers' perceptions towards online shopping. They found that those factors were website design, website reliability, customer service and privacy. They also discussed that there was no difference among the perceptions of various races towards online shopping in Malaysia. The most consistent factor that influenced buyer's behavior towards online shopping was found to be Trust. E-retailers need to add trust and reliability which is everything for the buyers. Asakawa and Okano (2007) analyzed the factors influencing consumers' perception of online shopping and explained how this perception affects their online-shopping behaviour. From the research, they found that those factors were convenience, anxiety regarding security and poor navigation. He found that convenience had a positive influence on online shopping whereas anxiety regarding security and poor navigation had a negative influence. Shergill and Chen. (2005), discussed the relationship between the factors affecting the buyers' behavior towards online shopping and the type of online buyers. They also investigated the different perceptions of different types of online buyers towards the online shopping. They found website design, website reliability, website customer service and website security or privacy were the factors which were influencing their buying behavior of different people. This research also found the different perceptions and evaluation criteria of the four types of online buyers; i.e., trial, occasional, frequent and regular online buyers. Khalifa and Liu (2007), analyzed a model named the information systems continuance model in the field of online shopping with the use of contingency theory which showed the roles of online shopping habit and experience of the same and found that they both were having positive effects, if there was satisfaction in the e-buyers due to these two factors. They analyzed that the effects of online shopping habit on online repurchase intention were mediated through satisfaction. The final outcome of this research was online repurchase intention was not only an outcome of a rational analysis of satisfaction, both habit and experience were also the factors which attracted the buyers. Adams et al. (2004) discussed the underlying factors related to personal online shopping in the workplace. They also gave the reasons for online shopping at work and those were boredom, connection speed, convenience, work life balance, efficiency etc. In their study they found that Americans were more fond of shopping online at workplace than Canadians. The main reason that they realized was faster connection. They said that corporate monitoring had an average effect on online shopping at workplace as job satisfaction was less or average at the place where monitoring was there. Changchit (2006), examined the perception of customers towards online shopping and the various factors which were perceived in different manners by those who were e-buyers and those who were not in online shopping. By this study he found that there were five factors which were perceived differently by the above mentioned two groups of consumers. Those factors were perceived risk with online shopping, past experience with online shopping, perceived benefits of online shopping, perceived ease of online shopping and perceived uncertainty of online shopping.

LIMITATION

Almost every study has some limitations and so as in our study. One of the limitations in this study is time limit. At the same time cost is also another limitation in our study. Another limitation in our study is the convenience sampling.

OBJECTIVES OF THE STUDY

Much research has been concentrated on the online shopping in the world. However, there is still a need for closer examination on the online shopping buying behaviour in developing countries like India.

To understand the attitudes & perception of customers towards online shopping.

HYPOTHESIS OF THE STUDY

H$_0$1: There is no association between attitudes & perception of customers and online shopping.

RATIONALE OF THE STUDIES

There are millions of people online any time and they all are a potential customer in the online market. Since there are so many providers, the most important thing for organisations is to understand what are customer wants and needs in this competitive business environment. In the Internet shopping market since there is no face-to-face contact, analysing and identifying factors that influence the customer is vital. Moreover, customer have new demands in the Internet medium. Therefore, it becomes more important to answer customer's demands to retain the customer. Being aware that customers are performing a major role in marketing, finding out how the factors that are essentially affecting the purchasing intentions are important. Analysing the process of shopping activities, how consumer decide and make purchasing over the Internet and what they buy need to be identified by online providers in order to satisfy and succeed in the competitive

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business environment. Customer behaviours are influenced by different factors such as culture, social class, references group relation, family, salary level and salary independency, age, gender etc. and so they show different customer behaviours.

METHODOLOGY
RESEARCH DESIGN
In this study, it is based on descriptive research.
DATA SOURCE
Primary data source is data collected through Survey method by using self administered questionnaire with likert scale, multiple choice.
The secondary data has been collected through following sources:
- Data through Internet sources
- Data through E-books

SAMPLE FRAME AND COMMENTS ON DATA
The target sample was of 500 respondents of selected regions of Punjab. For this study, it consists of students and working professionals, Business men who have done Online Shopping. Respondents have been drawn from the 5 districts to a manageable handling limit of 500, of which 350 responded completely. The selection of these respondents is at random and rest of the response of 150 responded has been received through face book friends. The cities covered are Bathinda, Patiala, Ludhiana, Mohali, Amritsar.

The non-probability convenience sampling (Sekaran, 2000) was chosen as the sampling design in this study. This was because convenience sampling is most often used during the exploratory phase of a research project and in perhaps the best way of getting some basic information quickly and efficiently.

ANALYSIS
In order to analyse the data collected, all the figures and variables were tabulated on excel and statistical tool chi square test was applied using SPSS version 22. Apart from that demographic information, respondents were asked to rate their opinion according to five point Likert rating scale, with rating five being "Strongly Agree" and one being "Strongly Disagree".
DEMOGRAPHIC ANALYSIS
In this section, demographic analysis was performed for the variables Age, Gender, Marital Status, Monthly Income, Occupation category & Education category among all 500 respondents those who participated in research. The following table gives the frequency distribution of the respondent for different categories of each demographic variables discussed.

The analysis of below table showed, among 500 respondents, 93% of respondents belongs to age group (20-40), only 3.6% belongs to age group (40-60) & only 3.4% belongs to age group (> 20). Male (80.6 %) were more than the female (19.4%) but among all majority i.e. 16 % of the respondents were married and compare it to 84% were found to be single.

TABLE 1: SUMMARY OF DEMOGRAPHIC PROFILE (AUTHORS' OWN FINDING)

		Frequency	Percentage %
Age	>20	17	3.4
	20-40	465	93
	40-60	18	3.6
Gender	Male	403	80.6
	Female	97	19.4
Marital Status	Single	420	84
	Married	80	16
Average Monthly Income	No Income	28	5.6
	15000-25000	78	15.6
	25000-35000	338	67.6
	35000-45000	48	9.6
	45000 and above	8	1.6
Occupation	Business/Self Employed	33	6.6
	Service/Executive	429	85.8
	Student	29	5.8
	any other, specify	9	1.8
Education Level	High school degree or Less	8	1.6
	Bachelor degree	75	15
	Master degree	408	81.6
	Ph.D degree	9	1.8

In average monthly income 67.6 % described themselves from (25000-35000), 15.6% (15000-25000), 9.6% (35000-45000), 5.6 % (No income), 1.6% (45000 and above).

In occupation category, 1.8% of the respondent classified themselves to others category as compare to 85.8% (Service/Executive) category & 6.6% (Business Class) & 5.8% (Student).

In education category, 1.6 % of the total respondents were up to the school level of their education compare to 1.8 % (doctorate), 15 % (Graduates), 81.6 % (Post graduates).

The following were the pictorial distribution of the demographic variables Age, Gender, Marital Status, Monthly Income, Occupation category & Education category. The information provided by the above table was supplemented in below charts for each variables category.

FIGURE 1: AGE OF RESPONDENT

Age of Respodent

	>20	20-40	40-60	
Frequency	17	465	18	
%	3.4	93	3.6	
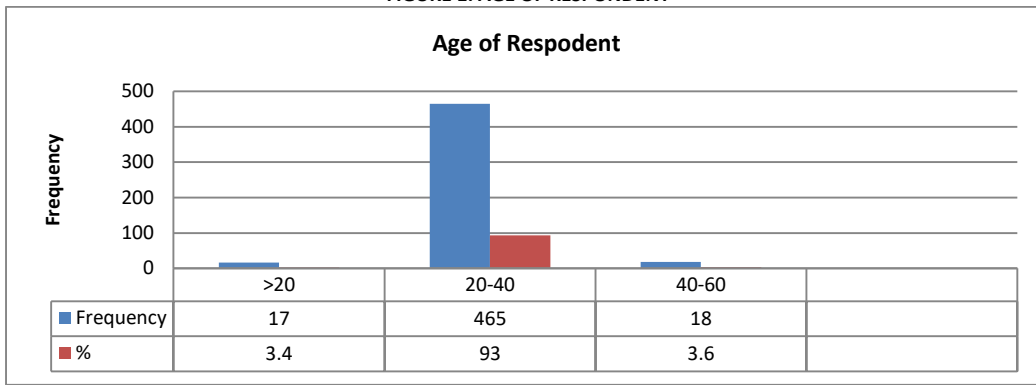
FIGURE 2: GENDER OF RESPONDENT

Gender of Respondent

	Male	Female
Percentage%	80.6	19.4
Frequency	403	97
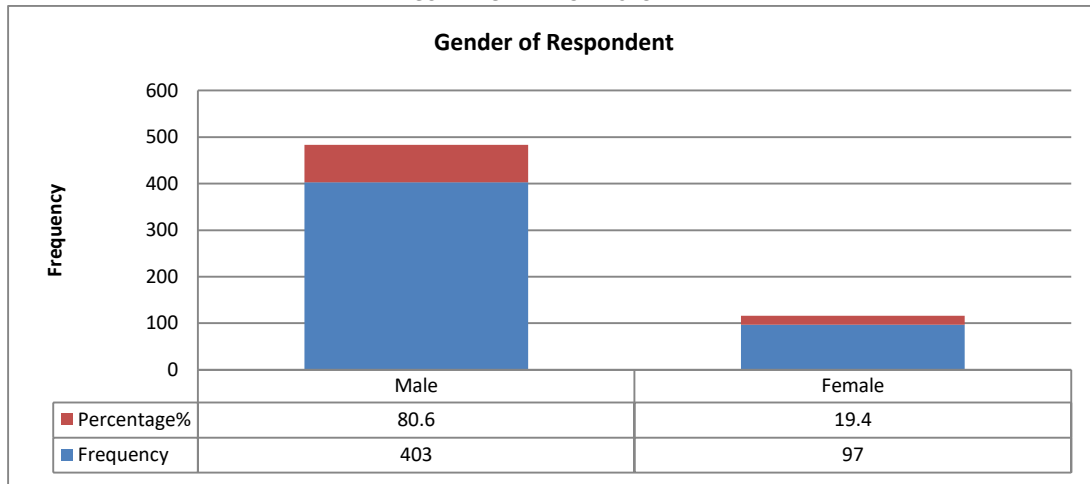
FIGURE 3: MARITAL STATUS OF RESPONDENT

Martial Status of Respondent

Frequency ▪ Percentage

	Single	Married
Frequency	420	80
Percentage	84	16
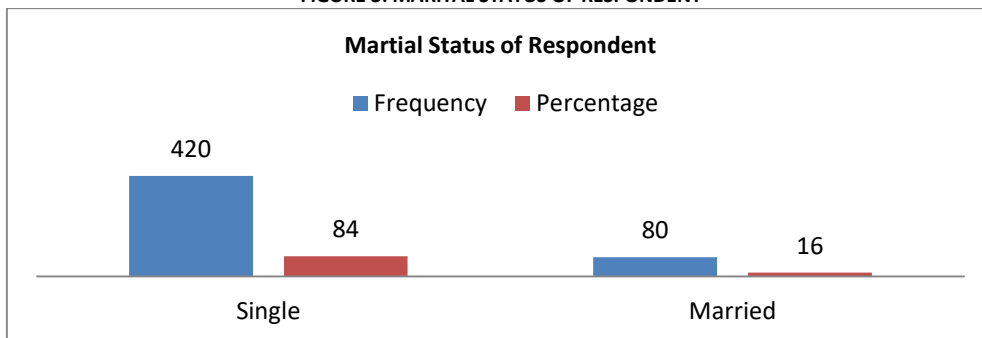
FIGURE 4: INCOME OF RESPONDENT

Average Monthly Income of Respondent

Frequency ▪ Percentage

	No Income	15000-25000	25000-35000	35000-45000	45000 and above
Frequency	28	78	338	48	8
Percentage	5.6	15.6	67.6	9.6	1.6
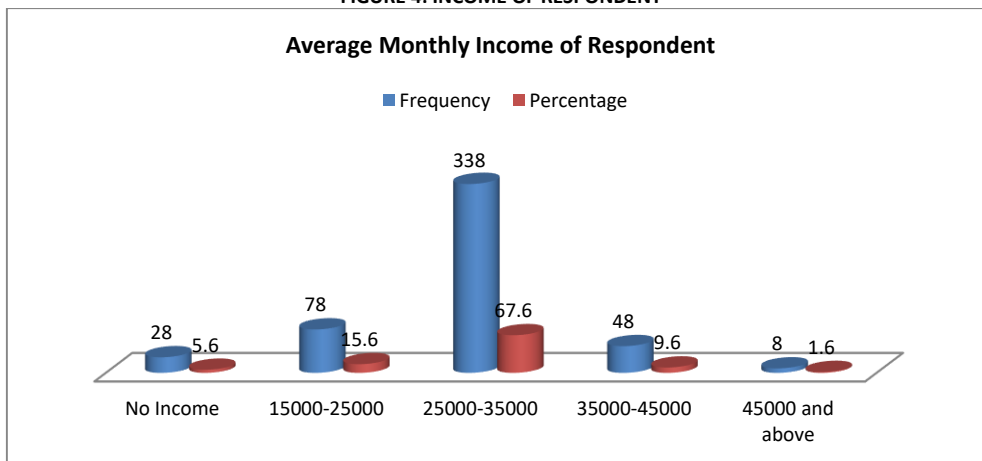
FIGURE 5: OCCUPATION OF RESPONDENT

Occupation of Respondent

■ Frequency   ■ Percentage
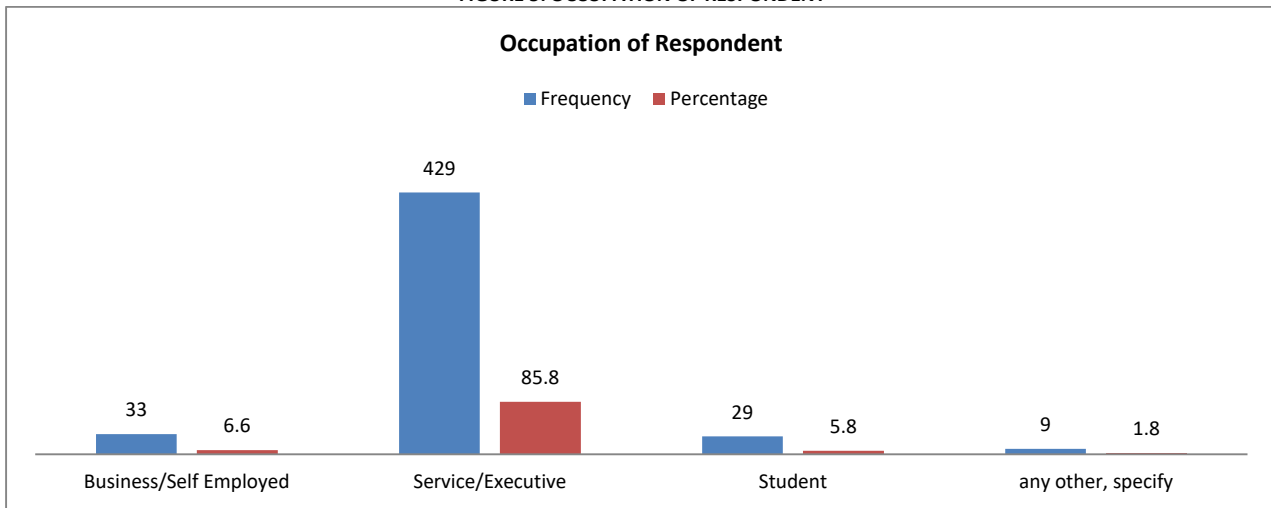
FIGURE 6: EDUCATION OF RESPONDENT

Education Level of Respondent

■ Frequency   ■ Percentage
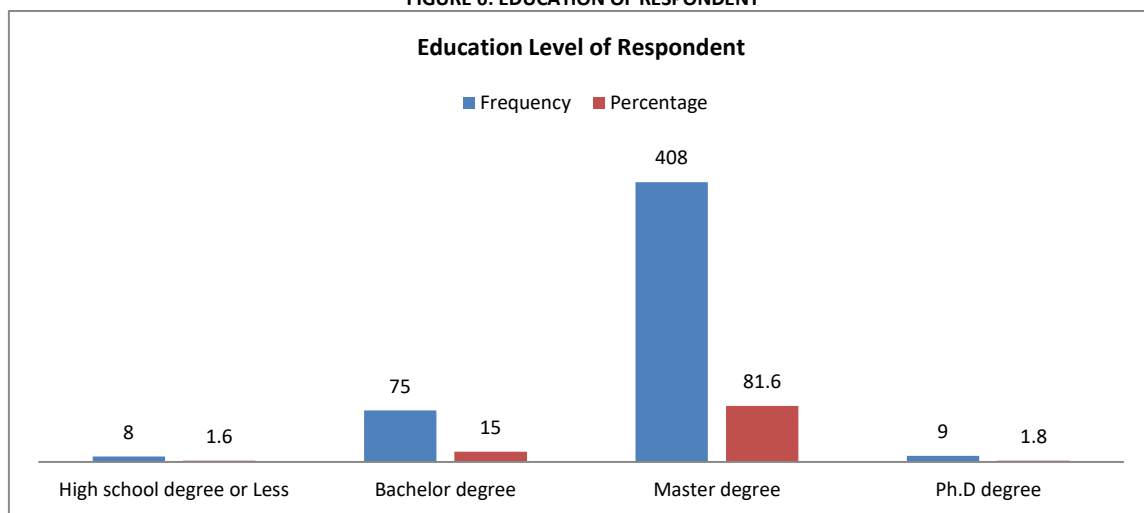
RELIABILITY ANALYSIS

To assess internal consistency of the items for each of the theoretical concepts, a Cronbach's Alpha was computed for each factor assessing that the items were measuring the same concept. While desired α levels were 0.70 (Stevens, 2002; Vogt, 1998).

TABLE 2: RELIABILITY STATISTICS (AUTHORS' OWN FINDING)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
.742	.741	9

In the table 2, it has been shown that Cronbach's alpha value is greater > 0.70. This study has overall construct Cronbach's alpha (α) = 0.742 where is considered as acceptability and reliability.

CHI-SQUARE TEST

A Chi-square test is designed to analyze categorical data. That means that the data has been counted and divided into categories. It will not work with parametric or continuous data (such as height in inches).

TABLE 3: CHI-SQUARE ANALYSIS (AUTHORS' OWN FINDING)

Factor*	Asymptotic Significant (2-Sided)	Significant / Not Significant	Asymptotic Significant (2-Sided)	Significant / Not Significant	Asymptotic Significant (2-Sided)	Significant / Not Significant
Internet shopping is easy to do for Respondent	.000	Not Significant	.042	Not Significant	.000	Not Significant
Respondent enjoy shopping on the Internet.	.010	Not Significant	.006	Not Significant	.000	Not Significant
Online shopping is a way where Respondent like to spend his leisure time	.400	Significant	.000	Not Significant	.000	Not Significant
When the Internet retailers are not fully identified, Respondent worry about whether they are reliable.	.120	Significant	.361	Significant	.000	Not Significant
Internet shopping provides a better quality product to Respondent	.000	Not Significant	.162	Significant	.000	Not Significant
Internet shopping provides more variety of products to the Respondent	.958	Significant	.002	Not Significant	.000	Not Significant
Traditional retail stores offer to Respondent better services than online stores.	.000	Not Significant	.015	Not Significant	.000	Not Significant
When shopping on the Internet, the store's reputation concerns to Respondent.	.057	Significant	.000	Not Significant	.000	Not Significant
Respondent would be more likely to shop online if more extensive descriptions of items were included	.000	Not Significant	.400	Significant	.000	Not Significant

* Age, Gender, Income

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TABLE 4: SUMMARY OF HYPOTHESIS

S.No.	Demographical Factor	Hypothesis
1	Age	Rejected H_01
2	Gender	Rejected H_01
3	Income	Rejected H_01

FINDING OF THE STUDY

1. Chi square testified that relation of age, gender & income factor with internet shopping is very strong positively.
2. In this study declared that by considering age, gender, income factor for online shopping, respondent is enjoying very much.
3. Respondent like to spend leisure time while shopping online more by considering factor gender & income.
4. In case of reliability of internet marketers, respondent is worried in age, gender factor but not in income factor.
5. Respondent is agreeing, in case of online shopping, it provide better quality product according to age, income.
6. It provides variety of product according to gender & income.
7. Traditional retail store provides better service than online store according to age, gender & income factor.
8. Online store reputation concerns for gender & income factor.
9. According to age & income factor, detail of items is important for online shopping.

CONCLUSION

Based on the above study it has been concluded that there is association between age, gender, income and attitudes & perception of customers and online shopping.

MANAGERIAL IMPLICATION

The study will basically focus on the gap between attitude & perceptions of customer towards online shopping with respect to Punjab state by identify the parameters like customer factors, marketing factors, technological factors. So to make a boom in the online shopping, online vendors should take corrective measure based on the gap analysis to improve their service quality and satisfying the customers.

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DEFECT ANALYSIS AND PRECLUSION USING QUALITY TOOLS: A CASE STUDY OF ABC COMPANY

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ABSTRACT

Quality is the heart of today's product and service. A customer is ready to pay high for best quality products while a high defect rate dissatisfied the customer and sometimes fling the company out of the market. Unfortunately it's not always easy to meet the industry and customer quality standards and makes the product hundred per cent defect free. However regular practices of quality tools help the company in early detection of defects and take timely corrective measures to minimize the defect count. The company needs to work continuously for the improvement in the work product to have satisfied customers and survive long run in the market. In this paper we have studied the e-Learning and application development project of ABC Company by means of DMAIC a data-driven quality strategy and quality tools namely Pareto Chart and Fishbone Diagram to identify the root causes of high defect count in the projects. The corrective measures are recommended and implemented in the project gray areas to minimize the defect rates in the process. The detection and prevention of defects using quality tools has shown that involvement of entire project team, and cautious continuous practice of quality tools help the company to achieve its target and lead towards progressive improvement in its work process.

KEYWORDS

DMAIC, defects, fishbone diagram, pareto chart, quality tools.

1. INTRODUCTION

For any customer, the key element they look for in the deliverable is 'its quality', which in layman's terms is 'the deliverable does what it is supposed to do and does not do what it is not supposed to do'. It should work correctly and accurately always without any errors / wrong results. Defects are anything that results in customer dissatisfaction.

In the IT world, new technologies bring along new challenges for the development team in terms of learning curve, new features, functionalities and tools usage. Due to this learning curve, more mistakes do happen impacting the deliverable quality. So, the objective of this project is to showcase a methodology which will help to speed up the learning curve for such new technologies which results in better quality products earlier in the lifecycle of the said technology. The company should make it a point to delight their customers by fulfilling their expectations. To help this cause, Six Sigma plays a very critical role as it lays a lot of emphasis on "Quality must become a part of the culture"

1.1 SIX SIGMA

The Six Sigma expert uses qualitative and quantitative techniques to drive process improvement. Although the tools, themselves, are not unique, the way they are applied and integrated as part of a system. Six Sigma professionals do not always agree as to exactly which tools constitute the set. Some of the statistical and graphical tools commonly used in improvement projects are listed below.

I. DEFINING A PROBLEM, IMPROVEMENT OPPORTUNITY, OR REQUIREMENTS
➢ Project charter to define the focus, scope, direction, and motivation for the improvement team
➢ Voice of the customer to understand feedback from current and future customers indicating offerings that satisfy, delight, and dissatisfy them
➢ Value stream map to provide an overview of an entire process, starting and finishing at the customer, and analyzing what is required to meet customer needs

II. MEASURING PROCESS PERFORMANCE
➢ Process map for recording the activities performed as part of a process
➢ Capability analysis to assess the ability of a process to meet specifications
➢ Pareto chart to analyze the frequency of problems or causes

III. ANALYZING PROCESSES TO DETERMINE ROOT CAUSES OF VARIATION, DEFECTS, OR POOR PERFORMANCE
➢ Root cause analysis to uncover causes
➢ Failure mode and effects analysis for identifying possible product, service, and process failures
➢ Multi-vari chart to detect different types of variation within a process

IV. IMPROVING PROCESS PERFORMANCE BY ADDRESSING ROOT CAUSES
Design of experiments (DOE) helps to solve problems from complex processes or systems where there are many factors influencing the outcome and where it is impossible to isolate one factor or variable from the others. Kaizen event to introduce rapid change by focusing on a narrow project and using the ideas and motivation of the people who do the work

V. CONTROLLING THE IMPROVED PROCESS AND FUTURE PERFORMANCE
Control plan to document what is needed to keep an improved process at its current level Statistical process control (SPC) for monitoring process behaviour 5S to create a workplace suited for visual control Mistake proofing (poka-yoke) to make errors impossible or immediately detectable. Additionally, Six Sigma team leaders often use project management tools such as Gantt charts and team engagement tools like brainstorming and nominal group technique.

1.2 SEVEN QUALITY TOOLS FOR CONTINUOUS QUALITY IMPROVEMENT

Quality is the demand of today's customer. They are ready to lose their pockets for getting an assured quality product. Best quality product stands alone in the highly competitive market and need no further marketing by the company, for example Apple company products. Quality is the core feature of any product or process that makes the product unique. To lead and beat the cut throat market competition the companies are required to continuously work towards quality improvement of its company products and processes.

To match the quality standards of the industry the quality engineers are relying over the fundamental seven quality control tools proposed by the Kaoru Ishikawa, professor of engineering at Tokyo University and the father of "quality circles". These have been described as the magnificent seven by Wadsworth et al. The Q-7 tools are summarised below as:-

(i)   Histograms
(ii)   Scatter diagram
(iii)   Stratification
(iv)   Pareto Analysis
(v)   Check-sheets
(vi)   Cause and Effect diagram
(vii)   Control charts

The above mentioned seven basic quality tools used by the organizations to provide information about problems in the organization assisting to derive solutions for the same. The detailed discussion of the seven basic quality tools in brief.

Histogram The development of histogram also termed as bar graph is attributed to a French statistician A.M. Guerry in 1833. It represents variation in sets of data through bar charts, thus demonstrating "distribution" in the level of variation. It is characterized by three constituents a centre (mean), a width (spread) and overall shape. Histogram is used for illustrating the frequency and the extent in the context of two variables. Histogram is a chart with columns. This represents the distribution by mean. If the histogram is normal, the graph takes the shape of a bell curve. If it is not normal, it may take different shapes based on the condition of the distribution. There are vvarious types of histograms are possible and their interpretations (see table A1).

Scatter Diagrams The scatter diagram was developed so that intuitive and qualitative conclusions could be drawn about the paired data or variables. A scatter diagram is composed of a horizontal axis containing the measured values of one variable (*independent, i.e. cause*) and a vertical axis, representing the measurements of the other variable *(dependent, i.e. effect).* These diagrams provide a way to study the relationship of one variable with another which is useful for specific requirements such as product design, such as the percentage of an ingredient in an alloy, or the number of employees' errors and overtime worked. The resulting scatter diagram could, for example, provide useful information for material selection for design purpose. It is used as a part of investigation of relationships between variables, which is an important part of the quality management. So it is used under following circumstances as:

(a)   Validating "hunches" about a cause-and-effect relationship between types of variables.
(b)   Displaying the direction of the relationship (positive, negative etc.)
(c)   Displaying the strength of the relationship.

Stratification Interpreting data can be a creative process. There are always instances of data which seem to define a rational explanation. Office equipments which work perfectly well one day may not work at all, the next day. Often, a suitable stratification will be obvious to the people who have experience with a product, process and materials and situations. So, stratifications are a method of analysis of data by grouping it in different ways. The steps are as follows:

(i)   Collect data about any problem in product/detects, etc.
(ii)   Consider potentially significant way of significant way of grouping data (stratification) on basis of factors experienced.
(iii)   Repeat data through graphic manner reflecting stratification.
(iv)   Analyse results and try new grouping, if necessary, to get insight into the problem and make evident the correlation.

Pareto Analysis Pareto Analysis is named after Vilfredo Pareto -an Italian economist. It is a prioritization technique that identifies the most significant items among many. This technique implies that about 80% of the problems or effects are produced by about 20% of the causes. Pareto Chart is used analyse data relating to a problem in such a way as to highlight the most significant areas, inputs or issues. Pareto Analysis often reveals that a small number of failures are responsible for the bulk of quality costs, a phenomenon called the 'Pareto Principle.' This pattern is also called the '80/20' rule. A Pareto Chart is a series of bars whose heights reflect the frequency or impact of problems. The bars are arranged in descending order of height from left to right. This bar chart is used to separate the "vital few" from the "trivial many".

The procedure for performing a Pareto analysis consists of the following eight steps:

1.   Define the activity or system of interest.
2.   Define the specific risk-related factors of merit.
3.   Sub-divide the activity or system for analysis.
4.   Determine which elements of the activity or system lead to the problems of interest.
5.   Collect and organize relevant risk data for elements o the activity or system.
6.   Plot the data on Pareto charts.
7.   Further subdivide the elements of the activity or system (if necessary).
8.   Use the results in decision making.

ADVANTAGES OF PARETO ANALYSIS

1. Breaks a big problem down into smaller pieces.
2. Identifies the most significant factors.
3. Shows where to focus efforts & allows better use of limited resources.
4. Helps to separate the few major problems from the many possible problems.

Check-Sheets A Check sheet is an aid used in assembling and compiling data concerning a problem. It is used to collect data on a process in order to determine whether any unusual or unwanted elements are present. The functions of a Check sheet are Production process distribution check, Defective item check, Defect location check, Defect cause check. It is a tool for recording direct observations and helping to accumulate facts in the process. The data to be recorded can base on attributes (Go or no-go situations, binary classification like right or wrong, present or absent, i.e. discrete countable data.) or variables: (Data from measurement collectable on a continuous scale, e.g. diameter of a piston, tensile strength of a piece of rod, etc.)

According to the type of data to be collected, check sheets are designed. In-addition to a variable check sheet and attribute check sheet, there can be defect location sheet or measles chart. On a process flowchart or engineering drawing are marked errors, defects and problems. Accumulation of crosses or other marks on the document indicates as to where the major or most frequent occurring defects can be found.

Fishbone Diagram The fishbone diagram (see fig 1) is also known as a "cause and effect diagram." A fishbone diagram is a structured tool for brainstorming. This cause-and-effect diagram methodology is crafted to aid organizational teams identify potential causes for a described issue. Some people refer to this tool as Ishikawa diagram, named after its developer. The name fishbone originates from the diagram's fishbone appearance.

With a fishbone brainstorming approach, the session is conducted around categories of causes such as Methods, People, Machines, Equipment, Materials, Environment and Management. To start the process, the team should state the problem. This statement is then followed by brainstorming for root causes to the issue around the chosen categories.

After the team concurs on the problem statement, the question is placed at the head of the fishbone. The primary bones of the fish are composed of drawn lines connected to the statement of the problem. Each of the main bones in the fish addresses one of the chosen brainstorming categories. Items from the brainstorming session will be documented as lines connected to these main bones.

Control Charts The backbone of Statistical Process Control (SPC) is control charts, these were first proposed by Walter Shewhart in 1924. This gives a clear visual display that quickly tells when a process is "out of control". Control charts are important and display the result of statistical process control measures which depict whether product samples conform to specified limits or tolerances. A control chart displays a central horizontal line usually corresponds to the average value of the quality characteristics being measured. Two other horizontal lines represent the upper and lower control limits.

The mentioned 7-QC tools are in practice by the organization in order to enhance the efficiency. The staff should be trained during the orientation program about the implication of adaption of quality control tools.

2. PRACTICES OF DETECTION AND CORRECTION OF DEFECTS AT ABC COMPANY*

ABC Company offers innovative, efficient and customized solutions around curriculum and media development, assessments, engineering and big data. They exist to help their partners and customers understand, create and improve the learning process and the content, products, systems and data that shape and support it. ABC Company's exclusive commitment to the education industry has strengthened position as an intuitive, informed development partner for the industry's most cutting-edge solutions and has provided the platform to develop tools and processes precisely engineered for education.

2.1 SERVICE LINES OF ABC COMPANY

1. **Content Projects** Project deals with development of e-Learning courses for various high schools. This e-Learning course will help student to understand the topic better and will make studies interesting for them.
2. **Porting Projects** This is porting project i.e. porting from one LMS to other or converting an e-Learning course from FLASH to HTML 5. To match up with upgrading and new technology.
3. **Application Development Projects** These projects are building frameworks that map use cases, requirements and specifications to processes, technologies, and standards that integrate your systems and optimize your investments.

2.2 STATEMENT OF THE PROBLEM

A defect in work products hamper their quality and stop them from normal functioning. Therefore the scope of this paper is to identify the defects in the work product and minimize it.

Below are the steps for conducting defect prevention:
(i) Identify the defects
(ii) Categorize the defects e.g. Functional, Logical, GUI etc.
(iii) Once categorization is completed create a Pareto chart.
(iv) Pareto chart helps in understanding which 20% defects are causing 80% of problems.
(v) Then after identifying those defects create a Fishbone diagram by doing brainstorming on it.
(vi) Fishbone diagram will help us to understand the root cause of those defects.
(vii) After doing the root cause analysis take actions to fix them.

2.3 METHODS

In this paper the two sample projects are considered namely E-Learning i.e. Content and another application development. i.e. Development. The defects of these projects are identified, analyzed and its causes will be identified.

To identify the defects and errors, the DMAIC a data-driven quality strategy is used to improve processes. The DMAIC is an integral part of a Six Sigma initiative, but in general can be implemented as a standalone quality improvement procedure or as part of other process improvement initiatives such as lean. DMAIC is an ellipsis for five interconnected phases named as Define, Measure, Analyze, Improve, and Control.

THE DMAIC METHODOLOGY APPROACH

a) Define
• The main objective of this stage is to outline the borders of the project.
• Stakeholders agree on the parameters that will define the project
• Scope and budgetary items, as well as customer needs, are aligned with project goals
• Team development takes place as the project begins to take shape

b) Measure
• The main objective is to collect data pertinent to the scope of the project.
• Leaders collect reliable baseline data to compare against future results
• Teams create a detailed map of all interrelated business processes to elucidate areas of possible performance enhancement

c) Analyze
• The main objective is to reveal the root cause of business inefficiencies.
• Analysis of data reveals areas where the implementation of change can provide the most effective results
• Groups discuss ways that the data underscores areas ripe for improvement

d) Improve
• The main objective at the end of this stage is to complete a test run of a change that is to be widely implemented.
• Teams and stakeholders devise methods to address the process deficiencies uncovered during the data analysis process
• Groups finalize and test a change that is aimed at mitigating the ineffective process
• Improvements are ongoing and include feedback analysis and stakeholder participation

e) Control
• The objective of the last stage of the methodology is to develop metrics that help leaders monitor and document continued success.
• Six Sigma strategies are adaptive and on-going.
• Adjustments can be made and new changes may be implemented as a result of the completion of this first cycle of the process.

At the end of the cycle, additional processes are either addressed or the initial project is completed.

2.4 PROJECT DESCRIPTION

The projects under study are content project and development project. The detail description of the projects is mentioned as follows.

a) Content Project:
➢ Company will update the design PPT as per the UI related changes that have been mentioned in the document.
➢ Company will share the updated design PPT with client for their review and approval.
➢ Company will implement the feedback received from client and will share the updated designs for approval.
➢ Company will create HTML5 mockups as per the designs approved by client.
➢ There would be a maximum of two rounds of review iterations from client.
➢ Client will provide "sample" content per each new template while creating the HTML mock-ups.
➢ HTML Mockups would be reviewed and approved by client team.
➢ Once the designs and HTML5 mockups gets approved by client team, Company would proceed with the development phase.
➢ Company to create ICE document with the sample content that will be provided by client for ICE Authoring.
➢ Client to review and approve the ICE document that will be shared by Company for ICE Authoring.

➢ Company will test all the HTML5 ICE templates on the browsers & devices mentioned in the section 3.3.1.1 of this document. Company would deliver the updated ICE templates to Client for review & approval after complete development & QA.

b) Development Project

➢ Convert the course from one LMS format to another
➢ Develop the course from Scratch from Manuscripts
➢ Create Test bank quizzes from Word/PDF/PPT files

2.5 METRICS

Metrics are parameters or measures of quantitative assessment used for measurement, comparison or to track performance or production. A performance metric is that which determines an organization's behaviour and performance. Performance metrics measure an organization's activities and performance. It should support a range of stakeholder needs from customers, shareholders to employees. Every organization should have SMART Metric goals i.e. specific, measurable, attainable, realistic, and timely.

2.6 GAPS IDENTIFIED IN THE PROJECT

Data of Content & Publishing projects are analyzed which has received quite a lot defects from client from past few months. Data is collected from the project and root cause analysis is done to find out the actual cause for the rise in defect count in past few months. This analysis is done with help of QC tools for deep & better understanding.

$$\text{Defect Density} = \frac{\text{Number of Defects}}{\text{Size}}$$

Few basic metrics set for the projects are defect density. Defect Density is the number of confirmed defects detected in software/component during a defined period of development/operation divided by the size of the software/component. The 'defects' are: confirmed and agreed upon (not just reported). Dropped defects are not counted.

At the start of the project we need to decide on target of defect density. The target is based on historical data i.e. passes project or it can also be an organization target. As the project progress the target may get change based on the results of the metrics. The target we have identified for the Content and Development project is based an organization target as 0.05 (0.05 means 5 defects per 100 assets/screens).

2.7 RESULTS- DEFECT ANALYSIS AND METRIC CALCULATION

Every organization strives to have lowest possible defects in its work process. To meet the target of six sigma 0.05 defects per unit is a great challenge for an organization. In this context the defect analysis of content project and development project of ABC company are discussed in detail as follows:

Target = 0.05

2.7.1 E-LEARNING PROJECT

Metrics calculation for Development project

During the metric calculation for Content Project, we found 100 numbers of defects in 1500 assets. The defect density is measured as 0.067 defects per unit. The defect parentage is higher than the target defect density i.e. 0.05 defects per unit.

No of defects found in project = 100 defects
Size = 1500 Assets
Defect density = 100/1500
Defect density = 0.067 defects/unit

The aim of the study is to bring down the defects as low as of Six Sigma standards 0.05 defects per unit. The result reveals that the defect density is not up to the set standards hence there is a need to identify why we were not able to meet our target through defect analysis. We have used Pareto chart to identify cause of defects. As per the Pareto chart analysis we have identified that Typo, Media, Formatting, content and functionality are the important causes of defects. Out of this typo, media and formatting are the major causes responsible for 80 per cent of the defects (see fig. 2) while content and functionality are responsible for 20 per cent defects in content project. The fishbone diagram (see fig 3) depicts that lack of thorough copy editing, missing of spell check function while review of MS Word Spell Check, inconsistencies of periods in bullets hamper the typo element of e-learning content. The incorrect tagging in storyboard and gap in understanding of specs are the causes resulted in media related issues in the e learning content of the company. The research also pointed out that the poor and shortened storyboard instructions are responsible for poor formatting of e-learning contents project under the study.

Action taken for Improvement in Content project

In the company we have taken certain necessary preventive actions in the gray areas to reduce rate of defects in the content project of the company (see table. A2).

It is advised that to improve the typo related errors the company need to retrain the project team so that they should focus over the need of through PQS. Feedback, reinforcement of spell check with grammar checking and by redefining the standards for period inconsistency the project team can minimize the typo errors.

To improve the media of the content project, the company was informed to clear the understanding of tagging with Elsevier team. The image search for stock tagging was made horizontal. It was strongly recommended to avoid the use of white or transparent background and vertical images for stock images.

To improve the formatting errors, we have worked towards having clear understanding of H1 to H4 tagging. While publishing the content the team need to check the loopback Ids, removed module numbers from storyboard template. The team should see that only one time template changes are done at the backend.

2.7.2 DEVELOPMENT PROJECT

Metrics calculation for Development project

During the metric calculation for Development project, we found 50 numbers of defects in 600 assets. The defect density is measured as 0.077 defects per unit. The defect parentage is higher than the target defect density i.e. 0.05 defects per unit.

No of defects found in project = 50 defects
Size = 600 Assets
Defect density = 50/600
Defect density = 0.077 defects/unit

To meet our objective to bring down the defects as low as to 0.05 defects per unit, we need to do defect analysis, to identify the root causes behind high defect rates. For finding the true causes of defect, the Pareto chart and fishbone diagram are used. As per the Pareto chart analysis we have identified that functional, lack of unit testing, logical, GUI/Front End, and unclear recruitments are the key causes of defects (see fig.4). It was found that functional, lack of unit testing and logical are the foremost causes accountable for 80 per cent of the defects (see fig.4) while GUI/Front End and unclear recruitments are responsible for only 20 per cent defects in content project. The fishbone diagram (see fig.5) depicts that lack of technical knowledge and new development team impede the functional aspect of development project under the study. The causes not able to trace the defects in unit testing, and having insufficient unit testing checklist are found responsible for lack of unit testing. The poor unit testing and ensure logic takes care of one off conditions are the causes behind the logical aspect of high defects in the development project of the company.

Action taken for Improvement in Development project

The certain necessary preventive actions are taken in the priority areas to reduce rate of defects in the development project of the company (see table. A3).

It is recommend that to overcome the functional related fault the company needs to provide adequate training sessions for the project team. To improve the unit testing the updated unit testing checklist is provided to the developers for tracing the defects timely and effectively. To improve the logical element of the development project the company is said to update the coding guidelines.

3. CONCLUSION

The quality tool helps us in achieving customer satisfaction and bug free product but if they are not used properly it will not lead to any improvement. The use of tools should be appropriate and correct to improve the quality of the product. The projects under study have received high defect count from customer and were not able to meet the organization goal. After applying quality tool Pareto Chart we came to know which defect category had highest defect count. The root causes of the defects where identified using Fishbone diagram and to decide action needs to be taken. This should be done with involvement of entire team so that they come up to some solution to avoid these defects. After successfully implementing the actions it was decided that the activity should be repeated again to see whether we successful in meeting the target or do we need to take any more actions or measures. Once the team meet the goal it can reset their goal so that the team can make the process more stringent and defect free. By doing this the company can achieve its target of delivering a "Bug Free" product to its customer and gain customer satisfaction. Hence it is advised that quality tools should be utilized cautiously so that the results help the quality team to achieve its target and lead towards continuous improvement in its products and services.

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ANNEXURE

TABLE A 1: TYPES OF HISTOGRAMS

Shape	Description
Bell-shaped	Symmetrical shape with a peak in middle representing a normal distribution.
Double-peaked	Two normal distributions with two peaks in middle indicating more than one distribution at work.
Comb	Alternative peaks showing possible errors in data collection and analysis.
Skewed	An asymmetrical shape-positively or negatively skewed- usually reflecting limit in the specification on one side.
Truncated	An asymmetrical shape with a peak at the end. Usually being a part of a normal distribution with part of it having been removed.
Isolated peak	Two normal distributions suggesting two processes taking place at the same time.
Edged peak	A normal distribution curve with a large peak at one end indication errors in data recording.

FIG. 1: DIAGRAM OF FISHBONE QUALITY TOOL

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http://ijrcm.org.in/
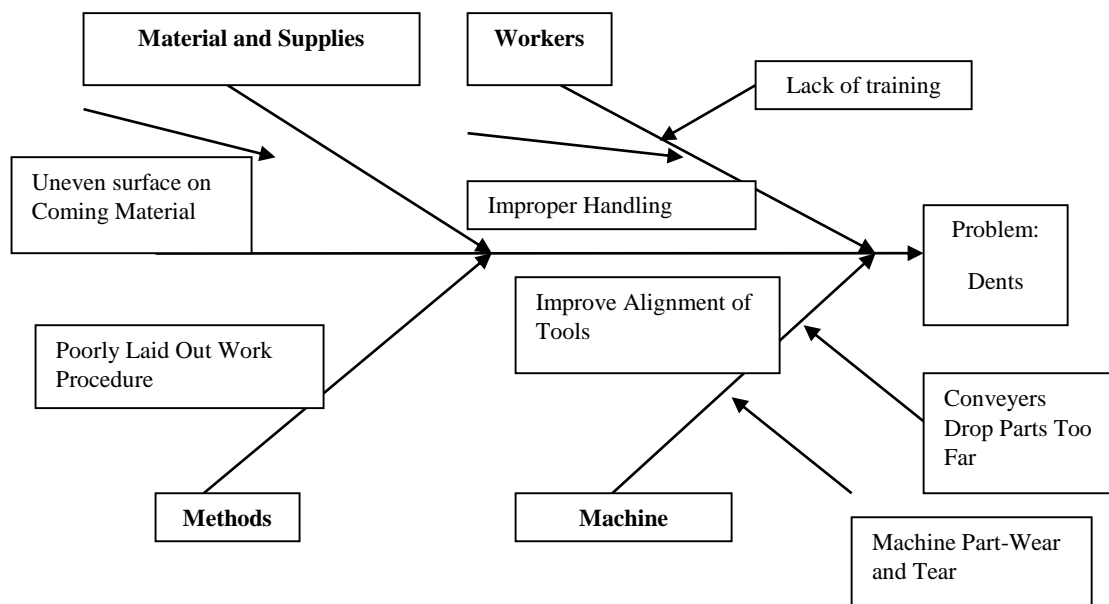
FIG. 2: RESULT OF CAUSES OF DEFECTS USING PARETO CHART FOR CONTENT PROJECT
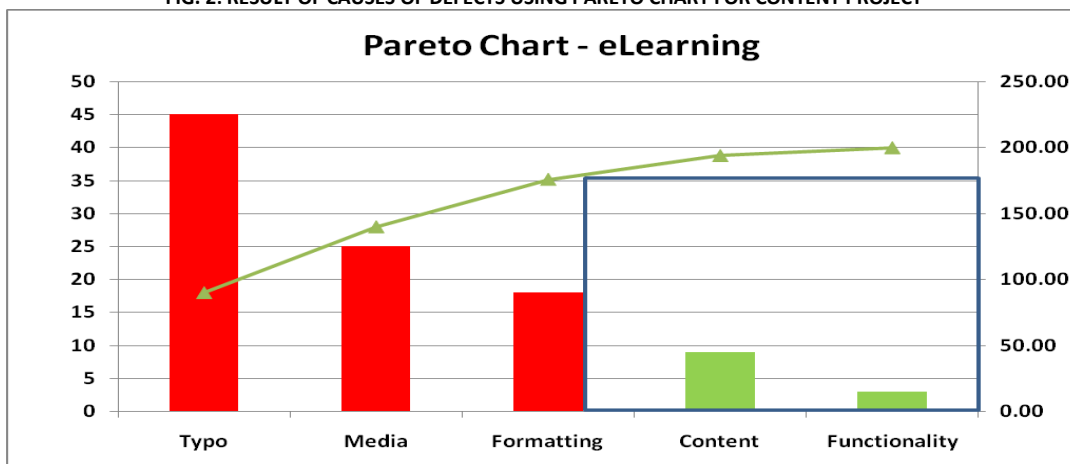
FIG. 3: RESULT OF CAUSES OF DEFECTS USING FISHBONE DIAGRAM FOR CONTENT PROJECT
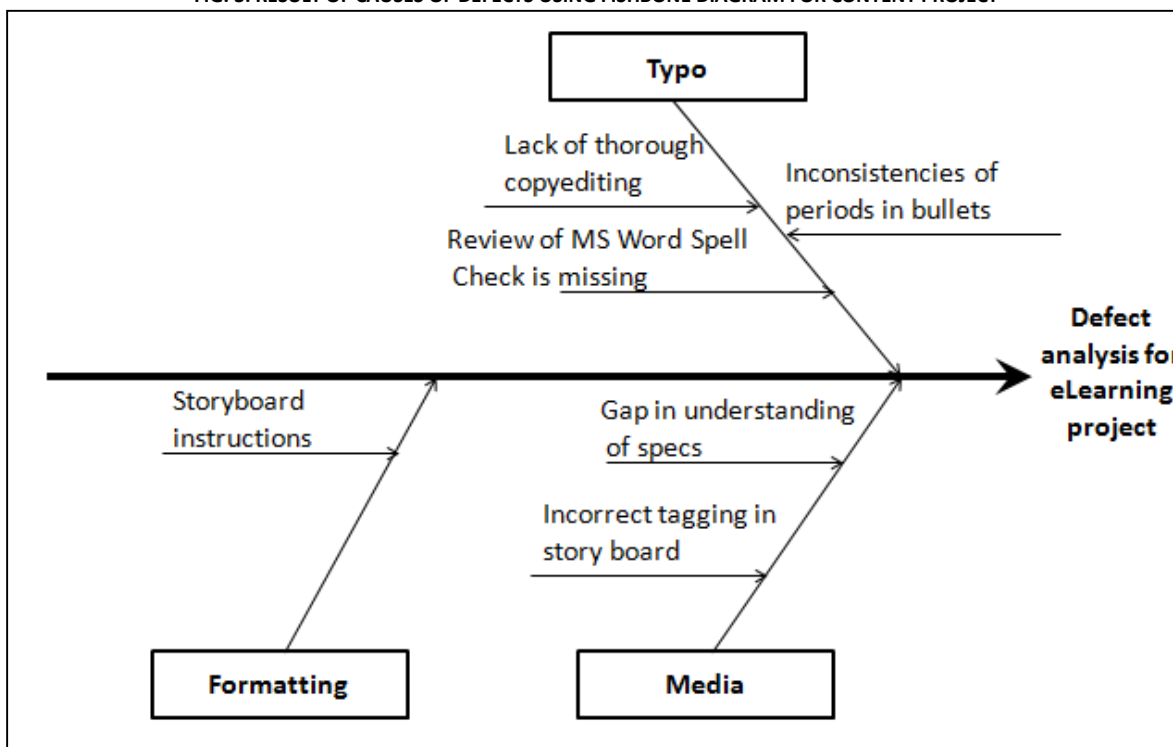
TABLE A 2: PREVENTIVE ACTION TAKEN FOR REDUCING DEFECTS CONTENT PROJECT

Sr. No.	Defect Type	Preventive Actions taken
1	Typo	Stressed on the need of thorough PQS (Retrained the team to do this) Feedback and refresher to copyeditors for GSP issues Reinforced spell check with grammar option Redefined standards for period inconsistencies
2	Media	Clear understanding of tagging with Elsevier team, Image search for stock tagging should be horizontal as the first priority, Avoid using white background and vertical images for stock images, Don't use transparent background for stock images, Media Guidelines updated with these specifications.
3	Formatting	Cleared understanding of H1 to H4 tagging, One time template changes done at the backend, While publishing check the loopback Ids, removed module numbers from storyboard template

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FIG 4: RESULT OF CAUSES OF DEFECTS USING PARETO CHART FOR DEVELOPMENT PROJECT
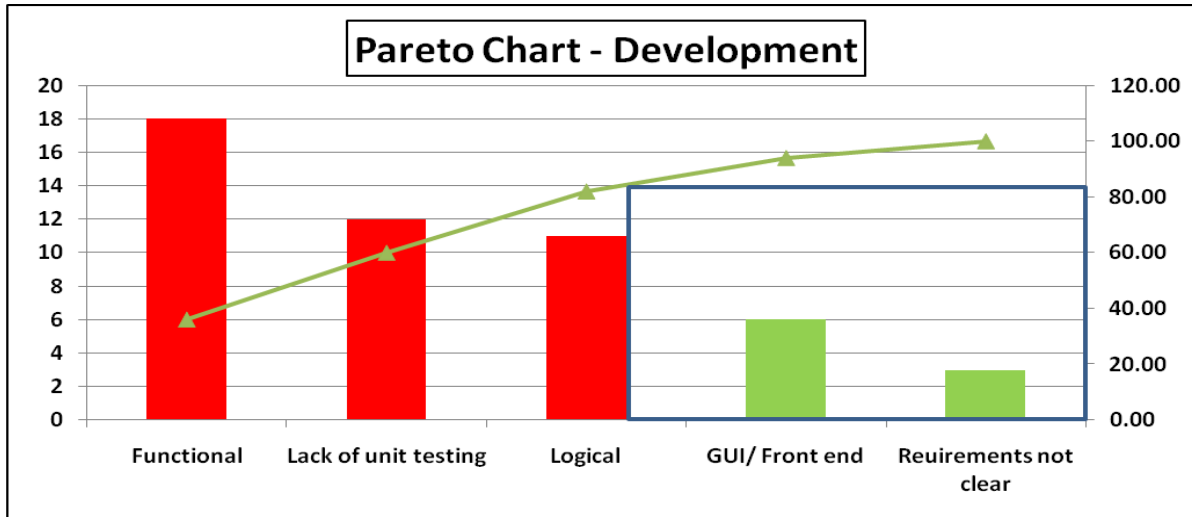
FIG. 5: RESULT OF CAUSES OF DEFECTS USING FISHBONE DIAGRAM FOR CONTENT PROJECT
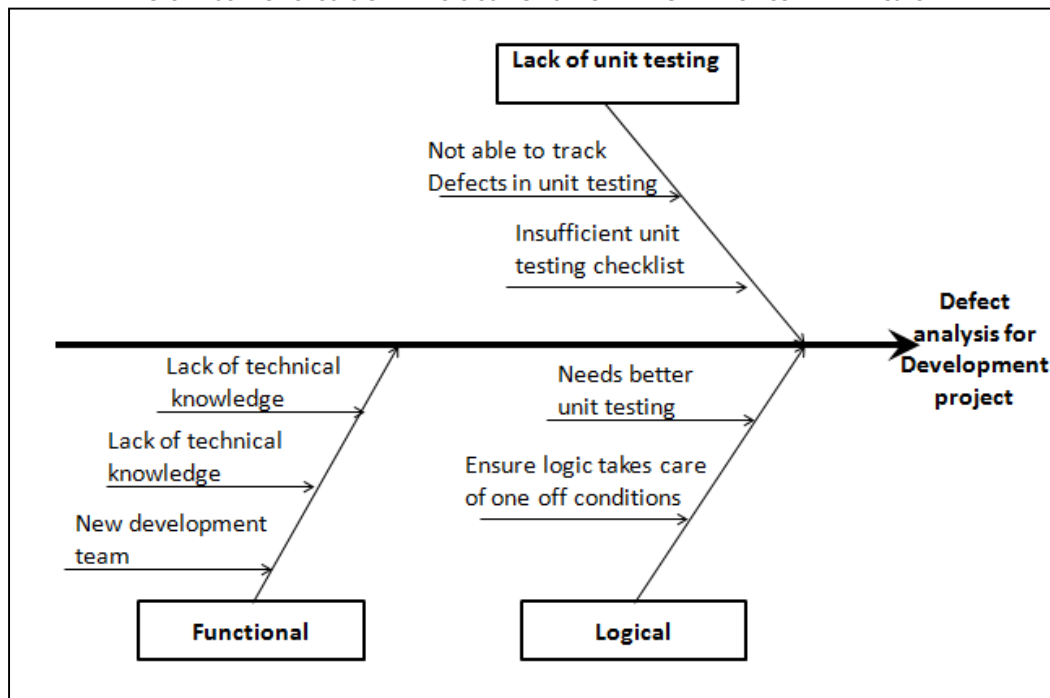
TABLE A 3: PREVENTIVE ACTION TAKEN FOR REDUCING DEFECTS IN DEVELOPMENT PROJECT

Sr. No.	Defect Type	Preventive Actions taken
1	Functional	Staff trainings will be conducted
2	Lack of unit testing	Checklist which is created for developers will be updated with necessary changes so that developers should not miss bug in unit testing.
3	Logical	Unit testing checklist and coding guidelines needs to be updated to take care of this.

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ECONOMIC EMPOWERMENT OF BODO WOMEN THROUGH SELF-HELP GROUPS IN ASSAM

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ABSTRACT

Women empowerment is vital for the development of any country. It is a process, in which women challenge the existing norms, pattern and culture of a society, to effectively promote their well being. The Constitution of India endowed equality to women in all aspects. As such, the year 2001 was celebrated as the year of Women Empowerment. The concept of self help groups (SHGs), which was introduced by the Ministry of Rural Development, has now widen its roots in nook and corner of the rural areas and in the semi-urban and urban areas, to improve the living standards and well being of women. Thus, this paper attempts to investigate the economic empowerment of Bodo women SHG members in Udalguri district, Assam. The study was conducted in five blocks of Udalguri district viz Udalguri, Rowta, Mazbat, Kalaigaon and Khoirabari. Primary data were gathered through structured interview schedule from 350 respondents, 70 each from the selected blocks, who were selected through multistage sampling technique. Percentages and Paired t test were utilised to analyse the data. Percentages were used to describe the socio-economic profile of SHG members. Paired t test was performed in order to find out the impact of becoming members in the SHG in respect of economic empowerment. This study concludes that the SHGs facilitate Bodo women to have a significant progress in their economic empowerment.

KEYWORDS
Udalguri, economic empowerment, women empowerment, BODO women, self-help groups.

INTRODUCTION

The term "empowerment" is a process by which people gain greater control over the resources, actively participate in the process of change and develop skills to assert themselves. It is a multi-faceted process, which includes many aspects such as enhancing awareness, increase access to resources. It can be viewed as a means of creating a social environment in which one can take decision and make choices individually and independently for social transformation. It strengthens the innate ability by acquiring knowledge, power and experience.

Women empowerment is the concept, which have been emerged from the concept of "empowerment", recently been pitched into heights among rural women and tribal women. However, in the early decades, the concept of women empowerment was totally out of mind and the condition of women was so pathetic and miserable, since they were subjected to many socio-economic, political and cultural constraints. This situation was more critical in the rural and backward areas. The role of women in economic development is related to the goal of comprehensive socio-economic development of any developing countries in the world. Due to the development of new policies and programmes, the position of women has totally been changed as they provide assistance to the needy women. The women empowerment approach is the most modern and it is aimed at empowering women through self-reliance and internal strength. The World Bank also identified empowerment of women as one of the key constituent factor of poverty reduction and therefore it is considered to be primary development assistance oriented goal (NABARD, 2000). The constitution of India in its fundamental rights has the provision for equality, social justice and protection for women. In order to strengthen and fulfilling the constitutional provisions, the government of India announced the year 2001 as the "women empowerment year" and thus started a scheme "Self-Help Groups" in order to enable women to achieve economic independence through self-employment and entrepreneurial development.

The Self-help groups are a small voluntary organisation of rural people, from the same socio-economic background, who come together for solving their problems and for improving their living standards through self and mutual help. It is informal and homogenous group, which consist of not more than twenty members. Since its inception, these groups have achieved a lot in India, in particular empowering the rural and tribal women socially, economically and politically. It is seen as a viable pathway for the economic and social empowerment of rural and tribal women. The economic condition of women has increased after joining the self-help groups, and it leads to considerable increase in their expenditure as well a gradual increase in their savings. Thus the SHGs are very successful by empowering tribal and rural women economically (Vinayagamurthy 2011, 70). Further Kala and Venkatesh (2010) also reported that after becoming a member in self-help groups, the monthly income of women members have augmented and the family income also gets lifted considerably. They suggested that self-groups are victorious to extend women empowerment in rural areas. These self-help groups have been more successful in improving the economic conditions of rural and tribal women by alleviating their poverty (Uma 2012, 13). It not only alleviates the poverty but also increase the purchasing power of rural women (Mahender, Reddy & Bhat, 2011). Thus the researcher aimed to examine the effect of self help groups on the economic empowerment of Bodo women SHG members in Udalguri district, Assam, since, very few studies have been conducted in the study area to understand the economic empowerment of Bodo women. The main aim of this study is to understand the effect of Self-Help Groups on economic empowerment of Bodo women.

OBJECTIVES OF THE STUDY
1. To find out the socio-economic characteristics of Bodo women SHG members in the selected blocks of Udalguri district.
2. To examine the effect of the membership in SHGs on the economic empowerment of Bodo women in selected blocks of Udalguri district

HYPOTHESIS OF THE STUDY
1. There is no significant progress among Bodo women after becoming member in self-help groups with respect to their:
a. Monthly income
b. Monthly expenses
c. Monthly savings
d. Possession of durable goods
e. Possession of livestock
f. Possession of ornaments

METHODOLOGY

A research design empowers the researcher to answer research questions as objectively, accurately and economically as possible. It helps to set up a framework for the test of relationship among the variables, and instruct to keep the research in proper direction. Descriptive cum diagnostic research design were used in this study.

There are eleven blocks in Udalguri district, Assam. Out of eleven blocks, Udalguri, Rowta, Mazbat, Kalaigaon and Khoirabari were selected purposively as these five blocks had the highest number of credit linked SHGs in the time of data collection. So, a total of five blocks were covered under this study. From each selected block, fourteen Self-Help Groups were selected randomly. Hence, a total seventy Self-Help Groups were covered under this study. The members of Self Help Group were treated as respondent of this present study. From each SHG, 5 members were selected randomly. Then, a total 350 SHG members were studied under this study.

Women empowerment through SHG operationalize for this present study as the increasing of economic strength of Bodo women, which will finally lead towards the developing confidence in their own capacities. This variable was measured with the help of structured interview schedule, which were developed by the researcher. A list of 24 items were identified and distributed within the six-dimensions, which is monthly income, expenses, savings and the possession of durable goods, possession of livestock and possession of ornaments. A two point continuum was arranged for each item of these dimensions. The face validity and content validity were established for this interview schedule. The reliability in terms of Test Restest coefficient was 0.78.

To quantify the impact of SHG on economic empowerment of Bodo women, two sets of samples, that is, before joining in SHG and after joining in SHG was taken into consideration. It was assumed that difference between the score of before and after joining in SHG was due to the membership in SHG and it was hypothesized that Bodo women, after becoming a member in SHG were empowered economically than before joining in SHG. Percentages and Paired t test were utilised by the researcher. Percentages were used to describe the socio economic profile of the respondents and paired t test was applied for the confirmation of the difference between before and after joining in SHG.

RESULTS & DISCUSSION
SOCIO-ECONOMIC PROFILE OF BODO WOMEN IN SELECTED BLOCKS OF UDALGURI DISTRICT

TABLE 1: DISTRIBUTION OF SOCIO-ECONOMIC PROFILE OF SHG MEMBERS

Variables	Categories	Numbers	Percentage
Age	Below 20 Years	23	6.6
	21-30 Years	82	23.4
	31-40 Years	130	37.0
	41-50 Years	72	20.6
	Above 50 Years	43	12.3
Religion	Hindu	254	72.5
	Christian	96	27.5
Educational Qualification	Illiterate	52	14.9
	Primary Schooling	89	25.4
	Middle Schooling	106	30.3
	High Schooling	71	20.3
	Higher Secondary	32	9.1
Marital status	Unmarried	41	11.7
	Married	280	80.0
	Separated/widow	29	8.3
Family Monthly Income	Below Rs. 5000	34	9.7
	Rs. 5001- Rs.10, 000	142	40.6
	Rs. 10, 001-Rs. 20, 000	153	43.7
	Above Rs. 20, 000	21	6.0
Type of family	Nuclear Family	293	84.0
	Joint Family	57	16.0

Source: Field Survey 2014-2015

This study revealed that 6.6% of respondents were in the age group of below 25 years, 23.5% of respondents were in the age group of 21-30 years, 37% of respondents belong to the age group of 31 to 40 years, 20.6 % of respondents represent the age group of 41 to 50 years and 12.3% of respondents were in the age group of above 55 years. Hence the majority of respondents in this study i.e. 37% (130 respondents out of 350 respondents) were in the age group of 31- 40 years. This indicates that middle aged women are more attracted towards SHGs in order to eradicate poverty and to facilitate the economic empowerment. These middle aged women viewed SHGs as a source of poverty alleviation and economic enhancer.

Majority of the respondents in the study area were Hindus, i.e. 72.5%, whereas the 27.5% of respondents were Christians and none of them were reported as Muslims. This indicates that Bodo tribes are following their traditions and cultures, though the Christianity is predominant in the selected tribal areas

Five categories were framed to find out the literacy level of SHGs members in the selected blocks of the study area. It revealed that 14.9% of respondents were illiterate, 25.4% of respondents have completed their primary schooling, 30.3% of respondents were educated up to middle school level, 20.3% of respondents were provided high school education and only 9.1% of respondents have completed their higher secondary and above level of formal or informal education. This literacy status indicated that majority of the respondents from the study area have completed middle schooling. However, it also revealed that 14.9% of respondents were illiterate. Being illiterate, this may be a reason for these women to become members in the SHGs to become literates as well as to boost their economic conditions. Whatever it may be, this survey indicates that the literacy level of Bodo women in the selected blocks of study area were good and it could be one of the achievements of SHGs in the selected study area.

Marital status of the selected respondents reported that 80% were married, while 8.3% of respondents were widow or separated. Among the total respondents, none of them were divorced or separated, whereas, 11.7% of respondents reported that they were unmarried or single. The marital status of women respondents of the present study revealed that majority of them was married. This indicates that married women have become members in SHGs to support the economic condition of their husband and family members.

Further, this study revealed that 9.7% of respondents were in the average family monthly income group of Rs.5000, 40.6% of respondents reported that their family monthly income is between Rs. 5001 to Rs. 10,000, 43.7% of respondents stated that their average family monthly income falls between Rs. 10, 001 to Rs. 20, 000 and only 6 % of respondents reported that they were in the income group of above Rs. 20, 000. This indicates that the majority of the respondent's family monthly income is between Rs. 10000 to Rs. 20000.

Regarding the type of family, it was observed that most of the respondents i.e. 84% belonged to nuclear families, while the remaining 16% were belonged to joint families. This indicates that Bodo women in the selected study area have learnt about family planning methods and fertility issues. Further, these SHGs were mostly attracted by women, who wanted to enhance their economic capacity in order to provide support to their husband as well as their children's education.

On the whole, the socio-economic profile of Bodo women SHG members in the selected blocks of study area indicated that SHGs significantly improved their social and economic condition. In particular, the economic condition of the respondents was significantly enhanced with the reference to their family monthly income. The following graphical representation presented the socio-economic profile of Bodo women SHGs members graphically.

FIGURE 1: DISTRIBUTION OF THE SOCIO-ECONOMIC PROFILE OF THE RESPONDENTS FROM THE SELECTED BLOCKS IN THE STUDY AREA
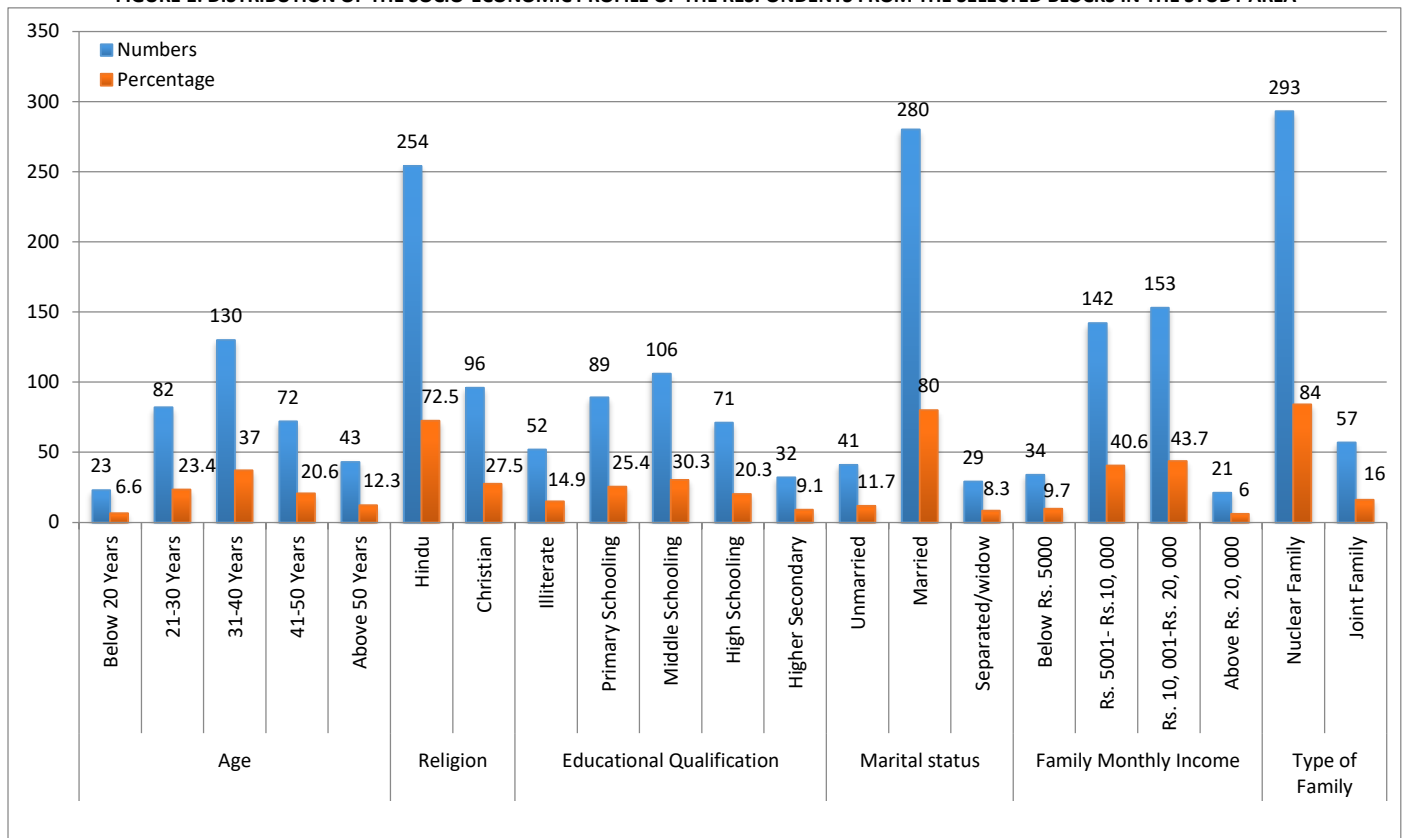
ECONOMIC EMPOWERMENT OF BODO WOMEN

TABLE 2: RESULTS OF PAIRED T TEST FOR ECONOMIC EMPOWERMENT FACTORS OF SHG MEMBERS

Factors		Before Joining SHG	After Joining SHG	t
Monthly Income	Mean	18.38	28.38	3.090*
	SD	4.88	6.05	
Monthly Expenses	Mean	17.32	24.73	3.157*
	SD	5.43	7.53	
Monthly Savings	Mean	13.59	25.18	3.274*
	SD	3.97	5.90	
Possession of Durable Goods	Mean	20.50	26.75	2.818*
	SD	5.08	7.59	
Possession of Livestock	Mean	12.07	26.04	4.399*
	SD	2.56	3.98	
Possession of Ornaments	Mean	19.50	25.75	2.811*
	SD	6.01	7.50	

*Significant at 0.05 level

From the table 2, it was observed that mean scores of monthly income of before and after membership in SHG group were 18.38 and 28.38 with the standard deviation of 4.88 and 6.05, respectively. Calculated "t" value (3.090) established the significant difference of both the group at 5% level of significance. This result proved that Bodo women significantly increased their monthly income after becoming member in SHG.

Data presented in the same table clearly depicted that mean score of monthly expenses of before and after membership in SHG group were 17.32 and 24.73 with the standard deviation of 5.43 and 7.53, respectively. Calculated "t" value (3.157) established the significant difference of both the group at 5% level of significance. It was confirmed from this result that after joining in SHG, Bodo women's pattern of monthly expenditure significantly enhanced than before joining in SHG.

Data portrayed in table 2 clearly mentioned that mean scores of monthly savings of before and after membership in SHG group were 13.59 and 25.18 with the standard deviation of 3.97 and 5.90, respectively. Calculated "t" value (3.274) established the significant difference of both the group at 5% level of significance. This result proved that after joining in SHG, Bodo women's monthly savings progressed in their family than before their joining in SHG. This finding is in the line of Archana and Singh (2002). They reported in their study on SHG in economic empowerment of rural women that economic empowerment was visible among the members by their habit of regular savings, less susceptibility to exploitation, access to formal credit and increase family income.

In case of possession of durable goods, the mean score of both groups was 20.50 and 26.75 with the standard deviation of 5.08 and 7.59, respectively. Calculated "t" value (2.818) established the significant difference of both the group at 5% level of significance. This result established that members of SHG had more possession of durable goods than the non-members of SHG.

As far as aggregate women empowerment index concerned, Table 3 reported that mean score of the before joining SHG and after joining SHG was 12.07 and 26.94 with the standard deviation of 2.56 and 3.98, respectively. Calculated "t" value (4.399) established the significant difference of both the group at 5% level of significance. This result proved that after joining SHG, women were more empowered to possess livestock than before joining SHG. This result supported the findings of Sharma and Varma (2008). They reported that women of Haryana, engaged in SHG, were more empowered in possessing livestock such as sheep, cows and goats.

In case of possession of ornaments, the mean score of both groups was 19.50 and 26.75 with the standard deviation of 6.01 and 7.50, respectively. Calculated "t" value (2.811) established the significant difference of both the group at 5% level of significance. This result established that after joining SHG, Bodo women had more possession of ornaments than before joining SHG.

CONCLUSION

Findings of this study manifest the impact of Self Help Groups in economically empowering of Bodo women in Udalguri district, Assam. It is evident that there was a significant difference between before joining SHG and after joining SHG. After joining in SHG, Bodo women significantly progressed in all the six factors of economic Empowerment such as monthly income, expenses, savings and possession of durable goods, livestock and ornaments. Self Help Groups are not only a panacea to empower women from rural India, but, may be a strongest weapon for economic transformation of millions of rural women throughout India.

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CONSUMER MOTIVES AND INFLUENCING FACTORS IN LIFE INSURANCE BUYING DECISIONS: A STUDY IN PUNJAB AND CHANDIGARH REGION

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ABSTRACT
Life insurance reform bring new private players in the industry which make competition more fierce even though aggressive marketing strategies by many of private and public companies dint increase life insurance penetration to the global standards. There is still low awareness about actually benefits and need for life insurance among people. Right and effective promotion which aimed at not only informing consumers as well as educate them about life insurance is required to fill this gap. This research work aimed to find out consumer motives and critical factors in influencing buying behaviour for life insurance in Punjab and Chandigarh region. By researching 501 respondents of this region researchers found demographic variables play crucial role in consumer opinion and preferences regarding life insurance.

KEYWORDS
consumer behaviour, life insurance, buying decisions.

INTRODUCTION
Before the economic liberalization in 1991, the insurance industry had been avoiding competitive pressures because insurance is a very complex product which only a handful could understand. The change in customers' attitude towards the life insurance industry can be attributed to several developments. There is need to understand consumer behaviour attitude and perception. Knowing about consumers' reasons for buying of life insurance products and the antecedents of their decision-making processes is one of the most crucial issues when companies design, advertise, and sell products **(Zeithaml 1988).** Hence, a thorough understanding of consumers' decision-making process and reasons for buying can be considered crucial for companies that focus on the consumer. Recent studies have started to investigate the underlying processes of consumers' decision-making, such as information-processing, emotions, attitudes, or risk perceptions, finding several underlying factors that play a crucial role in the decision-making; perceptions of a product's risk influence the decision-making process

REVIEW OF LITERATURE
Hong and Rios (2004) have analysed the individuals value consumptions are different during demographic stage. Married men and women are more likely to own life insurance than single men and women. Authors used these profiles to learn about how preferences depend on family structure. The findings also indicate that individuals are very caring for their dependents. **Zhang et al (2007)** studied the factors affecting the intention and premium of purchasing life insurance. Factor analysis and structure equation model technique was applied for analysis. result suggest that the extent of worrying about future, economical condition, cognition about life insurance and adventure activities preference have significant positive effects on the intention of purchasing life insurance. Economical condition has significant positive effect on the premium of purchasing life insurance while health status has significant negative effect on the premium of purchasing life insurance. Cognition about life insurance has the biggest effect on the intention of purchasing life insurance on the other hand economical condition has the mostly effected the premium of life insurance. **(Ioncică, Petrescu, Ioncică, & Constantinescu, 2012)** analysed perception of consumers about the necessity of insurance and found an association between the revenues, gender, age and education of the consumers and the interest in purchasing insurance. **Sahu et al (2009)** analysed buying behaviour of consumer towards life insurance policies. It also evaluates the factors underlying consumer perception towards investment in life insurance policies. the consumer's perception towards Life Insurance Policies was found positive. in the study results from correlation test revealed that the major factors playing the role in developing consumer's perception towards Life Insurance Policies were Consumer Loyalty, Service Quality, Ease of Procedures, Satisfaction Level, Company Image, and Company-Client Relationship. **(Yusof, Gbadamosi, & Hamadu, 2009)** studied the attitude of Nigerians toward insurance services which is mostly found negative due to low patronage of insurance services. They have surveyed 392 user and nonuser attitude toward insurance. Finding of survey suggested that marketing strategies can be influencing in changing their negative attitudes towards insurance companies and their services. Demographic and sociological factors have significant impact on attitudes towards insurance. Only gender, surprisingly though, proves not to have significant impact. It is recommended that significant marketing communication activities be targeted more kindle their interest in the insurance. **He, D. (2011)** found that there is significant and positive correlation between the decision to purchase life insurance and subsequent mortality, conditional on risk classification. They also found that individuals are most likely to obtain life insurance four to six years before death. Individuals with higher mortality risk are 19% to 48% more likely to buy individual term life insurance than are those with lower risk, depending on the length of the time window in which mortality risk is defined**.**

NEED/IMPORTANCE OF THE STUDY
This study will be useful to the researchers, academicians and financial experts in understanding customers' perceptions, liking and satisfaction/dissatisfaction towards various services offered by both the public and private life insurance companies operating in Punjab and Chandigarh (U.T.) states.

STATEMENT OF THE PROBLEM
Life insurance is always been a unsought product for consumers and required push sales strategies by life insurance companies. It is imperative to know consumer behaviour toward life insurance buying and influencing factors in decision making. This study investigates perception of consumers regarding life insurance purchase in Punjab and Chandigarh region.

OBJECTIVES
1.   To critically investigate motives and influencing factors in life insurance purchase.
2.   To know consumer preference and attitude towards life insurance in Punjab and Chandigarh region.

HYPOTHESISES

H_{01}: There is no significant difference between the purchase of life insurance and the demographic variables.

H_{02}: There is no significant difference between male and female regarding motivating events for buying life insurance

H_{03}: There is a significant difference in respect to reasons for purchasing life insurance and occupation of respondents

H_{04}: There is no significant difference in source of information for buying life insurance with respect to demographic variables.

H_{05}: There is no significant difference in the preference for the type of life insurance policies, between resident of rural, semi-urban and urban area.

H_{06}: There is no significant difference in reasons to low interest in insurance with respect to demographic variables.

RESEARCH METHODOLOGY

Research was conducted to know the consumer behaviour for life insurance policies in Punjab and Chandigarh region. Descriptive research design was applied and primary data was collected from three major regions of Punjab i.e. Maja Malwa and Doaba and Chandigarh, Mohali through structured questionnaire includes multi choice answer. Purposive convenience sampling technique was used to collect data from 10 cities selected from regions population wise. Data was collected from 520 respondents out of which 19 questionnaires were rejected. A Pilot test was conducted to test validity and reliability through Cronbach's alpha techniques and instrument was found reliable and valid for further research.

RESULTS & DISCUSSION

The collected data was analysed in SPSS and various statistical test like chi square, ANOVA, T test and kruskal wallis were applied on data. Table 1 represents the frequency distribution of the respondents with respect to the research area. From the total number of 501 respondents, 22.8% of the respondents are from Majha, 23% of the respondents are from Doaba, 22.8% of the respondents are from Malwa, 12.6% of the respondents are from Mohali and 19% of the respondents are from Chandigarh.

TABLE 1: FREQUENCY DISTRIBUTION OF RESPONDENTS ACCORDING TO THEIR AREA

Respondent profile area-wise		
Area	Frequency	Percent
Majha	114	22.8
Doaba	115	23.0
Malwa	114	22.8
Mohali	63	12.6
Chandigarh	95	19.0
Total	501	100.0

Source: surveyed data

Cities were selected on population basis and table 2 represents the frequency distribution of the respondents with respect to the cities in Punjab and Chandigarh region., in majha region most populated cities were Amritsar and Gurdaspur and for this studies 11.6% of the respondents were from Amritsar, 11.2% of the respondents are from Gurdaspur Same ratio followed in Doaba region where Jalandhar and Hoshiarpur were chosen for research. Malwa being biggest resion four cities were taken for survey, 6% of the respondents are from Ludhiana, 5.8% of the respondents are from Patiala, 5.6% of the respondents are from Bathinda, 5.4% of the respondents are from Ferozpur, apart from this 12% of the respondents are from Mohali and 19.6% of the respondents are from Chandigarh.

TABLE 2: FREQUENCY DISTRIBUTION OF RESPONDENTS ACCORDING TO THE CITY

Respondent profile city-wise			
Regions	City	Frequency	Percent
Majha	Amritsar	58	11.6
	Gurdaspur	56	11.2
Doaba	Jalandhar	58	11.6
	Hoshiarpur	57	11.4
Malwa	Ludhiana	30	6.0
	Patiala	29	5.8
	Bathinda	28	5.6
	Ferozpur	27	5.4
	Mohali	60	12.0
	Chandigarh	98	19.6
	Total	501	100.0

Source: surveyed data

TABLE 3: FREQUENCY DISTRIBUTION OF THE RESPONDENTS FOR LIFE INSURANCE POLICIES

Life insurance policy purchase	Frequency	Percent
Yes	396	79.0
No	105	21.0
Total	501	100.0

Source: surveyed data

Table 3 represents the frequency distribution of the respondents for having life insurance policy. From the total number of 501 respondents, 79% of the respondents have bought the life insurance policy and 21% of the respondents haven't bought the life insurance policy.

DEMOGRAPHIC PROFILE OF USER AND NON USER OF LIFE INSURANCE

Respondent demographic profile is described on basis of their purchase of life insurance. Table 4A depicts the cross tabulation values for user and non-user of life insurance and age group of the respondents. Majority of the respondents have life insurance from the 36-45 age groups. In less than or equal to 25 age group, majority of 56.5% respondents have no life insurance. In 26-35, majority of 67.7% respondents have life insurance. In 36-45 age group, majority of 86.7% respondents have life insurance. In 46-55, majority of 90.0% respondents have life insurance. In greater than or equal to 56 yrs age group, majority of 89.3% respondents have life insurance.

TABLE 4 A: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH AGE

Age group	Having life insurance		Total
	Yes	No	
<= 25	20	26	46
	43.5%	56.5%	9.2%
26 - 35	86	41	127
	67.7%	32.3%	25.3%
36 - 45	124	19	143
	86.7%	13.3%	28.5%
46 - 55	99	11	110
	90.0%	10.0%	22.0%
>= 56	67	8	75
	89.3%	10.7%	15.0%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

TABLE 4 B: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH GENDER

Gender	Having life insurance		Total
	Yes	No	
Male	267	51	318
	84.0%	16.0%	63.5%
Female	129	54	183
	70.5%	29.5%	36.5%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Table 4B depicts the cross tabulation values for user and non-user of life insurance and gender of the respondents. Majority of the respondents having life insurance were male. 84.0% male and 70.5% female respondents have life insurance. 16.0% male and 29.5% female respondents have no life insurance.

TABLE 4 C: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH PERSONAL STATUS

Personal status	Having life insurance		Total
	Yes	No	
Single	34	43	77
	44.2%	55.8%	15.4%
Married	354	62	416
	85.1%	14.9%	83.0%
Separated	8	0	8
	100.0%	0.0%	1.6%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Table 4C shows the cross tabulation values for user and non user of life insurance and personal status of the respondents. Majority of the respondents having life insurance were married. Lowest purchase insurance ration was found in unmarried respondents only 44.2% single respondent were insured. 100 % separated respondent covered their risk through insurance.

TABLE 4 D: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH QUALIFICATION

Qualification	Having life insurance		Total
	Yes	No	
Uneducated	2	1	3
	66.7%	33.3%	.6%
Senior Secondary	44	4	48
	91.7%	8.3%	9.6%
Graduate	174	50	224
	77.7%	22.3%	44.7%
Post graduate	140	46	186
	75.3%	24.7%	37.1%
Other	36	4	40
	90.0%	10.0%	8.0%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Qualification of user and non-user is given in table 4D. Majority of the respondents having life insurance were graduate. Table 4E shows majority of respondent having govt. job and out of them 88.8% were insured. Lowest % of purchase of life insurance was among private job and agriculture occupation.

TABLE 4 E: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH OCCUPATION

Occupation	Having life insurance		Total
	Yes	No	
Business	24	5	29
	82.8%	17.2%	5.8%
Private Job	90	57	147
	61.2%	38.8%	29.3%
Govt. Job	214	27	241
	88.8%	11.2%	48.1%
Self Employed	24	8	32
	75.0%	25.0%	6.4%
Retired	31	4	35
	88.6%	11.4%	7.0%
Agriculture	6	3	9
	66.7%	33.3%	1.8%
Unemployed	7	1	8
	87.5%	12.5%	1.6%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

TABLE 4 F: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH FAMILY INCOME

Family Income	Having life insurance		Total
	Yes	No	
< 20000	39	21	60
	65.0%	35.0%	12.0%
20000 - 40000	110	34	144
	76.4%	23.6%	28.7%
40000 - 60000	104	18	122
	85.2%	14.8%	24.4%
60000 - 80000	65	11	76
	85.5%	14.5%	15.2%
80000 - 100000	27	7	34
	79.4%	20.6%	6.8%
> 100000	51	14	65
	78.5%	21.5%	13.0%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Insurance purchase affected by income of individuals and that reflected in the research also. Table 4F shows majority of respondent (85.2%) from high income groups were having life insurance on the other hand from only 65% respondent from less income groups were having life insurance.

Life insurance buying increased with added responsibility that's why respondent with more no. of children were having more life insurance than compare to without child couples. Table 4G depicts only 56.9% respondents with no children were having insurance and 87.4 % respondent with two children were insured.

TABLE 4 G: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH NO. OF CHILDREN

No. Of children	Having life insurance		Total
	Yes	No	
No	62	47	109
	56.9%	43.1%	21.8%
One	104	24	128
	81.3%	18.8%	25.5%
Two	195	28	223
	87.4%	12.6%	44.5%
More than three	35	6	41
	85.4%	14.6%	8.2%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

TABLE 4 H: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH FAMILY STRUCTURE

Family structure	Having life insurance		Total
	Yes	No	
Joint	184	54	238
	77.3%	22.7%	47.5%
Nuclear	212	51	263
	80.6%	19.4%	52.5%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Table 4H depicts that majority of the respondents having life insurance have nuclear family. 77.3% respondents with joint family and 80.6% with nuclear family have life insurance. 22.7% respondents with joint family and 19.4% with nuclear family have no life insurance.

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TABLE 4 I: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH NO. OF EARNING MEMBER

| Earning members in family | Having life insurance | | Total |
	Yes	No	
One	128	20	148
	86.5%	13.5%	29.5%
Two	190	54	244
	77.9%	22.1%	48.7%
Three	61	26	87
	70.1%	29.9%	17.4%
More Than Three	17	5	22
	77.3%	22.7%	4.4%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Multiplicity of earning in family cross tabulation with purchase of life insurance is depicted in table 4 I. Majority of the respondents having life insurance have one earning family members. Non user of insurance mostly comes from double income group.

TABLE 4 J: CROSS TABULATION OF PURCHASE OF LIFE INSURANCE WITH RESIDENCE AREA

| Residence area | Having life insurance | | Total |
	Yes	No	
Rural	32	16	48
	66.7%	33.3%	9.6%
Semi Urban	102	19	121
	84.3%	15.7%	24.2%
Urban	262	70	332
	78.9%	21.1%	66.3%
Total	396	105	501
	79.0%	21.0%	100.0%

Source: surveyed data

Awareness regarding life insurance differs in rural, semi urban and urban respondent. Majority of urban and semi urban respondents have purchased life insurance due to more awareness and 33.3 % rural respondents have no life insurance.

EFFECT OF DEMOGRAPHIC VARIABLE ON CONSUMER PURCHASE OF LIFE INSURANCE

H_{01}: **There is no significant difference between the purchase of life insurance and the demographic variables.**

Table 5 displayed Chi-square test result. Except family structure all other demographic variables such as age, gender, occupation, qualification etc have p value less than .05. hence our hypothesis H01 is rejected and we accept that there is signification difference among user and non-use and their demographic variables.

TABLE 5: RESULT OF CHI SQUARE TEST BETWEEN DEMOGRAPHIC VARIABLE AND PURCHASE OF LIFE INSURANCE

Demographic Variables	Chi square	P value	Result
Age group	62.803	.001**	Significant
Gender	12.723	.001**	Significant
Personal status	67.896	.001**	Significant
Qualification	9.645	.047*	Significant
Occupation	45.668	.001**	Significant
Family Income	12.533	.028*	Significant
No. Of children	43.185	.001**	Significant
Family structure	0.82	0.365	Non-Significant
Earning members in family	9.381	.025*	Significant
Residence area	6.458	.040*	Significant

Source: surveyed data

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MOTIVES AND INFLUENCING FACTORS IN LIFE INSURANCE PURCHASE
H_{02}: There is no significant difference between male and female regarding motivating events for buying life insurance

TABLE 6 A: MOTIVATING EVENTS FOR BUYING LIFE INSURANCE IN MALE AND FEMALE

Motivating events for buying life insurance	Gender		Z-proportion	p-value
	Male	Female		
Marriage	225	96	2.22	0.027*
	84.3%	74.4%		
Child birth	229	117	-1.48	0.139
	85.8%	90.7%		
Home loan purchase	221	112	-1.07	0.283
	82.8%	86.8%		
Unpleasant event like Accident/ illness/ death of others	231	100	2.13	0.033*
	86.5%	77.5%		
Unpleasant event like Accident/ illness with self	230	96	2.67	0.008**
	86.1%	74.4%		
Insurance advertisement	216	97	1.27	0.205
	80.9%	75.2%		
Seminar about risk planning	216	99	0.94	0.348
	80.9%	76.7%		
Urgent tax saving	246	117	0.47	0.637
	92.1%	90.7%		
Interaction with Agent/ Advisor	217	100	0.86	0.392
	81.3%	77.5%		
Promotion in Job/ Increase in disposable income	216	95	1.59	0.112
	80.9%	73.6%		
Investment desire	229	95	2.74	0.006**
	85.8%	73.6%		
Total	267	129		

Source: surveyed data

Table 6 provided information about male and female respondent perception towards motivating events for buying life insurance. For motivating events like marriage, unpleasant event like accident/ illness/ death of others, unpleasant event like accident/ illness with self and investment desire for buying life insurance were having different opinion in male and females. Since The p-values for these events coming out to be less than 0.05, hence we have rejected the null hypothesis, that is, there is a significant difference between male and female regarding these motivating events, for buying life insurance. On the other hand child birth, insurance advertisement, seminar about risk planning, urgent tax saving, interaction with advisor/ agent, promotion in job/ increase in disposable income, were having similar opinion and p value coming out to be greater than 0.05, hence we have accepted the null hypothesis, i.e., there is no significant difference between male and female regarding motivating events such as child birth, insurance advertisement, seminar about risk planning, urgent tax saving, interaction with advisor/ agent, promotion in job/ increase in disposable income, for buying life insurance

H_{03}, There is a significant difference in respect to reasons for purchasing life insurance and occupation of respondents

TABLE 6 B : ANOVA RESULT FOR REASON OF LIFE INSURANCE PURCHASE AND OCCUPATION

Occupation	N	mean	SD	F value	P value
Business	29	24.38	7.24		
Private Job	147	24.84	5		
Govt. Job	241	25	4.32		
Self Employed	32	23.94	5.03		
Retired	35	23.26	5.26	2.953	0.008**
Agriculture	9	21.11	3.26		
Unemployed	8	19.75	7.67		
Urban	332	24.3	5.5		
Total	501	24.57	4.95		

Source: surveyed data

Respondent given reason purchasing life insurance differed in various occupation profiles. The ANOVA test represented in table 6B depict different in reasons to purchasing life insurance with respect to occupation. since the p-value for occupation is coming out to be less than 0.05, hence we have rejected the null hypothesis H_{03}, that is, there is a significant difference in respect to reasons for purchasing life insurance and occupation of respondents (t=2.953, p-value<0.01).

H_{04}: *There is no significant difference in source of information for buying life insurance with respect to age, qualification, occupation, family income, residence, gender and personal status of respondents.*

TABLE 7 A: ANOVA TEST RESULT FOR SOURCE OF INFORMATION AND DEMOGRAPHIC VARIABLES

Demographic Variables		Source of information for buying life insurance			F-value	p-value
		N	Mean	SD		
Age group	<= 25	46	35.39	5.72	2.361	0.052
	26 – 35	127	34.15	5.48		
	36 – 45	143	33.97	5.76		
	46 – 55	110	35.44	4.57		
	>= 56	75	33.4	5.28		
Qualification	Uneducated	3	33	5.57	3.142	0.014*
	Senior Secondary	48	35.92	3.52		
	Graduate	224	34.14	5.41		
	Post graduate	186	34.78	5.47		
	Other	40	32.15	6.21		
Occupation	Business	29	32.62	7.16	1.899	0.079
	Private Job	147	34.82	5.74		
	Govt. Job	241	34.81	4.8		
	Self Employed	32	33.16	6.77		
	Retired	35	33.2	4.84		
	Agriculture	9	32.33	4.44		
	Unemployed	8	32.38	3.81		
Family Income	< 20000	60	34.68	5.13	2.213	0.052
	20000 – 40000	144	34.62	5.34		
	40000 – 60000	122	34.89	5.52		
	60000 – 80000	76	32.75	5.75		
	80000 – 100000	34	33.32	4.3		
	> 100000	65	35.09	5.38		
Residence	Rural	48	36.25	3.69	6.458	0.002**
	Semi Urban	121	35.24	3.79		
	Urban	332	33.8	5.98		
	Total	501	34.38	5.4		

Source: surveyed data

Table 7 A & B represents the output of the ANOVA and t-test to check the difference in source of information for buying life insurance with respect to age, qualification, occupation, family income, residence, gender and personal status of the respondents. Since, the p-values age, occupation, family income and personal status, are coming out to be greater than 0.05, hence we have accepted null hypothesis, H_0, age, occupation, family income and personal status, that is, there is no significant difference in source of information for buying life insurance with respect to age, occupation, family income and personal status of the respondents. And, since the p-values for qualification, residence and gender, are coming out to be less than 0.05, hence we have rejected the null hypothesis, H_{03}, qualification, residence and gender, that is, there is a significant difference in source of information for buying life insurance with respect to the qualification (F= 3.142, p-value<0.05), residence (F= 6.458, p-value<0.01) and gender (t= -2.31, p-value<0.05)of the respondents.

TABLE 7 B: T TEST RESULT FOR SOURCE OF INFORMATION

Demographic Variables		Source of information for buying life insurance			t-value	p-value
		N	Mean	SD		
Gender	Male	318	33.96	5.25	-2.31	0.021*
	Female	183	35.11	5.59		
Personal status	Single	85	34.86	5.62	0.891	0.373
	Married	416	34.29	5.35		

Source: surveyed data

PREFERENCE FOR TYPE OF LIFE INSURANCE PLAN

H_{05}: There is no significant difference in the preference for the type of life insurance policies, between resident of rural, semi-urban and urban area.

TABLE 8: RESULT OF KRUSKAL WALLIS TEST FOR CONSUMER PREFERENCE

Type of plans	Residence	N	Mean Rank	Kruskal-Wallis	p-value
Term plan	Rural	32	167.67	21.57	.001**
	Semi Urban	102	241.3		
	Urban	262	185.6		
Money back/ endowment plan	Rural	32	204.95	29.776	.001**
	Semi Urban	102	249.57		
	Urban	262	177.83		
Child plan traditional	Rural	32	226.63	14.186	.001**
	Semi Urban	102	228.91		
	Urban	262	183.23		
Child plan ULIP	Rural	32	213.95	0.729	0.695
	Semi Urban	102	194.56		
	Urban	262	198.15		
Pension plan (Traditional)	Rural	32	165.84	8.247	.016*
	Semi Urban	102	223.21		
	Urban	262	192.87		
Pension plan ULIP	Rural	32	146.16	38.029	.001**
	Semi Urban	102	150.59		
	Urban	262	223.55		
Single premium plan	Rural	32	194.45	9.546	.008**
	Semi Urban	102	169.7		
	Urban	262	210.21		
Market investment plan	Rural	32	241.7	8.703	.013*
	Semi Urban	102	177.13		
	Urban	262	201.54		

Source: surveyed data

Table 8 exhibit's the output of the Kruskal-Wallis test. Since, the p-values for the Kruskal-Wallis test for the term plan, money back/ endowment plan, child plan traditional, pension plan (traditional), pension plan ULIP, single premium plan and market investment plan, are coming out to be less than 0.05 and hence we have rejected the null hypotheses H_{05} for term plan, money back/ endowment plan, child plan traditional, pension plan (traditional), pension plan ULIP, single premium plan and market investment plan. Hence, there is a significant difference in the preference for term plan, money back/ endowment plan, child plan traditional, pension plan (traditional), pension plan ULIP, single premium plan, between resident of rural, semi-urban and urban area. On the basis of mean rank, residents of semi-urban area prefer term plan, money back/ endowment plan, child plan traditional and pension plan (traditional) as compare to the urban and rural residents, whereas residents of urban area prefer pension plan ULIP and single premium plan as compare to the rural and semi-urban residents and residents of rural area prefer market investment plan as compare to the residents of semi-urban and urban area. Since the p-value for Kruskal-Wallis test for child plan ULIP is coming out to be greater than 0.05, hence we have accepted the null hypothesis H_{05} for child plan ULIP, that is, there is a non-significant difference in preference for child plan ULIP, between resident of rural, semi-urban and urban area.

REASONS FOR LOW INTEREST IN LIFE INSURANCE

H_{06}: There is no significant difference in reasons for low interest in life insurance with respect to demographic variables

TABLE 9 A: ANOVA RESULT FOR LOW INTEREST IN LIFE INSURANCE

Demographic Variables		Reasons for negative attitude towards Life insurance			F-test	p-value
		N	Mean	SD		
Age group	<= 25	46	24.26	6.29	1.587	.177
	26 - 35	127	22.51	4.91		
	36 - 45	143	22.26	5.65		
	46 - 55	110	23.03	5.62		
	>= 56	75	23.41	4.56		
Qualification	Uneducated	3	16.67	4.04	4.190	.002**
	Senior Secondary	48	20.33	5.00		
	Graduate	224	23.06	5.42		
	Post graduate	186	23.17	5.49		
	Other	40	23.68	4.21		
Occupation	Business	29	24.21	7.48	1.983	.066
	Private Job	147	23.60	5.44		
	Govt. Job	241	22.04	5.00		
	Self Employed	32	23.25	5.64		
	Retired	35	23.91	4.63		
	Agriculture	9	22.44	7.04		
	Unemployed	8	22.75	5.18		
Family Income	< 20000	60	22.45	5.35	1.455	.203
	20000 - 40000	144	22.47	5.23		
	40000 - 60000	122	22.31	5.78		
	60000 - 80000	76	24.11	5.00		
	80000 - 100000	34	23.35	3.90		
	> 100000	65	23.34	5.96		
Residence	Rural	48	22.54	5.71	8.045	.001**
	Semi Urban	121	21.23	5.42		
	Urban	332	23.48	5.22		
	Total	501	22.85	5.39		

Source: surveyed data

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TABLE 9 B: T TEST RESULT FOR REASON FOR LOW INTEREST IN LIFE INSURANCE

Demographic Variables		Reasons for negative attitude towards Life insurance			t-test	p-value
		N	Mean	SD		
Gender	Male	318	22.26	4.61	3.247	.001**
	Female	183	23.87	6.41		
Personal status	Single	85	23.11	5.36	.483	.629
	Married	416	22.80	5.40		

Source: surveyed data

The above table represents the output of the ANOVA and t-test to check the difference in reasons for low interest in life insurance with respect to age, qualification, occupation, family income, residence, gender and personal status of the respondents. Since, the p-values for age, family income, occupation and personal status, are coming out to be greater than 0.06, hence we have accepted null hypothesis, H_{05}, for age, occupation, family income and personal status, that is, there is no significant difference in reasons for negative attitude towards life insurance with respect to age, occupation, family income and personal status of the respondents. And, since the p-value for qualification, residence and gender, are coming out to be less than 0.06, hence we have rejected the null hypothesis, H_0, for qualification, residence and gender, that is, there is a significant difference in reasons for negative attitude towards life insurance with respect to the qualification (F= 4.190, p-value<0.01), residence(F= 8.045, p-value<0.01) and gender (t= 3.247, p-value<0.01) of the respondents.

FINDINGS & CONCLUSION

From the analysis it can concluded that consumer demographic variables like age, gender, occupation, qualification, personal status, residence area, no. of children and family income played crucial role in consumer motives, preferences in life insurance. Various occupation profiles have different opinion for buying reasons for life insurance. While choosing type of life insurance plan it was found that rural, semi-urban and urban respondent behave differently. Rural area respondent have given more preferences to traditional plans and pension plans and ULIP were preferred by mostly urban respondents. This preference exhibits the need of rural and urban respondent respectively as rural respondent lacks awareness in financial planning so this could be reasons for not giving preferences to retirement planning and investment plans. Rural and urban respondents see life insurance as purely risk covering tool not as investment tool. Planning for child future has given similar preferences among rural, semi-urban and urban respondents. Source of Information regarding life insurance is also differ in various demographic profiles. Male and female gave different relative importance to various source of information for life. Similarly different qualification and residence area also affect choice of trustworthy source in respect to life insurance information. Different qualification profiles and residence have given varied reason for having low interest in life insurance; same is the case with male and female which shows different attitude regarding low interest in life insurance. Life insurance is unsought product which needs awareness related to its benefits among various demographic profiles.

RECOMMENDATIONS/SUGGESTIONS

This research explores useful information to understand consumer profiles and behaviours for life insurance. Life insurance companies need to understand consumers profile before make any policies and campaign and also work for awareness in rural areas. Considering the risk involved in today's lifestyle and high cost of living needs extra protection in form of life insurance. In Punjab and Chandigarh region people are more dependent on real estate assets and mostly insured insufficient. Insurance Companies put their efforts to let people know the importance of having life insurance at the early stage. As rural people don't realised much about retirement planning there is immense potential in this segment for insurers.

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ROLE OF SOCIAL MEDIA IN CRISIS COMMUNICATION IN THE BUSINESS CONTEXT: A STUDY WITH INDIAN EXAMPLES

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ABSTRACT

The rise of social media has brought an increasingly open and transparent environment, where everyone can share thoughts and opinions with other people. This new world creates new opportunities and challenges in many fields. One of these is in the field of crisis management and crisis communication in particular. This paper explores the role of social media during crisis in the business context by citing examples from Indian companies. It tries to highlight the changes in crisis communications and in particular how social media can be a beneficial tool. The paper also tries to find what is important for companies concerning crisis management. This resulted in findings that companies need to monitor social media, need to be quick in replying and to reply in a human, non-corporate voice. It is well important to have a crisis plan and a crisis response team which is also responsible for crisis management and communication in social media.

KEYWORDS
crisis communication, crisis management, social media.

INTRODUCTION

In the era of wide media coverage and increase in the amount of people's sensitivity to public issues, every company employee has to know how to communicate during crisis situations. A crisis can be simply defined as a situation which has undesirable effects on an organization. Crisis communication is the communication between an organization and the public during, after or before the critical event (Fearn-Banks, 2007). Having an effective crisis communication system is important for effective management because at the time of a crisis, information resources may not be easily available, there will be a pressure to respond to the situation and every stakeholder will demand an answer. With the widespread usage of social media by individuals as well as organizations, at the outset of a crisis you are more vulnerable to questions from every possible corner through social media. Due to high stress levels during crisis situations people tend to get incorrect and contradictory information.

This paper focuses on the role of social media in crisis communication with special reference to crisis situations in business. The researcher tries to reach at findings regarding good and bad practices of crisis communication through social media.

RESEARCH METHODOLOGY

The study is conceptual in nature and is completely based on the secondary data and the observations of the researcher. The researcher has tried to focus on the concept of utilizing social media for crisis communication and has tried to compile examples of the same in the Indian context.

CRISIS MANAGEMENT AND CRISIS COMMUNICATION

Crisis can come in different shapes. It could for instance be an accident, a scandal of some kind, or a product safety incident. More specifically crisis can take the form of a bribery scandal, a hostile takeover, a product recall, mean rumors, or an environmental spill, and so forth. Crisis management is broadly defined as an organization's pre-established activities and guidelines for preparing and responding to significant catastrophic events or incidents (i.e., fires, earthquakes, severe storms, workplace violence, kidnappings, bomb threats, acts of terrorism, etc.) in a safe and effective manner. If an organization prepares for the 'worst-case scenario', then it can handle other situations as well. To go deeper regarding the effectiveness in crisis management means to understand if operations can continue to run at an acceptable level, or if they can be quickly taken up again.

Crisis communication is important for an organization because it helps to improve the brand image of the company after a crisis situation, gain the trust of the customers, get support from employees, sustain and grow in the industry after the crisis and to avoid misconceptions and misunderstandings.

SOCIAL MEDIA AND CRISIS COMMUNICATION

The importance of crisis communication is much higher than ever because of the amount of information available to the people on the Internet (Gonzales & Smith, 2008). As news spreads quickly on the web and social media, organizations are at a potential risk because it has become hard for them to hide potential bad news. During crisis it is important for organizations to communicate their values and identities in order to stand out and differentiate themselves from competitors. It also helps to have a credible relationship with stakeholders.

HOW TO EFFECTIVELY COMMUNICATE THROUGH SOCIAL MEDIA IN CRISIS SITUATIONS

1. Apologize - The public does not expect individuals or organizations to be perfect, but they do expect them to regret their errors. Apology is the first step toward forgiveness. Be swift and sincere.
2. Take responsibility - Acknowledgement of wrongdoing is essential for the public to hear, but it has legal consequences. Corporate attorneys will advise against admitting responsibility.
3. Pay to fix it - Mistakes are costly, but nothing is more expensive to an organization than losing its good standing in the eye of the public. Honorable organizations do not hesitate to recall a potentially dangerous product, or initiate a clean-up. Willingly paying to rectify errors helps avoid subsequent lawsuits and loss of public trust.
4. Take steps to ensure it will not happen again - There will be no going back to 'business as usual' in the aftermath of a crisis. To diffuse the negativity, let the public know how the organization feels about what has happened, and what actions it is taking to remedy the cause.
5. Be the first to break the bad news - The story will come out. If others tell it first you will be accused of a cover-up.
6. Put people ahead of everything else - As an example of what not to do, recall the first public statement from the chairman of Union Carbide after the Bhopal tragedy: 'I would just like to reassure the shareholders...' Be prepared to demonstrate human concern or you will be charged with inhumanity and irresponsibility.
7. Highest-ranking members of the organization must appear and respond early - It is crucial in crisis recovery for the public to see the CEO take personal charge of the aftermath.
8. Provide frequent updates - The media will fill any information void with whatever they can find.
9. Supply background information - The media will appreciate photos, diagrams, descriptions of any chemicals involved, and basic information about the company and employees, it will help them get the story right, and they will know that your organization wants to cooperate and communicate
10. Never, ever mislead or lie to the public - answer 'no comment'.

EXAMPLES OF CRISIS COMMUNICATION THROUGH SOCIAL MEDIA IN THE INDIAN CONTEXT

1.   FLIPKART AND THE BIG BILLION SALE

E -commerce giant Flipkart's biggest marketing initiative 'The Big Billion Day Sale' on October 6, 2014, offering huge discounts and aggressively promoted for several days, turned out to be a huge disappointment for the rush of online shoppers as products were not available, servers crashed and social media was filled with stories of dropped orders of 'Flopkart'. Customers were not able to cash in on the promised shopping bonanza despite spending a lot of time trying to place orders.

Flipkart co–founders Sachin Bansal and Binny Bansal who claimed to have created e-commerce history with sales of US $ 100 million in 10 hours, were quick to send an email apology to every customer the very next day, accepting that the customer experience was less than pleasant and that Flipkart did not live up to the promise it made. They claimed responsibility, apologized and promised to work on the issues and regain its reputation for customer service excellence. It was a quick, credible action from top management.

Soon thereafter, Flipkart began strengthening its quality assurance team and improving its organizational structure. It also began working with companies providing cloud-based technology solutions to handle the massive traffic increases on days of big sales. The Big Billion Sale has continued every year and the company did not have to face a crisis of the same magnitude in the later years.

2.   ALLEN SOLLY, MADURA FASHION AND LIFESTYLE, ADITYA BIRLA NUVO LTD.

Allen Solly is Madura Fashion's professional dressing brand, competing with Blackberry and Van Heusen. It provides trendy, youth-centric quality professional wear. Due to its brand positioning, the company maintains a very active social media presence as well.

When B.G. Mahesh, Managing Director of Oneindia spotted a typo- 'Comming Soon', on an Allen Solly hoarding in a mall at Bangalore, he immediately tweeted a picture to his 10 000 followers online. Allen Solly reacted quickly and thanked him for bringing this error to their notice. But the company wasn't done.

Two days later, Allen Solly came up with an innovative, humble and humorous apology for Mr. Mahesh. In a tweet, with him tagged, the company posted a picture of a ruled school notebook saying, 'We will not spell Coming Soon as Comming Soon.' By bringing in a humble apology everyone could relate to, they owned up to their mistake, and even added a funny twist to it. This social media move caught so many eyeballs that Twitter India added this conversation to their deck as a case study.

3.   SNAPDEAL AND HINDUSTAN UNILEVER LTD.

In November 2014, Lakshminarayan Krishnamurthy, a Mumbai resident, ordered a Samsung Core Duos phone as a Diwali gift from Snapdeal. What he received was a Samsung package with a bar of Vim soap and half a brick. When he couldn't contact the online shopping platform's customer service, he decided to get on to social media and posted a picture of his delivery. Krishnamurthy's post soon went viral on Facebook with more than 20,000 users slamming Snapdeal for defrauding a customer. Snapdeal got in touch with Krishnamurthy, explained that the problem had resulted from a fault with an external courier company, apologized and refunded the amount he had paid.

Hindustan Unilever, which had at that time recently started investing in its digital media team to cut down advertising costs, stepped in and stepped up. The company sent Krishnamurthy a package that contained the phone he had originally ordered, two bottles of Vim liquid soap and a letter. In one shot, the company empathized with Krishnamurthy and grabbed an excellent opportunity to promote Vim.

In a letter to Krishnamurthy, Vim noted, 'The pictures you posted online show that our brand was used in this incident. Vim is one of our iconic brands with some great consumer franchise. We felt bad about it, not to mention what you went through. Here is a small gesture from our side to cheer you up.'

4.   AIR INDIA

Air India's response to a viral video which shows its insensitivity to customers highlights the brand's pathetic online reputation management. The national carrier was taken by surprise when a video showing a passenger, due to give her exam the following day, pleading with Air India staffers as they refuse to allow her to board the flight as she was five minutes late, had gone viral. The passenger who arrived at the T2 International Terminal of the Chhatrapati Shivaji International Airport (CSIA) for a Mumbai-Delhi flight was seen justifying her reason for late check-in by saying that 'they had received wrong information from a travel website's message'.

The video was uploaded on Valentine's Day by another passenger Shivendra Namdeo. It being a weekend and with fans busy supporting India-Pakistan World Cup cricket match, the video started gaining attention only at the start of the week. Initially picked up by online portals, later the video became a talking point on almost every portal. In few days the video fetched more than 1.3 Million views on Facebook, Namdeo's Facebook post has been shared more than 50,000 times. To battle the negative sentiments on social media, Air India posted two tweets about the video on the 17th stating that it is distressed at the video that shows its staff in poor light and that the matter is being examined. However, the carrier had no response for the customer grievance.

5.   UNILEVER AND KODAIKANAL MERCURY TOXIC WASTE ISSUE

A response from Unilever came after social media users bombarded Unilever's communication channels, questioning them on its alleged failure to clean up mercury contamination in Kodaikanal, an issue which is dated to 15 years ago. They alleged that company had dumped its industrial waste contaminated with mercury on the land behind its factory and had not taken responsibility for the damages caused. A social media campaign against the company achieved momentum after Chennai-born rapper Sofia Ashraf's song 'Kodaikanal won't', which took on the company, went viral on the internet. Four days after the rap song that took a swipe at Unilever for its failure to curb mercury poisoning in Kodaikanal became a social media hit, the company responded to the concerns about its former factory.

In a press release published on its website, Unilever said that it 'continues to take the issue very seriously and it's one we are keen to see resolved'. Listing several 'expert studies' that have been conducted since the factory's closure, Unilever claimed that its 'former employees did not suffer ill-health due to the nature of their work'. The company assured that it will 'continue to act in a transparent and responsible manner regarding this matter' and have asked all the NGOs, employee representatives and legal representatives to come together and agree on an outcome.

CONCLUSION

Companies need to monitor social media, to be able to respond quickly to any upcoming crisis. It is important that this response is adapted, to the channel, meaning that it should not be the same message as given to, for example, traditional media in a press release. The response should also be given in a friendly and human way. In social media people want to get a human response and not hear a corporate voice. A crisis plan, crisis response team and a main responsible for crisis management in social media are important parts for successful crisis management and crisis communication. The companies have to learn how to listen across platforms for issues and what their customers truly want. The responses should be directed from the top management. A company culture has to be created that leads to successful resolution of crisis through social media.

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FINANCIAL PERFORMANCE OF INSURANCE INDUSTRY IN ETHIOPIA

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ABSTRACT
There have not been empirical studies that address the financial performance of Ethiopian insurance companies in Ethiopia. This study was undertaken to evaluate the financial performance of non-life insurance industry in Ethiopia by using CARAMEL frame work. The researcher selected 10 insurance companies from the total of 15 based on their year of establishment. Secondary data collected from the individual insurance companies and from the National Bank of Ethiopia from the fiscal year of 2008 to 2012 was used for the completion of the study. The model employed for this study is $ROA=\alpha+\beta_1KTAit+\beta_2ONETA1it+\beta_3Rit+\beta_4Ait+\beta_5MEit +\beta_6EPR_3it+\beta_7LRit +\varepsilon$. ROA has been used as the dependent variable explained by capital adequacy, assets quality, re-insurance, actuarial issues, management efficiency, earning and profitability and liquidity. Multiple linear regression was applied. From the multiple linear regression, it was found that assets quality and combined ratio have negative relationship whereas capital adequacy and retention ratio have positive relationship with performance (ROA) of insurance industry in Ethiopia. One of the objectives of the study is that to identify the major factors that affect the financial performance of insurance industry in Ethiopia and it was found from the regression result that the major factors are capital adequacy, assets quality, re-insurance and combined ratio. The researcher recommended that the management and regulators of Insurance companies in Ethiopia should give due attention on capital adequacy and set minimum requirement for the capital adequacy of insurance industry, assets quality and re-insurance.

KEYWORDS
CARAMEL frame work, financial performance, nonlife insurance.

INTRODUCTION
According to Bodla, et al (2003), insurance business has emerged as one of the prominent areas of financial services during recent times particularly in developing economies where it could not grow much prior to globalization.

Insurance is a tool to spread the loss caused by a particular risk over a number of persons who are expected to it and who agree to ensure themselves against that risk.

Insurance appears simultaneously with the existence of human beings (EEA, 2011). The idea of insurance was conceptualized first in 14th century (Bodla et al, 2003). At the time it was used more as a tool for protection against financial losses of sea fearers involved in foreign trade. Since then this concept has undergone several changes. In ancient form of insurance, groups of the societies helped each other when they faced natural or unnatural catastrophic events that could lead to large financial losses. Ancient insurance service was practiced by Chinese and Babylonian traders as long as the 3rd and 2nd millennia BC. Marine insurance is the oldest form of insurance followed by life and fire insurances. The first life insurance company in the United States was established in 1759 and is still in existence (Mishkin, 2004).

In Ethiopia, insurance is dated back to ancient years when people contributed money or labor to assist other members whenever they faced financial difficulties or needed assistance. 'Idir' and 'Eqqub' are among the organizations that have played significant role in traditional insurance service in Ethiopia.

The first modern insurance company in Ethiopia can be traced back to 1905 with the establishment of Bank of Abyssinia. The bank was acting as an agent for foreign insurance companies to underwrite fire and marine policies. In 1923, the first Austrian agent of La Baloise fire insurance company came to Ethiopia and paid the first loss on warehouse and shop in 1929 (Hailu, 2007). In 1950, only foreign insurance companies - Imperial insurance company of Ethiopia was established. Thus, during 1950s and 1960s, 33 foreign and 1 domestic insurance companies were providing insurance services (EEA, 2011). The rise in the number of domestic insurance companies and the expansion of foreign insurance agents motivated the Ethiopian government to issue the first insurance proclamation to regulate the insurance business in the country.

In 1970, the first insurance proclamation, proclamation number 281/1970 was issued that prohibited foreign companies to undertake insurance business in Ethiopia either directly or through agents. Article 56 of the proclamation raised the minimum paid up capital for all insurance types. Following the 1974 revolution which followed the path of the command economy, all domestic insurance companies were nationalized through proclamation no. 26/1975. According to Hailu (2007), the Ethiopian Insurance Corporation (EIC) established in 1976 by then the government of Ethiopia monopolized the insurance business by taking over the assets and liabilities of private domestic insurance companies.

Finance is considered as the life blood of a business. It is one of the basics of all types of economic activities. According to Walker (2001), Company's financial performance is estimated in three measurements which are company's productivity (processing inputs into outputs efficiently), profitability (the level of which company's earnings are larger than its expenses), and market premium (the level of which company's market price is exceeding its book value).

The frame work, CARAMEL (Capital adequacy, Assets quality, Reinsurance, Actuarial issues, Management efficiency, Earning and profitability, Liquidity), was used for the purpose of evaluating the financial performance of insurance industry in Ethiopia. CARAMEL was proposed by Das et al. (2003). They add Reinsurance and Actuarial issues to the CAMEL methodology routinely used for banks.

REVIEW OF LITERATURE

Simpson & Damoah (2008), conducted research on evaluation of financial health of non-life insurance companies in Ghana by using CARAMEL frame work and the objective of the study was to evaluate financial soundness of non-life insurance companies using a developing country as the context and to examine the current evaluation tools being used by the Ghanaian regulatory and supervisory body (the National Insurance Commission, NIC) on non-life insurance companies. The researchers used both primary (interview) and secondary data for the completion of the study. From 18 non-life insurers and 2 re-insurers in Ghana, the researchers purposely selected 8 insurers and 1 re-insurer for the study. The research outcomes indicated that the evaluations tools use in NIC in Ghana excludes management soundness and actuarial issues proposed under the CARAMEL. The study is mainly to examine the evaluation tools used by NIC in Ghana whereas this study is to evaluate the financial performance of non-life insurance industry in Ethiopia.

Tanveer (2011) conducted research on the financial performance of insurance industry in post liberalization era in India and the objective of the study was to analyze the financial performance of public and private sector non-life insurers on the basis of CARAMEL parameters. Both primary and secondary data sources were used for the study. The researcher collected the primary data based on personal investigation. The researcher finally concluded that the insurance industry in India, since liberalization (1999), has witnessed paradigm change in a relatively short span of time.

Noor (2004) and Mohammed et al (2013) conducted research on determinants of Capital adequacy and used secondary data. The objective of the study was to identify the determinants of the capital adequacy. The study found that profitability (ROA) and liquidity are positively related to the capital adequacy requirements.

Adams and Buckle (2012), conducted research and the objective of study is to examine the determinants of operational performance in the Bermuda Insurance Market. The researchers used panel data for 1993-97 and selected Bermuda registered 47 insurance/reinsurance companies. They found that highly leveraged, lowly liquid companies and reinsurers have better operational performance than lowly leveraged, highly liquid companies and direct insurers.

Malik (2011) conducted research on determinants of insurance companies' profitability in Pakistan. The objective of this paper was to identify and examine firm specific factors of insurance profitability in Pakistan. The researcher used secondary data and a sample of 34 insurance companies of Pakistan. The result of this paper shows that profitability proxied by ROA is affected positively by size, volume of capital and negatively by leverage and loss ratio.

Charumathi (2012), the main objective of the study is to examine the determinants of profitability of life insurance companies in India. The researcher took the total life insurance companies of India for the study and 3 years financial statements of those companies. The finding of the study revealed that profitability proxied by ROA of life insurers is positively and significantly influenced by the liquidity.

Bilal et al. *(2013)*, see the determinants of profitability of insurance sector in Pakistan. The researchers included both life and non-life insurance and panel data of 31 insurance firms was used. The outcome of the study revealed that from other determinants (leverage, size, earnings volatility and age of the firm) liquidity is not the significant determinants of profitability of insurance business in Pakistan.

Abate (2012) also conducted research on factors affecting Profitability of Insurance Companies in Ethiopia. Secondary data was used for the study. The objective of the study is to identify the factors that affect the profitability of Ethiopian insurance companies. The outcome of the study indicated that growth, leverage, volume of capital, size, and liquidity are identified as most important determinant factors of profitability of Ethiopian insurance companies.

Chen and Wong (2004), the study conducted on the Determinants of Financial Health of Asian Insurance Companies. They used secondary data collected from general insurance companies from 1966 to 1999. They finally found that liquidity ratio and combined ratio are significant factors of financial health of Asian general insurance companies.

Joseph et al (2011) conducted research on the financial performance of life insurance companies in Ghana. The researchers used financial statement of 10 life insurance companies. The research examined the relationship of profitability with investment income, underwriting profit and the overall (total) net profit. The result of the paper indicated that a setting-off rather than a complementary relationship between underwriting profit and investment income towards the enhancement of the overall profitability of life insurers.

David et al (2012), the objective of the study is to see the relationship between reinsurance counterparty and firm performance in the U.S. Property-Liability Insurance Industry. Secondary data was used to the study. They analyzed the relationship between firm performance (proxied by ROA and ROE) and reinsurance utilization. They finally found that Firm performance is positively related to reinsurance utilization. Meir and Utreville (2003), titled the business cycles in insurance and re-insurance, stated that reinsurance makes primary insurers to enhance the underwriting revenue more than what would otherwise be possible.

Alexandre and João (2008), the purpose of the study was to investigate the impacts of quality management on profitability of firms and Schweiger and Friebel (2013), the objectives of the study was to find out the relationship between management quality, ownership and firm performance. They found that management quality has no significant relationship with the financial performance of the firms. Contrary, Marianne and Antoinette (2003) and Panayiotis (2013), the study investigated the effects of management quality on the performance of the firms and the result indicated that management quality is significantly and positively correlated with the financial performance of the firms.

SIGNIFICANCE OF THE STUDY

This research will help the policy makers and managers of insurance industry in Ethiopia to consider major factors and set the minimum capital requirement of the insurance business. Despite the role of insurance for the overall growth of Ethiopian economy (that is affected by the performance of the industry), only few researches are conducted on the area. As far as the researcher's knowledge is concerned, there have not been empirical studies addressed the performance of insurance industry in Ethiopia. Thus, this research is aimed at filling this gap; motivate other researches to the area and providing appropriate recommendation.

STATEMENT OF THE PROBLEM

Well-functioning financial institutions will sustain economic growth and reduce poverty (EEA, 2011). Among others, insurance industry is one of the major participants in financial markets that facilitate the protection of business from failure by indemnifying, and protection of families from exposing difficulties (after the death of the family head). These collectively lead to sustainable economic growth of a country at large. In short, Insurance industry plays the most important role for the efficient and sustainable development of economies of a particular country.

According to Naser and Mokhtar (2004), high financial performance indicates that management effectiveness and efficiency in making use of organization's resources and this in turn contributes to the country's economy at large. The insurance industry in particular is part of immune and repair system of an economy and successful operation of the industry can set energy for other industries and development of an economy. To do so the insurance industry is expected to be financially solvent and strong through being profitable in operation.

Measuring the performance of financial institutions has added the significance in the corporate finance literature because as intermediaries, these companies in the sector are not only providing the means of saving money and transferring risk but also helps to channel funds in an appropriate way from surplus economic units to deficit economic units so as to support the investment activities in the economy.

However, even if insurance industry in Ethiopia is equally old with the banking sector, it has yet to contribute more for the economic development of the country (EEA, 2011). Thus, it is essential to evaluate the financial condition or performance of insurance industry in Ethiopia. Traditionally, the financial performance of insurance industry has been measured using conventional financial ratios such as the return on equity, return on assets, and expense to premium ratios. Therefore, this study is used to evaluate the financial performance of insurance industry in Ethiopia.

As far as the knowledge of the researcher concerned, there is no research conducted on financial performance of insurance industry in Ethiopia with the help of CARAMEL frame work.

HYPOTHESIS

H1: Capital adequacy has positive effect on return on assets.

H2: Asset quality has positive effect on return on assets.

H3: Retention ratio has positive effect on return on assets

H4: Actuarial issue has a negative effect on return on assets.

H5: Management Efficiency has a negative effect on return on assets.

H6: Combined ratio has a negative effect on return on assets.

H7: Liquidity has negative effect on return on assets.

OBJECTIVES OF THE STUDY

The **main objective** of this study is **to evaluate the financial performance of non-life insurance companies in Ethiopia by using CARAMEL frame work**.

The following are the specific objectives of the study based on the above broad objective:

1.   To identify the effects of the dependent variables on the financial performance of insurance industry in Ethiopia

2.   To identify major factors that affect performance of insurance industry in Ethiopia

3.   To identify the effects of the dependent variables on the financial performance of non-life insurance companies in Ethiopia.

RESEARCH METHODOLOGY

In order to achieve the objectives stated in the previous section, bearing in mind the nature of research problem and the research outlook, this study mainly employed quantitative research approach on the financial performance of insurance industry in Ethiopia over the period of 2008 to 2012. In this study, the empirical methodology is adopted mainly from Mamadou (2012) with some modifications.

The Secondary data; audited annual reports of the insurance companies for the period of six years (from the period of 2007 to 2012) which was obtained from the NBE and from the selected insurance companies, was used for the completion of this study.

Currently (in the year 2013), there are 15 insurance companies in Ethiopia. From those 15 insurance companies, 10 non-life insurance companies established before 2008 were selected as the sample of the study.

MODEL SPECIFICATION

$ROA = \alpha + \beta_1 KTAit + \beta_2 ONETA1it + \beta_3 Rit + \beta_4 Ait + \beta_5 MEit + \beta_6 EPR_3it + \beta_7 LRit + \varepsilon$ adopted from Mamadou (2012)

In this study, ROA is Return on Average assets, the dependent variable measured as net income to average total assets. KTA is the capital adequacy ratio as determined as capital to total assets, ONETA is the assets quality measured as owners' equity to total assets, R is reinsurance which is the ratio of net premium to gross premium, ME is management efficiency calculated as operating expense to gross premium, EPR, is combined ratio is the combination of loos ratio and expense ratio and LR is liquidity ratio measured as current liability to current assets. $\beta_1, \beta_2, \ldots \beta_7$ are coefficients and α is constant.

DATA ANALYSIS

REGRESSION ANALYSIS

ROA	Coef.	Std. Err.	T	P>|t|	[95% Conf.	Interval]
KTA	.359729	.1729322	2.08	0.044*	.7087202	.0107377
ONETA	-.5257841	.2048493	-2.57	0.014*	-.9391867	-.1123815
NPGP	.547825	.2564702	2.14	0.039*	.0302471	1.065403
NTRNC	.0439648	.0771171	0.57	0.572	-.1116638	.1995933
OEGP	-1.77791	1.179393	-1.51	0.139	-4.158022	.6022025
COMR	-2.443216	.7991895	-3.06	0.004**	-.8303862	4.056046
CACL	-.0122617	.0104894	-1.17	0.249	-.0334302	.0089068
_cons	.6051921	.1839325	3.29	0.002**	.2340013	.976383

*significant at 5% level and ** significant at 1%

Source: computed from stata 11.0

$ROA = \acute{a} + \hat{a}_1 KTAit + \hat{a}_2 ONETAit + \hat{a}_3 Rit + \hat{a}_4 Ait + \hat{a}_5 MEit + \hat{a}_6 EPR_3it + \hat{a}_7 LRit + \varepsilon$

$ROA = 0.61 + 0.36KTA - 0.53ONETA + 0.55R + 0.04A - 1.78ME - 2.4EPR - 0.01LR$

[.184] [.173] [.205] [.256] [.077] [1.179] [.799] [.010] adj-R^2 =.412

The above model indicates that when asset quality and combined ratio decreased by one unit, ROA is expected to increase by 0.52 units, and 2.4 units respectively however, one unit increase in capital adequacy and in re-insurance will lead to 0.36 and 0.55 units increase in ROA. Actuarial issues, management efficiency and liquidity have no significant relationship with ROA of insurance industry in Ethiopia.

The adjusted R square indicates how well the model variance has been explained (Morgan et al 2004). It is found that the adjusted R square of this model is 41.2% (see the Appendix), meaning 41.2% of the model is explained by the independent variables collectively (the dependent variable, ROA, is explained by Capital adequacy ratio, asset quality ratio, reinsurance, actuarial issues, combined ratio and liquidity ratio) and the remaining is explained by other variables or factors. It reflects that CARAMEL frame work can be used as the measurement of financial performance of insurance industry in Ethiopia.

FINDINGS AND CONCLUSION

The objective of the study is to evaluate the financial performance of insurance industry in Ethiopia. The study used secondary data for the period of 2007 to 2012 and the sample is 10 nonlife insurance companies from the total of 15 insurance companies of Ethiopia. The variables tested in this study are capital adequacy, assets quality, reinsurance, actuarial issues, management efficiency, earning and profitability and liquidity. Regression analysis was performed.

The findings of this study contribute towards the better understanding of financial performance of insurance industry in Ethiopia. The financial performance proxied by ROA and CARAMEL that represent capital adequacy, assets quality, reinsurance, actuarial issues, management efficiency, earnings and profitability and liquidity were regressed to show the effects of those dependent variables on the ROA of insurance industry in Ethiopia.

The result shows that capital adequacy and re-insurance have a positive effect on ROA whereas combined ratio and assets quality have negative effect on ROA. Actuarial issues, management efficiency and liquidity have insignificant effect on ROA of insurance industry in Ethiopia.

This result suggests that Management and regulators of Insurance companies in Ethiopia should give due attention on capital adequacy as it is vital to absorb losses arising from underwriting business and should set the minimum requirement of the capital adequacy for the insurance industry as is applicable for banks.

RECOMMENDATIONS

Based on the conclusion drawn above the researcher provided the following recommendations:

1.   Management and regulators of Insurance companies in Ethiopia should give due attention on capital adequacy as it is vital to absorb losses arising from underwriting business and should set the minimum requirement of the capital adequacy for the insurance industry as is applicable for banks.

2.   The insurance companies should focus on their assets quality. Inclusion of more equity will surely make the asset quality of the insurers better. Contrary, the higher the equity ratio will face the company to lose for huge portion of its earnings spent in paying interest. Hence, insurance industry should have reasonable equity in its portfolio.

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3. For the improvement of reinsurance ratio, proper management of premium will help insurers to retain and manage maximum risk efficiently.
4. Other researchers should incorporate the financial and non financial performance of both non life and life insurance companies in Ethiopia.

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APPENDICES

APPENDIX 1: LIST OF INSURANCE COMPANIES IN ETHIOPIA AS OF 2013

s.no	Insurance companies	Year of Establishment
1	*Abay insurance company	2010
2	Africa Insurance Company s.c.	1994
3	Awash Insurance Company S.C	1994
4	*Berhan insurance S.c	2011
5	*Ethio-Life and General Insurance S.C.	2008
6	Ethiopian Insurance Corporation	1975
7	Global Insurance Company S.C.	1997
8	Lion Insurance Company S.C	2007
9	National Insurance Company of Ethiopia S.C.	1994
10	Nib Insurance Company	2002
11	Nile Insurance Company S.C	1995
12	Nyala Insurance Company S.C	1995
13	*Oromia Insurance Company S.C.	2009
14	*Tsehay Insurance S.C.	2012
15	The United Insurance S.C	1997

Note: * insurance companies not included in this study

Source: http://www.nbe.gov.et/financial/insurer.html

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APPENDIX 2: REGRESSION ANALYSIS RESULT
FIXED EFFECTS

ROA	Coef.	Std Err.	T	P>|t|]	[95% Conf.	Interval]
KTA	.0247388	.3543825	0.07	0.945	-.6962577	.7457354
ONETA	-.4166097	.2532368	-1.65	0.109	-.9318237	.0986044
NPGP	.3586712	.2488333	1.44	0.159	-.147584	.8649264
NTRNC	-.1174367	.1758338	-0.67	0.509	-.4751732	.2402997
OEGP	-2.890061	1.325177	-2.18	0.036	-5.586155	-.1939682
COMR	-2.701793	.9783998	2.76	0.009	.7112238	4.692363
CACL	-.011687	.0107308	-1.09	0.284	-.033519	.0101449
_cons	.62395	.2586244	2.41	0.022	.0977747	1.150125
sigma_u	.12632814					
sigma_e	.11769584					
Rho	.53533061					

Source: computed from stata 11.0

RANDOM EFFECTS

ROA	Coef.	Std. Err.	Z	P>|z|	[95% Conf.	Interval]
KTA		.2206293	-1.00	0.315	-.6539123	.2109386
ONETA	-.4469637	.217885	-2.05	0.040	-.8740105	-.0199169
NPGP	.429386	.2384461	1.80	0.072	-.0379599	.8967318
NTRNC	.0129907	.1018466	0.13	0.899	-.1866249	.2126063
OEGP	-2.237987	1.175787	-1.90	0.057	-4.542487	.0665129
COMR	-2.494188	.8234837	3.03	0.002	.8801894	4.108186
CACL	-.0130009	.0097359	-1.34	0.182	-.0320829	.0060811
_cons	.6410682	.1901714	3.37	0.001	.2683391	1.013797
sigma_u	.08376549					
sigma_e	.11769584					
rho	.33622445					

Source: computed from stata 11.0

HAUSMAN FIXED RANDOM

	(b)	(B)	(b-B)	sqrt(diag(V_b- V_B))
	fixed	random	Difference	S.E.
KTA	.0247388	-.2214869	.2462257	.2773259
ONETA	-.4166097	-.4469637	.030354	.1290541
NPGP	.3586712	.429386	-.0707148	.0711439
NTRNC	-.1174367	.0129907	-.1304274	.1433345
OEGP	-2.890061	-2.237987	-.6520744	.6112444
COMR	-2.701793	-2.494188	. -0.207605	.5283378
CACL	-.011687	-.0130009	.0013139	.0045125
chi2(7) = 8.94				
Prob>chi2 = 0.2570				

Source: computed from stata 11.0

BREUSCH-PAGAN LAGRANGE MULTIPLIER

chi2(1) = 0.85
Prob>chi2=0.3569

Source: computed from stata 11.0

SHAPIRO-WILK TEST

Variable	Obs	W	V	Z	Prob>z
R	50	0.98755	0.585	-1.142	0.87320

Source: computed from stata 11.0

TEST FOR HETEROSKEDASTICITY

chi2(1) = 0.64
Prob> chi2 = 0.4252

Source: computed from stata 11.0

CORRELATION

	ROA	KTA	ONETA	NPGP	NTRNC	OEGP	COMR	CACL
ROA	1.0000							
KTA	-0.3013	1.0000						
ONETA	-0.2097	0.3788	1.0000					
NPGP	-0.0016	0.2720	0.1281	1.0000				
NTRNC	-0.0693	0.5061	0.1431	0.2160	1.0000			
OEGP	0.3186	0.2047	0.5372	0.2788	0.2585	1.0000		
COMR	0.4125	0.1303	0.4483	-0.1297	0.1241	0.5749	1.0000	
CACL	-0.1875	0.1811	-0.1700	-0.1465	0.0700	-0.1718	-0.0897	1.0000

Source: computed from stata 11.0

ANOVA

Sources	SS	df	MS	Number of obs =50
Model	.770899173	7	.110128453	F(7,42)=5.9
Residual	.784327374	42	.018674461	Prob>F=0.0001
				R-squared=0.4957
Total	1.55522655	49	.031739317	Adj R-squared=0.4116
				Root MSE=.13665

Source: computed from stata 11.0

SUMMARY OF STATISTICAL RESULTS

OLS test results		
ROA		
Variables	Relationship	Sign
KTA	Significant	+
ONETA	Significant	-
NPGP	Significant	+
NTRNC	Insignificant	+
OEGP	insignificant	-
COMR	significant	-
CACL	Insignificant	-

Source: computed from stata 11.0

NATURE, MAGNITUDE AND DETERMINANTS OF INDEBTEDNESS AMONG WOMEN LABOUR BENEFICIARY HOUSEHOLDS IN PUNJAB: AN EMPIRICAL ANALYSIS OF MGNREGS

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ABSTRACT

The present paper is an attempt to analyze nature, magnitude and determinants of indebtedness among Women beneficiary households in the rural areas of Punjab. The present study is based upon the sample of 406 women beneficiary households from three selected districts viz., Sri Muktsar Sahib, Patiala and Pathankot. The socio-economic conditions of the beneficiary household's highlights that majority of them are illiterate, landless, wage workers and BPL card holders. The scheme failed in generating 100 days' wage employment and sustainable assets because of poor implementation of the scheme at grass root level. In Punjab, majority of households working in MGNREGS are labour households, therefore, their main source of income is wage work either farm or non-farm, highlighting their poor living standards, lack of regular source of income and deprivation from productive economic resources. The analysis of debt highlights that the share of non-institutional sources in the total debt is more than institutional source. The percentage share of non-institutional sources is the highest (82.81) in Sri Muktsar Sahib followed by Pathankot (78.61) and Patiala (72.76), whereas among all household taken together this share is 78.74. The study points out that these poor women labourer households are mainly dependent on non-institutional sources for their credit requirement who charge high rate of interest and known for extreme form of exploitation. Majority of them have taken debt for unproductive purposes. The result of regression analysis shows that the coefficient of unproductive debt, assets, consumption and income are very important factors which determine indebtedness among sampled households in the rural areas of Punjab.

KEYWORDS

MGNREGS, Debt, women labourer, money lenders, traders, large farmers.

INTRODUCTION

The performance of Indian economy since the later part of the 1990 marks a significant achievement in terms of GDP, but there is a need to translate the benefits of economic growth into matching employment (Ministry of Labour and Employment, 2011). The costs of economic and financial liberalization are often borne disproportionately by the poor and particularly by vulnerable women (FAO-IFAD-ILO, 2010).

As per 2011 census, about 69 percent of the country's total population was inhabited in the villages and female comprised 48.6 percent of rural population and out of them, about 90 percent of working women were involved in the informal sector (Kumari and Pandey, 2012). There is no doubt that women play a very important role in economic growth and can potentially lift their households and communities out of poverty and indebtedness. But women are pushed back by gender inequities that limit their access to decent work which is required for their economic, social and political empowerment (Rustagi, 2010).

The number of actual women workers is high in the rural areas in comparison to urban areas because of low enrollment of rural women in schools and high demand of female labour in the agricultural sector (Kumari and Pandey, 2012). The detailed macro-economic overview of occupational structure shows that larger share of women workers is still engaged in primary sector which accords low productivity in India (Sudarshan, 2010).

Punjab is fortunate in having abundant resources. After two decades of food deficit after independence, India now has a surplus of food grains. The situation improved after the mid 1960s with the development of agriculture infrastructure and as a consequence of these developments in agricultural infrastructure, Punjab demonstrated rise in agricultural production (Government of Punjab, 2009). The workforce participation rate of females in Punjab is 13.90 per cent while the male work participation rate is 55.20 per cent. In other words, workforce participation rate of females in Punjab is over four times lower than their male counterparts in the state and nearly two times lower than female work participation rate at National level (Government of Punjab, 2014).

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an important step of government towards achieving social protection as it provides: relief from deprivation, prevention and alleviation of poverty, promotion of economic activities as well as transformation for social justice for rural population in general and women in particular (Vij, 2011). The scheme aims at ensuring livelihood security to people in the rural areas by guaranteeing 100 days of wage employment in a fiscal year to rural household (Ministry of Rural Development, 2010).

MGNREGS was launched in Punjab on February 2, 2006 in Hoshiarpur district in the first stage and later on it was extended to three more districts (Nawanshahar, Jalandhar and Amritsar) in second stage and finally to 16 districts in third stage. Women participation in MGNREGS in Punjab tend to increase from 24.62 percent of women person days to total person days in 2008-09 to 33.83 percent in 2010-11 to 46.67 percent in 2012-13 to 57.46 per cent in 2014-15 and to 59.97 per cent in 2016-17 (www.nrega.nic.in). However, the number of person days generated among each household is very less and failed to generate any significant impact on level of income and reduction in poverty and indebtedness in the rural area.

Low income among sampled households combined with lack of ownership of productive assets, gainful employment opportunities and regular source of income leads them to vicious circle of poverty and indebtedness. According to Ministry of Statistics and Programme Implementation (2013), the incidence of indebtedness was about 31.4 per cent among rural households with Rs.1,03,457 as average amount of debt.

Poor labourer households because of their very low income and resource base, borrow from non-institutional sources such as landlords, money lenders, traders etc. to meet their day to day needs and for fulfilling their social cultural traditions. The dependence of these labour households on institutional resources is almost

negligible because of lack of security and awareness and complicated procedures associated with loans. The present study deals with the nature and magnitude of indebtedness among women beneficiary households in Punjab.

OBJECTIVES OF THE PRESENT STUDY

The specific objectives of the present study are:

1. to study the socio-economic profile of women beneficiary households;
2. to analyze the nature and magnitude of indebtedness among women beneficiary households; and
3. To examine the determinants of indebtedness among women beneficiary households in Punjab.

RESEARCH METHODOLOGY

The present study is based on multi stage random sampling techniques and related to year 2013-14. For this purpose, Punjab has been categorized into three groups based on women participation under MGNREGS as high participation districts, moderate participation districts and low participation districts. One district from each category namely, Sri Muktsar Sahib from high participation districts, Patiala from moderate participation district and Pathankot from low participation district have been selected. Further, three development blocks based on high, moderate and low women participation in MGNREGS have been selected from each district. As a result, 9 developmental blocks, have been selected. At the fourth stage, three panchayats/villages have been selected from each of the selected development blocks based on the women participation. Thus, a sample of 27 villages has been selected. Finally, a sample of 406 women beneficiary households consisting of 171 from Sri Muktsar Sahib, 160 from Patiala and 75 from Pathankot district has been selected. The required information has been collected from selected women beneficiary households under MGNREGS with the help of a pre-tested schedule/questionnaire by conducting personal interviews of the inform-ants.

RESULTS AND DISCUSSION

The demographic and socio economic profile of Women beneficiary households in the Punjab has been presented in Table 1. The result reveal that out of the total sample population of 1793 persons, 706, 765 and 322 persons belong to Sri Muktsar Sahib, Patiala and Pathankot districts respectively. The sex ratio has been worked out 908, 987 and 850 in Sri Muktsar Sahib, Patiala and Pathankot districts and for Punjab it comes out to be 865. The percentage of illiteracy is highest (47.60) in Sri Muktsar Sahib followed by Patiala (37.69) and Pathankot (32.26) while among all the household taken together it is 40.51.

The table further reveals that highest percentage of women beneficiary sampled households belong to scheduled caste (77.09). The highest percentage of sched-uled caste beneficiary household is in Sri Muktsar Sahib (87.72) followed by Pathankot (86.67) and Patiala (61.25). The percentage of working population is highest (62.12) in Pathankot followed by Sri Muktsar Sahib (62.04) and Patiala (54.64). The table clearly shows that the main occupation of majority of them is agricultural labour, i.e. 56.90 per cent followed by wage work in non-agricultural (35.22 per cent). The percentage share of agricultural labour is the highest (83.04 per cent) in Sri Muktsar Sahib district due to lack of major industrial nodes and thus, most workers are engaged in agricultural activities, whereas percentage share of wage work in non-farm sector is highest in Pathankot 50.67 because some part of Pathankot is hilly terrain, their farming is not possible and people prefer to work in Sugar Mills and cement factories as they offer higher wage rates also.

TABLE 1: DEMOGRAPHIC AND SOCIO ECONOMIC PROFILE OF WOMEN LABOURER HOUSEHOLDS IN PUNJAB

Demographic and Socio-Economic Profile	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
Total number of Household	171	160	75	406
Total Population	706	765	322	1793
Average size of family	4.13	4.78	4.29	4.42
Sex Ratio	908	987	851	865
Illiteracy Percentage	47.60	37.69	32.26	40.51
Percentage of SC Households	87.72	61.25	86.67	77.09
Percentage of working population	62.04	54.64	62.12	58.90
Percentage of Dependent	37.96	45.36	37.89	41.10
Percentage of Non-agricultural Labourer	6.43	37.50	50.67	26.85
Percentage of Agricultural Labour	83.04	53.12	38.67	63.05
Percentage of wage workers	89.47	90.62	89.34	89.90
BPL Households	65.50	56.25	57.33	60.44
Percentage of landless households	98.83	98.75	98.67	98.77

Source: Field Survey, 2013-14.

Economic status of sampled Women beneficiary household highlights that as per provisions of ration cards 60.44 per cent of households belong to BPL category whereas the highest percentage is in Sri Muktsar Sahib followed by Pathankot and Patiala districts. The percentage of households owning unviable piece of land is 1.23 per cent whereas, majority (98.77 per cent) of them are landless.

EXTENT OF DEBT AMONG WOMEN BENEFICIARY HOUSEHOLDS

The extent of debt among Women beneficiary households in Punjab is presented in table 2. The perusal of table shows that the total sampled households in Sri Muktsar sahib, Patiala and Pathankot district is 171, 160 and 75 respectively whereas the indebted household respective number is 102, 69 and 40.

TABLE 2: EXTENT OF DEBT AMONG WOMEN BENEFICIARY HOUSEHOLDS IN PUNJAB

Extent of Debt	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
Total Sampled Households	171	160	75	406
Indebted Households	102	69	40	211
Percentage of Indebted Households	59.65	43.13	53.33	51.97
Debt Per Sampled Household (in Rs.)	23105.53	16635.38	19326.67	19857.65
Debt Per Indebted Household (in Rs.)	38735.74	38574.78	36237.50	38209.50

Source: Field Survey, 2013-14.

Overall 51.97 per cent of Women beneficiary households are indebted whereas the percentage is the highest (59.65 per cent) in Sri Muktsar sahib as compared to Pathankot (53.33 per cent) and the lowest (43.13 per cent) in Patiala district. The table further depicts that debt per sampled household is Rs. 23105.53, Rs. 16635.38 and Rs. 19326.67 in Sri Muktsar sahib, Patiala and Pathankot district respectively whereas the respective value of debt per indebted household is Rs. 38735.74, Rs. 38574. 78 and Rs. 36237.50 among all households taken together, the debt per sampled household is Rs. 19857.65 whereas the debt per indebted household is Rs. 38209.50. It is important to mention here that no doubt the amount of debt is low among these households but their repaying capacity is also low because of their low level of income, lack of gainful employment opportunities etc.

DISTRIBUTION PATTERN OF INDEBTEDNESS AMONG WOMEN BENEFICIARY HOUSEHOLDS

The per household debt of women beneficiary households has been presented in Table 3. The institutional sources of credit are commercial bank, co-operative Bank and co-operative societies, whereas the non-institutional sources are money lenders, landlords/big farmers, traders, employers, friends and relatives etc.

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The table reveals that non-institutional sources have major contribution in total debt, i.e., 78.74 per cent as compared to institutional sources (21.26 per cent) which highlights poor plight of labourer households in Punjab as these non-institutional sources is known for charging high rate of interest and extreme form of exploitation. The field survey highlighted that these poor labour households generally borrow from non-institutional sources at high rate of interest because they cannot fulfill the requirement of institutional debt because they have nothing to mortgage and are less aware about banks terms and conditions and most of this borrowed credit is used for unproductive purposes.

The table further exhibits that among all the beneficiary households taken together, the percentage share of institutional sources in total debt is highest (27.24 per cent) in Patiala, as compared to Pathankot (21.39 per cent) and the lowest (17.19 per cent) in Sri Muktsar Sahib. In absolute terms, the share of institutional sources in total debt is Rs. 3971.02, Rs. 4531.25 and Rs. 4133.33 among Women beneficiary households in Sri Muktsar Sahib, Patiala and Pathankot districts respectively, whereas as a whole, it is Rs. 4221.79 among all the Women beneficiary households taken together. From the institutional sources, commercial banks have major contribution in total debt, i.e., 11.90 per cent followed by co-operative societies (7.72 per cent) and co-operative Bank (1.65 per cent). The table further asserts that the percentage share of commercial banks is the highest (13.80 per cent) in Pathankot as compared to Sri Muktsar Sahib (11.74 per cent) and the lowest (11.08 per cent) in Patiala, whereas the percentage share of cooperative societies is the highest (15.40 per cent) in Patiala, highlighting the role and importance of organized co-operative societies in rural areas of Patiala district followed by Pathankot (6.21 per cent) and Sri Muktsar Sahib (3.09 per cent).

Among non-institutional sources, landlord/large farmers have major contribution in total debt i.e., 32.29 per cent followed by friends and relatives (17.37 per cent), traders (14.61 per cent), money lenders (10.31 per cent) and employees (4.17 per cent) which clearly brings out that due to lack of resources, low level of income and lack of awareness, these poor labourer households have no other alternative but have to borrow from non-institutional sources for meeting their credit requirements. The share of non-institutional debt is Rs. 19134.50, Rs. 12104.13 and Rs. 15193.33 among Women beneficiary households in Sri Muktsar Sahib, Patiala and Pathankot districts respectively, whereas for all the households taken together, the average per household debt from non-institutional sources is Rs. 15635.83.

The perusal of table shows that the percentage share of landlords/large farmers to the total debt among Women beneficiary households in rural areas of Punjab is worked out as 34.07, 30.62 and 30.49 per cent in Sri Muktsar Sahib, Patiala and Pathankot districts respectively. It has been observed from the field survey that traders/shopkeepers and friends &relatives provide loans in form of cash and kind to these poor labourer households for fulfilling their consumption needs for expenditure on marriage and other social-cultural ceremonies, health purposes etc. The share of debt from friends and relatives to the total debt is the highest (20.58 per cent) in Sri Muktsar Sahib as compared to Patiala (17.16 per cent) and the lowest (9.00 per cent) in Pathankot district. The percentage share of trader/shopkeeper among Women beneficiary households is 15.01, 13.07 and 16.35 in Sri Muktsar Sahib, Patiala and Pathankot districts respectively.

TABLE 3: PER HOUSEHOLD DEBT OF WOMEN BENEFICIARY HOUSEHOLDS IN PUNJAB

Sr. No.	Sources of Debt	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
I	Institutional Sources	Per Household Debt	Per Household Debt	Per Household Debt	Per Household Debt
1	Commercial Banks	2713.45 (11.74)	1843.75 (11.08)	2666.67 (13.80)	2362.07 (11.90)
2	Co-operative Banks	543.86 (2.35)	125.00 (0.75)	266.67 (1.38)	327.59 (1.65)
3	Co-operative Societies	713.71 (3.09)	2562.50 (15.40)	1200.00 (6.21)	1532.13 (7.72)
4	**Sub-Total (1-3)**	**3971.02 (17.19)**	**4531.25 (27.24)**	**4133.33 (21.39)**	**4221.79 (21.26)**
II	**Non-Institutional Sources**				
5	Money Lenders	2596.49 (11.24)	1793.75 (10.78)	1333.33 (6.90)	2046.80 (10.31)
6	Landlord/Big Farmers	7871.35 (34.07)	5093.75 (30.62)	5893.33 (30.49)	6411.33 (32.29)
7	Traders	3467.84 (15.01)	2173.75 (13.07)	3160.00 (16.35)	2900.99 (14.61)
8	Employers	444.44 (1.92)	187.50 (1.13)	3066.67 (15.87)	827.59 (4.17)
9	Friends and Relatives	4754.39 (20.58)	2855.38 (17.16)	1740.00 (9.00)	3449.16 (17.37)
10	**Sub-Total (5-10)**	19134.50 (82.81)	12104.13 (72.76)	15193.33 (78.61)	15635.86 (78.74)
11	**Grand Total((I+II))**	23105.53 (100.00)	16635.38 (100.00)	19326.67 (100.00)	19857.65 (100.00)

Source: Field Survey, 2013-14.

Note: Figures given in parentheses indicate the percentages

The percentage share of debt from employers to the total debt is very small among Women beneficiary households in Sri Muktsar Sahib and Patiala district whereas in Pathankot the percentage share of debt from employer is 15.87 per cent. It has been observed from the field survey that in Pathankot district, majority of households main occupation is non-farm wage work such as labour force is working in sugar mills and cement industries, therefore the share of employers in total debt is the highest (15.87 per cent) in Pathankot and almost negligible in Sri mukatsar Sahib (1.92 per cent) and Patiala district (1.13 per cent).

The per household total amount of debt among Women beneficiary households comes out to be Rs. 23105.53, Rs. 16635.38 and Rs. 19326.67 in Sri Muktsar Sahib, Patiala and Pathankot districts respectively in the rural areas of Punjab. As a whole, for Punjab the average per household debt is Rs. 19857.65. The foregoing analysis highlighted the fact that total debt is the highest in Sri Muktsar Sahib followed by Pathankot and Patiala districts. It has been observed from the field survey that beneficiary labourer households in Patiala have marginally better economic standards as compared to Pathankot and Sri Muktsar Sahib.

PURPOSE WISE UTILIZATION OF DEBT AMONG WOMEN BENEFICIARY HOUSEHOLDS

The purpose wise utilization of debt among women beneficiary households in the rural areas of Punjab is presented in Table 4. The expenditure on agriculture farm inputs, livestock, machinery, house construction and others such as purchase and repair of durable, land development expenditure can be considered as productive whereas expenditure on consumption, medical treatment, marriage and social ceremonies and others such as paying old debt, uncertain expenditure and other household expenditure can be considered as unproductive purposes. The proportion of debt for unproductive purposes to the total debt is 66.50 per cent, whereas the proportion of debt for productive purposes to the total debt is 33.50 per cent among all the beneficiary households for taken together.

The percentage of debt spent for agriculture/farm input among beneficiary households is 1.92, 1.88, 1.10 per cent in Sri Muktsar Sahib, Patiala and Pathankot district respectively whereas as a whole this share is 1.76. The share of debt used for livestock is the highest (6.50 per cent) in Sri Muktsar Sahib followed by Patiala (6.01 per cent) and the lowest (5.52 per cent) in Pathankot, while it is 6.16 per cent for all the beneficiary household taken together. The percentage of debt spent on machinery is 2.94, 2.63 and 2.07 per cent in Sri Muktsar Sahib, Patiala and Pathankot districts respectively. For house construction, proportion of debt spent is the highest (18.79 per cent) in Patiala followed by Pathankot (17.94 per cent) and the lowest (17.21 per cent) in Sri Muktsar Sahib, whereas this share is 17.86 per cent for all the beneficiary households taken together. The share of others such as purchase and repair of durable or land development expenditure in total debt

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is worked out as 5.04 per cent among all the beneficiary households taken together. It is clear from the analysis that share of debt used for productive purpose is the highest in Patiala (35.50 per cent), followed by Pathankot (33.11 per cent) and Sri Muktsar Sahib (32.30 per cent). However, proportion of debt used for unproductive purposes is the highest (67.70 per cent) in Sri Muktsar Sahib followed by Pathankot (66.89 per cent) and Patiala (64.50 per cent).

TABLE 4: PURPOSE OF DEBT AMONG WOMEN BENEFICIARY HOUSEHOLDS IN PUNJAB

Sr. No.	Purpose of Debt	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
I	**Productive Purposes**				
1	Agriculture/Farm inputs	444.44 (1.92)	312.50 (1.88)	213.33 (1.10)	349.75 (1.76)
2	Livestock	1502.92 (6.50)	1000.00 (6.01)	1066.67 (5.52)	1224.14 (6.16)
3	Machinery	678.36 (2.94)	437.50 (2.63)	400.00 (2.07)	532.02 (2.68)
4	House Construction/Repairs	3976.61 (17.21)	3125.00 (18.79)	3466.67 (17.94)	3546.80 (17.86)
5	Others*	859.65 (3.72)	1031.25 (6.20)	1253.33 (6.48)	1000.00 (5.04)
6	**Sub-Total(1-5)**	7461.99 (32.30)	5906.25 (35.50)	6400.00 (33.11)	6652.71 (33.50)
II	**Un-Productive Purposes**				
7	Consumption	3199.09 (13.85)	2517.50 (15.13)	2446.67 (12.66)	2791.49 (14.06)
8	Medical Treatment	2134.50 (9.24)	1974.13 (11.87)	2000.00 (10.35)	2046.45 (10.31)
9	Marriage and Social Ceremonies	9368.42 (40.55)	5300.00 (31.86)	7013.33 (36.29)	7330.05 (36.91)
10	Others**	941.52 (4.07)	937.50 (5.64)	1466.67 (7.59)	1036.95 (5.22)
11	**Sub-Total(7-10)**	15643.54 (67.70)	10729.13 (64.50)	12926.67 (66.89)	13204.94 (66.50)
12	**Grand Total(I+II)**	23105.53 (100.00)	16635.38 (100.00)	19326.67 (100.00)	19857.65 (100.00)

Source: Field Survey, 2013-14.

Note: Figures given in parentheses indicate the percentages
* Purchase and repair of Durables, Land development, expenditure and other expenditure
** Paying old debt and uncertain expenditure and other household expenditure

This table infers that these poor households incur debt for consumption expenditure, for social institutional ceremonies such as marriage and death ceremonies and for other purposes. The percentage share of debt used for consumption expenditure is the highest (15.13 per cent) in Patiala followed by Sri Muktsar Sahib (13.85 per cent) and Pathankot (12.66 per cent).

The field survey further highlighted that these poor labour households spend very high amount on health and medical services and this is also reflected in their debt value as for all households taken together, the proportion of debt spent on health to the total debt is 10.31 per cent, highlighting poor health conditions, high incidence of morbidity and low access to government health services and this is also one of the major reason for the poverty of these labour households and this also point out the fact that free health services of the government are not really reaching to the poor labour households in the villages. It is important to mention here that it has been observed from the field survey that majority of them are living in unhygienic environment such as poor sanitation facilities, unavailability of safe drinking water, poor housing conditions which are adversely affecting their health.

The major proportion of non-productive debt is used for social ceremonies such as marriage, death and birth ceremonies in the rural areas of Punjab. The proportion of debt used for social ceremonies is the highest (40.55 per cent) in Sri Muktsar Sahib followed by Pathankot (36.29 per cent) and Patiala (31.86 per cent). The percentage share of debt to the total debt for paying old debt, uncertain expenditure and other household expenditure is 4.07, 5.64 and 7.59 in Sri Muktsar Sahib, Patiala and Pathankot districts respectively, whereas this share is 5.22 per cent for all the beneficiary households taken together in the rural areas of Punjab.

In absolute values, the amount of debt used for productive purposes among women beneficiary households is Rs. 7461.99, Rs. 5906.25 and Rs. 6400 in Sri Muktsar Sahib, Patiala and Pathankot district respectively, whereas respective proportion of debt used for unproductive purposes is Rs. 15643.54, Rs. 10729.13 and Rs. 12926.67. For overall Punjab, the proportion of debt used for productive and unproductive purposes is Rs. 6652.71 and Rs. 13204.94 respectively. It is lucid from the analysis of purpose wise utilization of debt among women beneficiary households that these poor labour households incur most of debt for unproductive purposes and since financial institutions do not give loans for unproductive purposes, the households incur such debts from private sources such as large farmers, money lenders, trades etc. The terms of such loans are most of times, unfavorable, as a result, these households frequently get trapped in debt trap and land in vicious circle of poverty.

DISTRIBUTION OF DEBT ACCORDING TO RATE OF INTEREST AMONG WOMEN BENEFICIARY HOUSEHOLDS

The distribution of debt according to rate of interest among women beneficiary households in the rural areas of Punjab is given in Table 5. The table shows that 32.40, 24.97 and 17.07 per cent of women beneficiary households in Sri Muktsar Sahib, Patiala and Pathankot districts respectively have taken loan at the rate of interest ranging from 0 to 8 per cent. The proportion of loans taken at the rate ranging between 8-16 per cent is 15.54, 27.50 and 30.36 per cent among sampled households in Sri Muktsar Sahib, Patiala and Pathankot districts respectively, whereas as a whole, this percentage share is 22.15 per cent for all the beneficiary households together in the rural areas of Punjab.

TABLE 5: DISTRIBUTION OF DEBT ACCORDING TO RATE OF INTEREST OF WOMEN BENEFICIARY HOUSEHOLDS IN PUNJAB

Sr. No.	Rate of Interest	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
1	0-8 per cent	7485.38 (32.40)	4154.13 (24.97)	3300.00 (17.07)	5399.41 (27.19)
2	8-16 per cent	3590.91 (15.54)	4575.00 (27.50)	5866.67 (30.36)	4399.13 (22.15)
3	16-24 per cent	8660.82 (37.48)	5775.00 (34.72)	6826.67 (35.32)	7184.73 (36.18)
4	24-32 per cent	2964.91 (12.83)	1787.50 (10.75)	2533.33 (13.11)	2421.18 (12.19)
5	Above 32 per cent	403.51 (1.75)	343.75 (2.07)	800.00 (4.14)	453.20 (2.28)
6	**Total**	**23105.53 (100.00)**	**16635.38 (100.00)**	**19326.67 (100.00)**	**19857.65 (100.00)**

Source: Field Survey, 2013-14.

Note: Figures given in parentheses indicate the percentages

The table further asserts the most astonishing fact that major proportion of debt (36.18 per cent) has been taken by the women beneficiary households at the rate of interest ranging between 16 to 24 per cent. The percentage share of debt taken at the rate ranging between 16 to 24 per cent is the highest (37.48 per cent) in Sri Muktsar Sahib as compared to Pathankot (35.32 per cent) and the lowest (34.72 per cent) in Patiala. The data depicts that 12.83, 10.75 and 13.11 per cent of women beneficiary households in Sri Muktsar Sahib, Patiala and Pathankot districts respectively, have taken loan at the rate of interest ranging from 24-32 percent, whereas for overall Punjab, the share of debt in this range is 12.19 per cent for all the beneficiary households together in the rural areas of Punjab. In the case of range above 32 per cent, proportion of debt is highest (4.14 per cent) in Pathankot, followed by Patiala (2.07 per cent) and Sri Muktsar Sahib (1.75 per cent), whereas for all the household taken together, it is 2.28 per cent in rural areas of Punjab.

It is important to mention here that most of debt i.e. 36.18 per cent is availed at exorbitant rate of interest between 16-24 per cent, 27.19 per cent debt in the range of 0-8 per cent rate of interest and 22.15 per cent debt in the range of 8-16 per cent rate of interest, whereas 12.19 per cent debt has been taken at 24-32 per cent rate of interest among sample households in rural area of Punjab. At exorbitant rate i.e. 32 per cent and above the percentage of loans availed is 2.28 per cent. It is mainly due to reason that most of labourers are engaged in low paid activities and need money for unproductive purposes such as marriage and social ceremonies and for consumption requirement for which they are dependent on non-institutional sources who charge high rate of interest and exploits labour households in many ways. The proportion of share of debt in range of 0 to 8 per cent is the second highest, the field survey highlighted in this regard that in this range generally credit is provided by banks for productive purposes whereas by trader and friends and relatives for meeting day to day consumption requirements and for other social obligations.

DISTRIBUTION OF HOUSEHOLD DEBT ACCORDING TO DIFFERENT RANGES AMONG WOMEN BENEFICIARY HOUSEHOLDS

The data pertaining to the distribution of household debt according to different ranges among the women beneficiary households in Punjab has been presented in Table 7. The table reveals that 66.37 per cent of total women beneficiary households in the Punjab are concentrated in the indebtedness range of Rs.0-15,000 and their share in total household debt is only 4.02 per cent. In this range the percentage share of households is the highest (71.88 per cent) in Patiala followed by Pathankot (69.33) and Sri Muktsar Sahib (57.89 per cent). In the range of Rs.15,000-30,000 the number of households is the highest (10.55 per cent) in Sri Muktsar Sahib with 9.95 proportion of total debt whereas in Patiala percentage of households is 6.88 with 8.87 proportion of total debt, similarly in Pathankot the percentage share is 8.00 and 8.35 respectively.

The table further asserts that in the range of indebtedness of Rs.30,000 to 45,000 the percentage share of households is 11.70, 6.25, 5.33 per cent in Sri Muktsar sahib, Patiala and Pathankot district respectively whereas their share in total debt is 18.45,12.85 and 10.21 per cent respectively. In the indebtedness range of Rs. 45,000 to Rs. 60,000 the proportion of households is the highest (5.26 per cent) in Sri Muktsar Sahib followed by Patiala (2.50 per cent) and the lowest (1.33 per cent) in the Pathankot district. Whereas their share in total debt is 11.67, 7.66 and 3.45 per cent respectively

TABLE 6: DISTRIBUTION OF HOUSEHOLD DEBT AS PER DIFFERENT RANGE OF DEBT

Debt Range (In Rs.)	Muktsar		Patiala		Pathankot		Punjab	
	Households	Debt	Households	Debt	Households	Debt	Households	Debt
0 to 15000	57.89	5.13	71.88	3.37	69.33	3.55	66.37	4.02
15000 to 30000	10.53	9.95	6.88	8.87	8.00	8.35	8.47	9.05
30000 to 45000	11.70	18.45	6.25	12.85	5.33	10.21	7.76	13.84
45000 to 60000	5.26	11.67	2.50	7.66	1.33	3.45	3.03	7.59
60000 to 75000	8.19	23.85	3.75	13.71	4.00	13.52	5.31	17.03
75000 and above	6.43	30.95	8.75	53.54	12.00	60.92	9.06	48.47
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Field Survey, 2013-14.

It is clear from the analysis that concentration of debt lies in the higher indebtedness ranges i.e. Rs. 60,000-75,000 and Rs. 75,000 and above. For overall Punjab, under these ranges proportion of households are 5.31 and 9.06 per cent respectively whereas their respective share in household debt is 17.03 and 48.47 per cent. It is clear from the above analysis that majority of the MGNREGS households that household debt was in the range upto Rs. 15,000 and majority of them are indebted to non-intuitional sources. They have taken debt mainly for unproductive purposes.

DEBT-ASSET RATIO AMONG WOMEN BENEFICIARY HOUSEHOLDS

The outstanding debt of a household is potentially a charge upon its assets. Hence, debt asset ratio depicts burden of debt on any particular group of household. As the value of assets increases the burden of debt decreases or in others word the debt asset ratio decreases. Ministry of Statistics and Programme Implementation (2013) defined debt asset ratio as:

The average amount of debt outstanding on a given date for a group of households expressed as a percentage of average value of assets owned by them on a given date.

TABLE 7: DEBT-ASSET RATIO AMONG WOMEN BENEFICIARY HOUSEHOLDS

Debt-asset Ratio	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
Average Asset Holding Per Household	291736.50	389900.06	287356.95	329612.62
Average Debt Per Household	23105.53	16635.38	19326.67	19857.65
Debt Asset Ratio	7.92	4.27	6.73	6.02

Source: Field Survey, 2013-14.

The analysis of table shows that the highest debt asset ratio (7.92 per cent) is in Sri Muktsar Sahib as compared to Pathankot (6.73) and the lowest (4.27 per cent) in Patiala. It has been clear from the analysis that burden of debt is the highest in Sri Muktsar Sahib highlighting poor economic condition among Labourer households in Sri Muktsar Sahib district. It is mention here that majority of them are landless and dwelling house is major assets of women beneficiary households in rural areas of Punjab.

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DETERMINANTS OF INDEBTEDNESS AMONG WOMEN BENEFICIARY HOUSEHOLDS

In order to determine the factors affecting the indebtedness among women beneficiary households in rural areas of Punjab, simple regression equation is fitted to the field data. The independent variables selected for this purpose are household size, number of illiterate members, debt for unproductive purpose, household assets, household income and household consumption. Indebtedness is taken as dependent variable. The coefficients of indebtedness determinants are calculated with the help of following linear equation.

HH_indebtedness = b0 + b1 HH_size + b2 Illiterate members + b3 earning_members + b4 unproductive _ debt + b5 HH_income + b6 HH_consumption

HH_indebtedness	= Indebtedness of a Household
HH_size	= Number of Household members
Earning_ Members	= Number of Earning members in a family
HH_Assets	= Total assets of households
Unproductive_debt	= Amount of unproductive debt per household
HH_income	= Total income of Household
HH_consumption	= Total consumption of a household

TABLE 8: FACTORS AFFECTING INDEBTEDNESS AMONG WOMEN BENEFICIARY HOUSEHOLDS

Determinants of Indebtedness	Sri Muktsar Sahib	Patiala	Pathankot	Punjab
Standardized Regression Coefficients				
Household size	-0.018 (-0.464)	0.055 (1.367)	0.012 (0.302)	-0.009 -(0.360)
No. of illiterate members	0.042 (1.130)	0.003 (0.069)	0.027 (0.688)	0.037 (1.563)
No. of economic members	-0.163* (-3.914)	-0.058 (-1.281)	0.028 (0.575)	-0.100* (-3.802)
Household assets	0.069** (1.981)	0.027 (0.709)	0.100** (2.098)	0.039 (1.753)
Debt for unproductive purpose	0.832* (20.723)	0.861* (22.643)	0.915* (19.421)	0.860* (37.098)
Household income	0.094** (2.222)	0.008 (0.208)	-0.155** (2.336)	0.028 (1.178)
Household Consumption	0.122* (2.705)	0.108* (2.619)	0.073 (1.025)	0.115* (4.498)
Adjusted R2	0.821	0.798	0.931	0.820

Source: Field Survey, 2013-14.

Note: Figures given in parentheses indicate t-statistics
*significant at 1 percent level
**significant at 5 percent level

Multiple regression analysis was conducted to examine the relationship between indebtedness and other factors affecting it. The result of regression analysis shows that the coefficient of unproductive debt, assets, consumption and income are very important factors which determine indebtedness in the Punjab. The determinant of illiteracy is positively contributing to household indebtedness in the entire district though it is not statistically significant, hence can be concluded that education has very little role to play in poor labourer household income generation and hence reducing indebtedness. The determinant of number of economic members and household size is not showing the result as has been hypothesized. The result shows that coefficient for number of economic members is showing positive sign for Pathankot district but negative sign for Sri Muktsar Sahib and Patiala. However, coefficient for household size is showing positive sign for Patiala and Pathankot district, but negative for Sri Muktsar Sahib district. Therefore, established relationship is not concrete to conclude anything with certainty.

R2 shows goodness of fit or also known as coefficient of determination. It represents proportion of variation in dependent variable explained by linear combination of independent variable. The magnitude of adjusted R2 is 82, 80 and 93 per cent in Sri Muktsar Sahib, Patiala and Pathankot district. For overall Punjab the value is 82 per cent which means only 18 per cent of variation in indebtedness is due to some other variables than explanatory variables.

Above discussion shows that most of women beneficiary households in Punjab are indebted and their situation is further deteriorated as majority of them incur debt for un-productive purposes from non-institutional sources. District wise analysis reveals that indebtedness is higher in Sri Muktsar Sahib as compared to Pathankot and Patiala district. The important factor which is responsible for this difference is utilization of debt for unproductive purposes and as a result higher dependence on non-institutional sources.

CONCLUSIONS AND POLICY IMPLICATIONS

In a nutshell, the foregoing analysis of debt highlighted that the share of non-institutional sources in the total debt is more than the institutional sources among the women beneficiary households in Punjab. The share of non-institutional sources in the total debt is highest in Sri Muktsar Sahib as compared to Pathankot and the lowest in Patiala, whereas the share of institutional sources is highest in Patiala as compared to Pathankot and Sri Muktsar Sahib. Because of lack of resources, low level of income and lack of awareness, these poor labourer households depend upon the non-institutional sources for their credit requirements. The purpose wise utilization of debt among women beneficiary households reveals that the share of debt for productive purposes is quite low as compared to share of debt for unproductive purposes this is due to prevalence of some social compulsions in the society such as expenditure on birth, death and marriage ceremonies and expenditure of consumption and health. The distribution of debt according to rate of interest further reveals that due to more dependence on non-institutional sources, the women beneficiary households have to pay relatively higher rate of interest in the rural areas of Punjab. Further, distribution of the debt in different ranges of debt reveals that majority of women beneficiary households are in the debt range upto of Rs. 15000. It is important to mention here that no doubt the amount of debt per household is low but their repaying capacity is also low because of low level on income, lack of regular sources of income, lack of productive assets, lack of gainful employment opportunities etc.

Thus, these poor households get most of their loans at very high rate of interest from non-institutional sources for unproductive purposes such as consumption expenditure; social-cultural ceremonies etc. hence are exploited. Thus in order to decrease their dependence upon non-institutional sources, procedures for institutional source of credit should be simplified and credit should be made available even for unproductive purposes to these poor households for saving them from the exploitation of moneylenders, large farmers, traders etc. Moreover, positive contribution of cooperative societies is seen in Patiala district, hence the scope of cooperative societies for overall Punjab should be strengthened.

The guaranteed 100 days work from MGNREGS can ease the burden of poor laborer households at least for consumption expenditure only. However, the findings from the field survey revealed that due to poor implementation at grass root level, this scheme has failed to generate 100 days of guaranteed work to these poor labourer households in the rural areas of punjab.

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IMPACT OF GOVERNMENT POLICIES ON ENTREPRENEURSHIP IN MICRO SMALL AND MEDIUM ENTERPRISES IN INDIA

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ABSTRACT

The Micro Small and Medium enterprises (MSMEs) plays significant role in Indian economy in terms of contribution in country's economic growth, industrial production, export, employment generation, creation of innovation skill among entrepreneurs. MSMEs are tagged as engine of modern India and remarkable contribution to achieve the exceptional gross domestic project trajectory. The development of Small and medium scale industries depends on increase in the supply of manufactured goods, promotion of capital formation, the development of indigenous entrepreneurial talents and skills and the creation of employment opportunities. MSMEs play significant role in socio economic development having advantage of low capital requirement, high employment generation, decentralization of industrial work, utilization of local resources and promote new adventures entrepreneurial skill based on the government data from Ministry of MSMEs the contribution in National GDP is 8 %, and 45 % in employment generation and 50% of total manufacture sector. In view of the Government of India ever increasing importance given to the small scale industries they need to be set up separate Ministry, department to promote these sectors. In post-Independence India MSMEs (Micro, small and medium enterprises) dominate the industrial scenario through its contribution to generation of employment and income as also tackling the problem of regional disparities. The government of India regularly promotes these through various policies such as trade policy, social policy, labor market policy and others incentives. The mix policy of government promotes the entrepreneurial skills in the MSMEs sectors. Government policies have been encouraging the growth of local MSMEs which promote and reduce the poverty through employment generation. This paper will analyze the impact of policies on promotion of MSMEs skill development in MSMEs in post liberalization period. In particular, the paper also evaluates overall performance of the MSMEs in India and their contribution in Indian economy. The study is based on secondary data sources from various databases.

KEYWORDS
government policy, employment, economic growth, entrepreneurial.

INTRODUCTION
In the 21st century Micro Small and Medium Enterprises are one of the most sensitive sectors. The sectors are acting as an engine of the economy of India and whole world. These sectors provide a foundation to all industrial units throughout the world. The development of Small and medium scale industries depends on increase in the supply of manufactured goods, promotion of capital formation, the development of indigenous entrepreneurial talents and skills and the creation of employment opportunities. MSMEs are played significant role in socio economic development having advantage of low capital requirement, high employment generation, decentralization of industrial work, utilization of local resources and promote new adventures entrepreneurial skill. According to annual report of the Ministry of MSME 2014-15 this sector has contributed 45 percent in manufacturing output, 40 percent of total export and almost 60 million people directly or indirectly employed in over 6000 varieties of products. This sector produces a mixture of industrial product, tobacco, bidi, cotton, jute textile industries, silk, wool, food and beverage industries, wood and timber industries and others. As per the Development Commission of Micro Small and Medium Enterprises this sector has credit to bring second highest employment after agriculture sector. The MSMEs are played a significant role to eliminate the poverty and allocate huge labor supply.

LITERATURE REVIEW
Garg and Walia (2012) the paper presented about the performance of Micro Small and Medium Enterprises (MSMEs) in post reform India. The study analyzed the performance and status of the MSMEs in India. The study found that MSMEs are significantly contributed in the Gross domestic products, exports and employment. The authors also evaluate the sickness of MSMEs due to various factors.

Datta (2013) the papers based on the empirical analysis of industrial sickness in India. The study evaluates the sickness due to various factors. This article firstly classifies the industries in two groups good performing and bad performing on the based on Annual survey of industries data. The study evaluates 100 industries and used various techniques such as financial ratio to evaluate the performance of the companies.

Jahanshahi.at.al (2011) examined the relationship between government policy with growth of entrepreneurship and Micro small and medium enterprise. Policy-making and economic developments are messy to each other's. The government policies are leads to generate employments and income which leads to reduce the regional disparities. The study's major strength was the policies enhance the growth and innovation in small industries sectors of India.

Subrahmanya (2004) paper studies the impact of globalization and the domestic economic reforms on small scale industries of India. In the initial age of liberalization domestic industries are adversely affected but later on its thrown open new opportunity and new markets for small scale industries.

Mohandass and Subramaniyan (2014) analyzed the impact of globalization on the performance and growth of small scale industries in India. It's also evaluates the change in the number of units, employments, production, exports, investments in post liberalization. The study concludes that the globalization brought huge amount of foreign investment in country and provide employment opportunities for many people and reduce the income disparities in India.

Kulkarni (2013) paper evaluates the role of MSMEs in employment generation in India. The MSMEs are core sector in India as a employment generation after the agriculture. The study was based on the primary data source of Parbhani district of Marathwada region of India. Result of the study shown that total 765 small scale industries with 834 lacks of investment crated 6,809 employment opportunity.

OBJECTIVES OF THE STUDY
1. To evaluates the performance of Micro small and Medium Enterprises in India.
2. Evaluates the government policy to promote the MSMES in India

RESEARCH METHODOLOGY

The present study is Explanatory in nature which is based on the secondary data sources which has been collected through various reports on MSMEs, Handbooks and statistics of Indian economy surveys, Ministry of MSMEs, RBI data bank, MSMEs data banks and other journal and newspapers. The study period taken in to consideration is 2000-01 to 2014-2015.

The growth of the MSMEs is evaluated through the Compound Average Growth Rate (CAGR). The formula to calculate the CAGR is

CAGR = ((FV/PV) ^ (1/n)) – 1

FV= Investment in Ending Values, PV= Investment beginning values n= numbers of years.

STATUS AND PERFORMANCE OF MICRO, SMALL & MEDIUM ENTERPRISES IN INDIA

In the initial age Micro, small and medium enterprises are known as small scale industries. The criteria and definition of these industries are based on the investment and numbers of employees. In 2006 Government of India (GOI) has passed act to redefine the definition criteria of small scale industries and changed the name with Micro Small Medium Enterprises. According to this MSMEs act 2006 the sector is classified in to two categories namely manufacturing sectors and service sectors.

MANUFACTURING SECTOR

In Manufacturing Sector micro enterprise, the investment in plant and machinery does not exceed more than 25 lacks rupees, small enterprises do not exceed more than 5 crores and for medium enterprise the investment lies between 5 crores to 10 crores.

SERVICE SECTOR

In Service Sector enterprise the investment limit for micro enterprise does not exceed 10 lacks for small enterprise the investment should remain between 10 lacks to 2 crore and for medium enterprise the investment should be lies between 2 crores to 5 crores.

TABLE 1: CLASSIFICATION OF MSMEs ON THE BASIS OF INVESTMENT

Manufacturing Sector (Investment in Plant and Machinery)	Enterprise	Service Enterprise (Investment in Equipment)
Up to 25 lakhs	Micro	Up to 10 lakhs
More than 25 lakhs up to Rs.10 crores	Small	More than 25 lakhs up to Rs.10 crores
More than 25 lakhs up to Rs.10 crores	Medium	More than 25 lakhs up to Rs.10 crores

Source: Micro, Small & Medium Enterprise Development Act 2006.

The Micro Small and Medium enterprises has recorded a steep growth since independence. According to MSMEs report 2015-16 there are 510.57 lakhs of MSMEs are working in India. As per the 4th census report 15.64 lakhs enterprise are registered out of this 67 percent MSMEs are engaged in Manufacturing sector and 33 percent MSMEs are engaged in service sector. According to report 45 percent (7.07 lakh) enterprise are working in rural area and 55 percent enterprise engaged in urban area. MSMEs are producing wide ranges of products over 6000 products ranging from traditional to high tech items.

TABLE 2: THE GROWTH AND PERFORMANCE OF MSMEs IN INDIA

Year	Total Working Enterprises (in lakh)	Fixed Investment (in Crore)	Production (in crore)	Employment (In lakh)	Exports (Crore)
2001-02	105.21	154,349	2,82,270	249.33	71,244
2002-03	109.49	162,317	3,14,850	260.21	86,013
2003-04	113.95	170,219	3,64,547	271.42	97,644
2004-05	118.59	178,699	4,29,796	282.57	1,24,417
2005-06	123.42	188,113	4,97,842	294.91	1,50,242
2006-07	361.76	868,543	11,98,818	805.23	1,82,538
2007-08 #	377.37#	920,459	13,22,777	842	2,02,017
2008-09 #	393.70#	977,114	13,75,589	880.84	2,19,227*
2009-10 #	410.82#	1,038,546	14,88,352	921.79	2,29,227*
2010-11 #	428.77#	1,105,934	16,53,622	965.15	3,40,507*
2011-12 #	447.73#	1,182,757	17,88,584	1,011.69	4,08,478*
2012-13 #	467.54#	1,268,763	18,09,976	1,061.40	4,85,740*
2013-14 #	488.46#	1,363,700	NA	1,114.29	5,51,319*
2014-15 #	510.57#	1,471,912	NA	1,171.32	NA
CAGR	18.81%	33.58%	22.25	17.5%	18.89%

#- Projected

Source: Ministry of Micro, Small and Medium Enterprises, Annual Report 2015-16

*Source: Directorate general of commercial intelligence &statistics (DGCI&S) and Compiled from data given by Ministry of MSME; Ministry of Commerce and Industry, Government of India

The above table 2 highlights the growth performance of MSMEs sector during 2001-02 to 2014-15. It is shown that the total numbers of MSMEs have increased from 105.21 lakh in 2001-02 to 510.57 lakh in 2014-15(Estimated) at the compound annual growth rate (CAGR) of 18.81 percent. During the same period the consolidated fixed investment has raised from 154349.00 crore to 1,471,912.94 crore with significant CAGR of 33.58 percent. The value of production of MSMEs has grown on the CAGR of 17.5 percent during the period of 2001-02 to 2012-13. A major part noted that the maximum growth of MSMEs in 2006-07. The data reveled that there was not significance effect of global meltdown on the growth of the MSMEs sectors in India.

The above table also clarify that the MSMEs played a crucial role in the employment generation and Exports of the country during the same periods. The total numbers of employment generation during the period of 2001-02 was 249.33 lakh and its reached to 1171.32 lakh in 2014-15 at the CAGR of 17.5 percent. Besides of employment the sector has also contributed in promotion and development of export of the country. The value of export production by this sector grown on the Compound rate of 19.04 percent. The export of goods was slow as compare to previous year in the period of global slowdown during the year of 2007-08 and 2008-09. The total export by the MSMEs in 2001-02 were 71244 crore and its reached to the level of 551319 crore in the year 2013-14.

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FIGURE 1: PRODUCTION AND INVESTMENT BY MSMEs
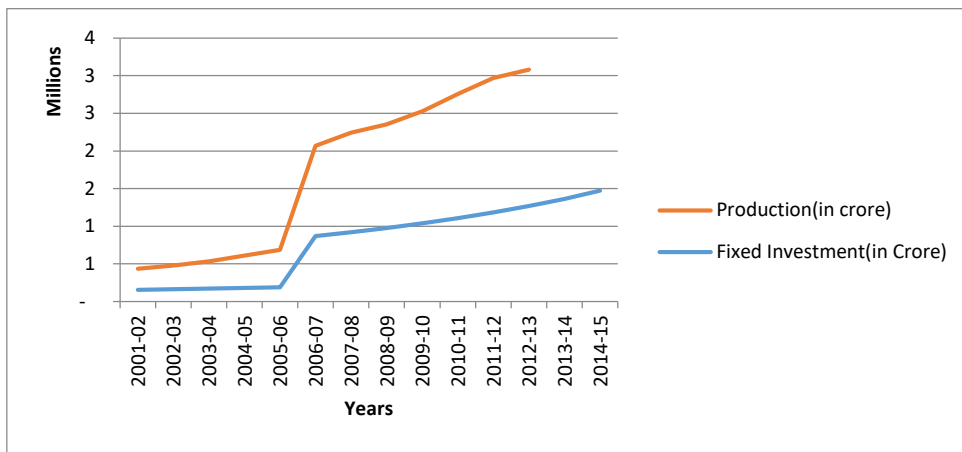
FIGURE 2: GROWTH OF MSMEs (YEAR WISE)
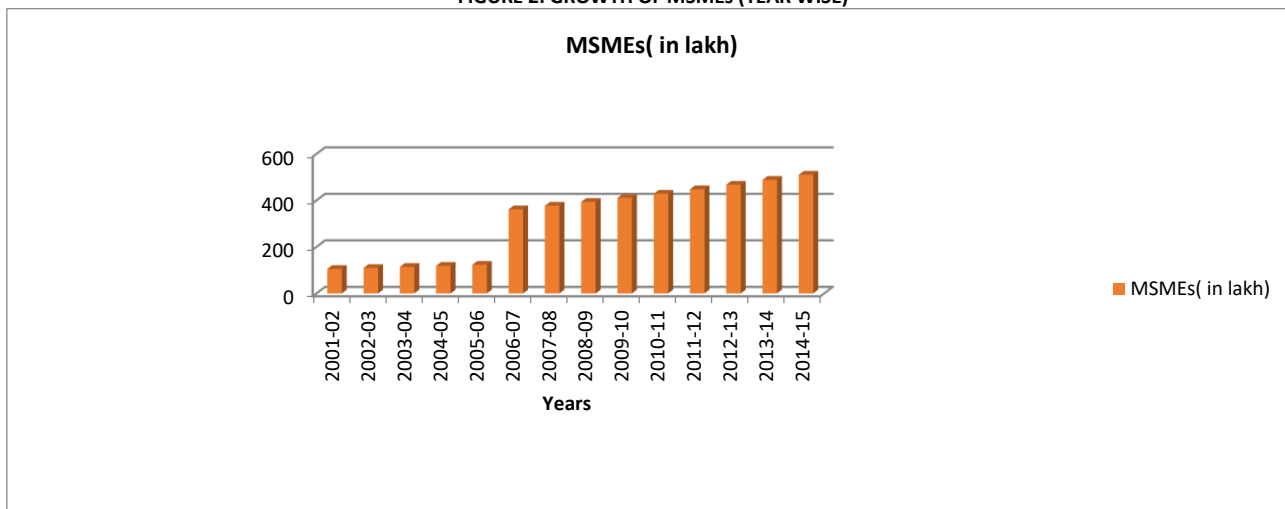
FIGURE 3: EXPORT (YEAR WISE) CONTRIBUTION OF MSMEs
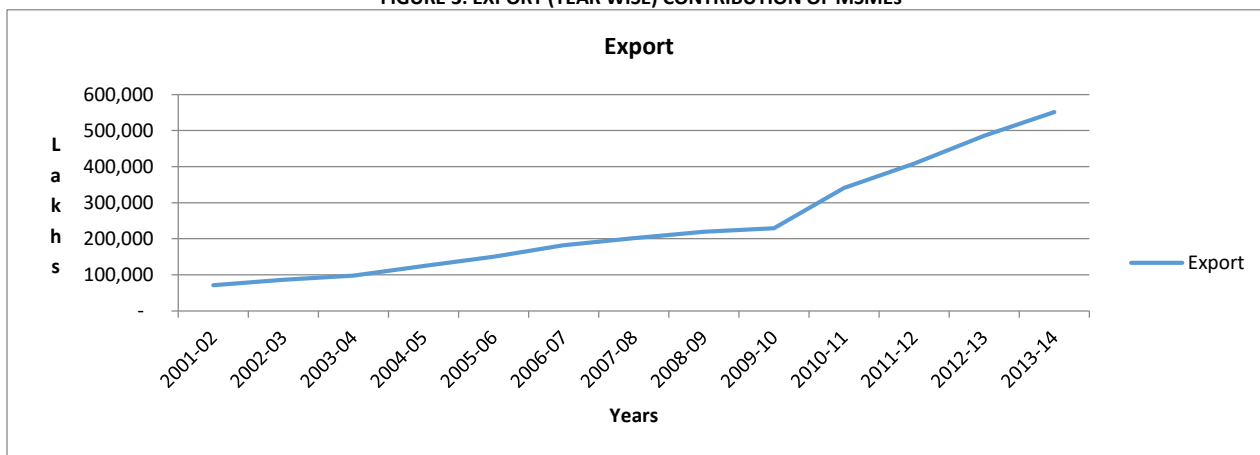
TABLE 3: CONTRIBUTION OF MANUFACTURING OUTPUT OF MSMEs IN GDP

Year	Share of MSME sector in total GDP (%)			Share of MSME Manufacturing output in total Manufacturing Output (%)
	Manufacturing Sector MSME	Services Sector MSME	Total	
2006-07	7.73	27.40	35.13	42.02
2007-08	7.81	27.60	35.41	41.98
2008-09	7.52	28.60	36.12	40.79
2009-10	7.45	28.60	36.05	39.63
2010-11	7.39	29.30	36.69	38.50
2011-12	7.27	30.70	37.97	37.47
2012-13	7.04	30.50	37.54	37.33

Source: Annual report of Micro Small and Medium Enterprises 2014-15

The above table 3 depicts the contribution of MSME sector to Gross Domestic Products (GDP) and output during the period of 2006-07 to 2012-13 (revised).The data shows that the contribution of MSMEs in total of GDP was 35.13 percent in the year 2006-07 which increased to 37.54 percent in 2012-13.The contribution of this sector marginally increased, however the contribution of MSMEs in Manufacturing output dropped from 42.02 percent in 2006-07 to 37.33 percent in 2012-13.

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POLICY INITIATIVE BY THE MINISTRY OF MSMEs IN INDIA

The new economic policy 1991 has opened the door for small sectors of India, the attitude of government changed. No more the MSMEs sector treated as infant industry, on 2nd October 2006 Government passed a legislative act MSMEs development Act 2006, in which both central and state took effective policies to promote the MSMEs sectors in India. The Ministry of Micro, Small and Medium Enterprises has implementing various schemes, programmers to promote the MSMEs in India. The policies are as under:

Prime Minister's Employment generation Program: A national level credit linked subsidy scheme launched on August 2008 by merger of Prime Ministers Rojgar Yojana (PMRY) and Rural Employment Generation Program (REGP) has created around 1.64 lakh micro-enterprises providing employment to around 16.06 lakh persons by the end of 11th plan Since 2008-09 to 2014-15 (up to 31.12.2014), 2.91 lakh units have been set up creating employment opportunities to an estimated 25.52 lakh persons with involvement of 5652.88 crore margin money subsidy 1,418.28 crore has been earmarked in BE 2014-15 under this scheme 8,060 crore has been allocated in 12th Plan for PMEGP.

Procurement Policy for MSEs: The policy for MSEs notified on March 2012. The objective of this policy was to achieve minimum 20% of the total annual purchase from MSEs during the period of three years. At least 4% of procurement should be from MSEs owned by SC/ST entrepreneurs.

Enhanced Credit Flow to MSE sector: To strengthen the credit flow to the MSEs the Government announced a Policy Package for Stepping up Credit to Small and Medium Enterprises (SME) in August 2005.the micro and small enterprises (MSE) sector with the outstanding credit of public sector banks increasing from Rs.1,02,550 crore at the end of March 2007 to Rs.2,78,398 crore at the end of March 2010. It has further enhanced to Rs.3, 96,343 crore at the end of March 2012.

Credit Guarantee Scheme: The Government has set up a Credit Guarantee Fund to provide relief to those micro and small entrepreneurs who are unable to pledge collateral security in order to obtain loans for the development of their enterprises. The guarantee cover provided is up to 75% of the credit facility up to Rs. 50 lakh (85% for loans up to Rs. 5 lakh provided to micro enterprises, 80% for MSEs owned/operated by Women and all loans to North East Region) with a uniform guarantee at 50% of the credit exposure above Rs. 50 lakh and up to Rs. 100 lakh. The program sanctioned 70026.28 crores at the end of March 2014.

Credit Link Capital Subsidy Scheme for Technology Up gradation: The Ministry of Micro, Small and Medium Enterprises are operating a Scheme, namely, Credit Linked Subsidy Scheme (CLCSS) for technology up gradation of Micro and Small Enterprises (MSEs). The Scheme aims at facilitating technology up gradation of Micro and Small Enterprises by providing 15% Capital Subsidy (limited to maximum Rs. 15.00 lakh) for purchase of plant and machinery. Maximum limit of eligible loan for calculation of subsidy under Scheme is Rs. 100.00 lakh. Since the inception of scheme 43,953 units have availed subsidy of Rs.2605.9 crores up to 29th April 2016.

Micro & Small Enterprises Cluster Development Program (MSE-CDP): The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GoI) has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country. The objective of the scheme to support the MSEs to improve their technology, skill and quality, market access and capital. A total of 964 interventions in various clusters spread over 29 States and 1 UTs in the country have so far been taken under the program. The total fund sectioned from 2010-11 to 2016-17 is 290 crores.

Rajiv Gandhi Udyami Mitra Yojana: The scheme introduced in 2008 to provide financial assistance to first generation entrepreneurs, till date 650 Udyami Mitras have been empanelled in 28 States and 3 Union Territories

Marketing Assistance Scheme: This scheme is to provide assistance to MSMEs to competitiveness from the other industries. The total fund realized to promote the marketing since 2012-13 to 2016 is 448 crore.

India Innovation, Entrepreneurship and Agro Industry Fund: Finance Minister in his Budget Speech (2014-15) has suggested establishing Technology Centre Network to promote Innovation, Entrepreneurship and Agro Industry with a fund of 200 crore. Accordingly, a Scheme is being formulated on Technology Centers for promoting Innovation, Entrepreneurship and Agro Industry. This will also include the Business Accelerator & Startups Programme (BASP), as a sub scheme, which will provide mentoring to identify, support and expand the role of competitive Indian MSMEs in a global economy.

Laghu Udyami Credit Card Scheme: Laghu Udyami Credit Card Scheme (LUCCS) introduced in 2001 to provide friendly credit facilities to small scale business, retailer's traders, artisans, small entrepreneurs, professionals and other self-employed those engaged in small scale industries.

Udyog Aadhaar Memorandum (UAM): In September 2015 the Ministry of MSMEs notified MSME unit shall file Udyog Aadhaar Memorandum (UAM). This is a path breaking step to promote ease-of-doing-business for MSMEs in India as the UAM replaces the filing of Entrepreneurs' Memorandum (EM part-I & II) with the respective States/UTs. Over 95000 Udyog Adhar Memorandums for ease of doing business filled with the span of 3 months.

Scheme of Fund for Regeneration of Traditional Industries (SFURTI): The objectives SFURTI is to organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability by way of enhancing the marketability of products, improving the skills of artisans, making provision for common facilities and strengthening the cluster governance systems. In 2015 the total fund released by ministry was 62 Crore and 68 clusters are already developed and target to develop 71 cluster by the end 12th five-year plan.

CONCLUSION

In nutshell we can conclude that the Micro Small and Medium Enterprise (MSMEs) have emerged as backbone for the Indian economy. These sectors are emerged as the engine of the growth and significantly contribute in the GDP, industrial production, employment generation and exports from the country. However, this sector is important for employment generation second after agriculture. These sectors absorbed the zero marginal utility of agricultural labors. In recent years specially after new economic policy these sectors are faced stiff competition with large industrial units. However, to stimulate these sectors Government helps through various industrial policy; promote entrepreneurship in one way or other. By creating basic facilities, utilities and services, the Government creates a facilitative set up to establish enterprises by the entrepreneurs. Development of industrial estates, export promotion zones, special economic zones, etc. aims at, among other things, to create a facilitative environment for establishing enterprises in these areas. The government draws policy to reduce the competition from lager industries and announced various incentives to promote entrepreneurship and innovation in these sectors to stimulate new policies to enhance the growth of these sectors. The promotion of policies is directly or indirectly benefited to this sectors and help to sustainable contribution to generate employment, enhance national income and promote the exports of the Indian economy. The policies are helping MSMEs to improve the productivity and quality effectiveness and promote to develop new approach.

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A STUDY OF EMPLOYEE PERCEPTION ON ORGANIZATIONAL CLIMATE AT B.E.L., KOTDWARA

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ABSTRACT
The objective of this Project is to demonstrate the relation between organization's culture & Employees performance. After study and analysis of wide literature, it is reasoned out that organizational culture has deep impact on the variety of organizational process and employee's performance. This also describes the different dimensions of the culture which have impact on organizational performance. Research shows that if employee is committed and having the same norms and value as per organizations have, can increase the performance toward achieving the overall organization goals.

KEYWORDS
organizational climate, employees perception, organizational culture.

1. INTRODUCTION
EMPLOYEES PERCEPTION ON ORGANIZATIONAL CLIMATE

rganizational climate (sometimes known as Corporate Climate) is the process of quantifying the "culture" of an organization. It is a set of properties of the work environment, perceived directly or indirectly by the employees, that is assumed to be a major force in influencing employee behavior.

Organizational climate is comprised of mixture of norms, values, expectations, policies and procedures that influence work motivation, commitment and ultimately, individual and work unit performance. Positive climate encourages, while negative climates inhibits discretionary effort. 'Organizational climate' refers to the quality of working environment. If people feel that they are valued and respected within the organization, they are more likely to contribute positively to the achievements of the business outcomes.

Creating a healthy organizational climate requires attention to the factors which influence employee's perceptions, including the quality of leadership, the way in which decisions are made and whether the efforts of employees are recognized. In fact "Climate may be thought of as the perceptions of the characteristics of an organization".

Climate for an organization is somewhat like the personality for a person. Just as every individual has a personality that makes each person unique, each organization has an organizational climate that clearly distinguishes its personality from other organization. Every organization is different and has a unique feeling and character beyond its structural characteristics. Thus every organization deals with its member in a distinct way through its policies on allocations of resources, communication pattern, reward and penalty, leadership and decision making style, etc.

The content of organizational climate has varied widely and they include almost all the important aspect of organizations such as structure, communication, leadership, Conflicts, reward system, inter personal relationships organizational effectiveness, reasonability and so forth. It has been pointed out that the contents of the climate constructed by various researches overlap with many other major concepts in organizational behavior Glick, (1985). Such overlaps seems to have promoted researchers to raise the question how the concept of climate is different from other organizational variables, especially, structure and job satisfaction.

CLIMATE AND CULTURE

PICTURE 1

In today's competitive business environment, organizations are always looking for ways to gain an advantage over their competitors. Successful organizations realize the value of creating a work environment (or climate) that is pleasant, and motivates employees to be committed and effective performers. Research has identified various aspects of an organization's work climate that, if positive, can help retain employees, reduce turnover, and enhance job performance and satisfaction. The Corporate Climate Survey examines employee opinions about the quality of their organization's work climate and can be used to identify opportunities for workplace improvements. The following is a brief description of the work climate dimensions measured by the survey. Our consultants are always working to add new dimensions based on our own research.

ROLE-CLARITY: Employees clearly understand their job duties and their role within the organization.

EMPLOYEE/MANAGEMENT RELATIONS: Employee relationships with management are based on trust, cooperation, open communication, and employees believe management is effective.

RESPECT: Employees value and feel values by their co-workers and the organization.

COMMUNICATION: Important information is communicated effectively, and employees believe they have a voice in the organization.

PERFORMANCE/REWARD SYSTEMS: Employees performance is fairly evaluated, and they are adequately rewarded for their contributions.

CAREER DEVELOPMENT: Employees are provided with adequate training/development opportunities to improve their professional skills.

DECISION-MAKING/COORDINATION: Decision-making, delegation, and coordination are effective.

INNOVATION: Work methods are innovative and employees are encouraged to be creative and express new ideas.

RELATIONSHIPS: Employee and customer needs are valued by the organization.

TEAMWORK/SUPPORT: Employees are encouraged to be team players and are provided the support needed to perform effectively.

QUALITY OF SERVICE: Employees are proud of the quality of service provided by their work team and the organization.

CONFLICT MANAGEMENT: Conflicts are handled openly and fairly and innovative ways of preventing conflicts are used throughout the organization.

MORALE: Employees are motivated to perform well and morale is high.

DIRECTION/STRATEGY: Employees understand the direction the organization is headed and the organization's vision and goals.

IMPACT OF ORGANIZATIONAL CLIMATE

Organizational climate has a major influence on human performance through its impact on individual motivation and job satisfaction. It does this by carrying certain kinds of expectancies about what consequences will follow from different actions. Individuals in the organization have certain expectations and fulfillment of these expectations depend upon their perception as to how the organizational climate suits to the satisfaction of their needs. Thus organizational climate provides a type of work environment in which individuals feels satisfied or dissatisfied. Since satisfaction of individual goes a long way in determining his efficiency, organizational climate can be said to be directly related with his performance in the organization.

AFFECTS MOTIVATION, PRODUCTIVITY AND JOB SATISFACTION

Organizational climate can have a major influence on motivation, productivity and job satisfaction. Climate determines the action and it creates few expectations as to consequences. Employees expect certain rewards, penalties, satisfaction or frustrations based on the organizational climate and their expectations tend to lead to motivation as said in expectancy theory.

DIMENSIONS OF ORGANIZATIONAL CLIMATE

Organizational climate has used data relating to individual perception of organizational properties in identifying organizational climate. Denison (1996) argues that developing a universal set of dimensions was often the central issue of the climate researchers so that comparative studies could be made possible in different organizational settings. He compared this approach to that of the culture research that used a post-modem perspective which examined the qualitative aspects of individual social contexts where each culture that was seen as unique and was not expected to have general sable qualities which had become central to the climate research.

Jones and James (19790 argued that one of the assumptions of the climate literature is that a relatively limited number of dimensions could characterize a wide cross-section of social settings. Jones and James labeled their factors as follows:

'Conflict and ambiguity', which 'reflected perceived conflict in organizational goals and objectives, combined with ambiguity of organizational structure and roles, a lack of interdepartmental cooperation, and poor communication from management.

Also included were poor planning, inefficient job design, a lack of awareness of employee needs and problems, and a lack of fairness and objectivity in the rewards process.'

Job challenge, importance and variety which 'reflected a job perceived as challenging, which involve a variety of duties, including dealing with other people. The job was seen as providing autonomy and feedback, and demanding high standards of quality and performance.'

Leader facilitation and support which 'reflected perceived leader behaviors such as the extent to which the leader was seen as helping to accomplish work goals by means of scheduling activities, planning, etc., as well as the extent to which he was perceived as facilitating interpersonal relationships and providing personal support.'

Workgroup cooperation, friendliness and warmth which 'generally described relationships among group members and their pride in the workgroup.'

Professional and organizational esprit, which 'reflected perceived external image and desirable growth potential offered by the job. Also included were percep-tions of an open atmosphere to express one's feelings and thoughts, confidence in the leader, and consistently applied organizational policies, combined with no conflicting roles expectations and reduced job pressure.'

Job standards which 'reflected the degree to which the job was seems as having rigid standards of quality and accuracy, combined with inadequate time, man-power, training and resources to complete the task.

COMPANY PROFILE

Bharat Electronics Limited (BEL) was set up at Bangalore, India, by the Government of India under the Ministry of Defense in 1954 to meet the specialized electronic needs of the Indian defense services. Over the years, it has grown into a multi-product, multi-technology, multi-unit company serving the needs of customers in diverse fields in India and abroad. BEL is among an elite group of public sector undertakings which have been conferred the Navratna status by the Government of India.

The growth and diversification of BEL over the years mirrors the advances in the electronics technology, with which BEL has kept pace. Starting with the manufac-ture of a few communication equipment in 1956, BEL went on to produce Receiving Valves in 1961, Germanium Semiconductors in 1962 and Radio Transmitters for AIR in 1964.

In 1966, BEL set up a Radar manufacturing facility for the Army and in-house R&D, which has been nurtured over the years. Manufacture of Transmitting Tubes, Silicon Devices and Integrated Circuits started in 1967. The PCB manufacturing facility was established in 1968.

In 1970, manufacture of Black & White TV Picture Tube, X-ray Tube and Microwave Tubes started. The following year, facilities for manufacture of Integrated Circuits and Hybrid Micro Circuits were set up. 1972 saw BEL manufacturing TV Transmitters for Doordarshan. The following year, manufacture of Frigate Radars for the Navy began.

Under the government's policy of decentralization and due to strategic reasons, BEL ventured to set up new Units at various places. The second Unit of BEL was set up at Ghaziabad in 1974 to manufacture Radars and Tropo communication equipment for the Indian Air Force. The third Unit was established at Pune in 1979 to manufacture Image Converter and Image Intensifier Tubes.

In 1980, BEL's first overseas office was set up at New York for procurement of components and materials.

In 1981, a manufacturing facility for Magnesium Manganese Dioxide batteries was set up at the Pune Unit. The Space Electronic Division was set up at Bangalore to support the satellite programme in 1982. The same year saw BEL achieve a turnover of Rs.100 crores.

In 1983, an ailing Andhra Scientific Company (ASCO) was taken over by BEL as the fourth manufacturing Unit at Machilipatnam. In 1985, the fifth Unit was set up in Chennai for supply of Tank Electronics, with proximity to HVF, Avadi. The sixth Unit was set up at Panchkula the same year to manufacture Military Communi-cation equipment. 1985 also saw BEL manufacturing on a large scale Low Power TV Transmitters and TVROs for the expansion of Doordarshan's coverage.

1986 witnessed the setting up of the seventh Unit at Kotdwara to manufacture Switching Equipment, the eighth Unit to manufacture TV Glass Shell at Taloja (Navi Mumbai) and the ninth Unit at Hyderabad to manufacture Electronic Warfare Equipment.

In 1987, a separate Naval Equipment Division was set up at Bangalore to give greater focus to Naval projects. The first Central Research Laboratory was established at Bangalore in 1988 to focus on futuristic R&D.

1989 saw the manufacture of Telecom Switching and Transmission Systems as also the setting up of the Mass Manufacturing Facility in Bangalore and the manu-facture of the first batch of 75,000 Electronic Voting Machines.

BEL has more than 360 products in its range from small components costing a rupee to huge equipment costing about Rs. 60cr. Starting with a single Unit at Bangalore, BEL now has nine Units spread across the country. Nearly 80-85% of the company's annual sales turnover accrues from products sold to Defense Services and the balance from Civilian customers.

The company's dividend payment has been continuously increasing and the company paid a dividend of 170% for the year 2007-08. BEL became a Mini Ratna Category I company in February 2002.

Subsequently BEL has been got Navratna status in June 2007.

UNITS OF B.E.L. AND THEIR PRODUCTS

BANGALORE

Communication equipments – HF/VHF Man pack, Mobile & static Trans-receiver/Transmitters.

GHAZIABAD

Antenna for primary & secondary radars.

PUNE

Static 7 Rotating Anode x-ray cables, Magnesium Manganese Dioxide Battery packs.

MACHILIPATNAM

Passive night vision devices- Goggles, Binoculars, Periscopes.

KOTDWARA

ULSB, BEST, SMART, HART.

PANCHKULA

VHF/UHF Ground to ground to air communication equipment.

NAVI MUMBAI

Hydraulics for T- 72 Tank stabilizers, Shelters for Electronic equipment.

CHENNAI

Gun control & Drive System for Armored Fighting Vehicles.

HYDERABAD

Electronic warfare equipment.

OBJECTIVES OF BEL-KOTDWARA

1. To be a customer focused company providing state-of-the- art products & solutions at competitive price, meeting the demands of quality, delivery & services.
2. To constantly benchmark company's performance with best-in-class internationally.
3. To generate internal resources for providing growth. To attain technological leadership in defense electronics through in-house R&D, partnership with defense/research laboratories & academic institutions.
4. To give thrust to exports. To create a facilitating environment for people to realize their full potential through continuous learning & team work.
5. To give value for money to customers & create wealth for shareholders.
6. To raise marketing abilities to global standards.
7. To strive for self-reliance through indigenization.

TESTING FACILITIES

Research and Development is a key focus activity at BEL. Research & Development started in 1963 at BEL and has been contributing steadily to the growth of BEL's business and self-reliance in the field of defense electronics and other chosen areas of professional electronics.

BEL's R&D Policy is to enhance the company's pre-eminence in defense electronics and other chosen fields and products through Research & Development. Major R&D objectives of BEL is development of new products built with cutting-edge technology modules to meet customer requirements ensuring that the developed products are state-of-the-art, competitive and of the highest quality.

VARIOUS INNOVATIVE METHODOLOGIES TO IMPROVE EMPLOYEE'S RESPONSE

Unit has taken several initiatives for introducing innovative methodologies to improve organizational response, customer satisfaction, enhancing productivity and morale of the employees in continuous improvement activities.

INNOVATIVE METHODOLOGIES FOR HR MANAGEMENT

Performance Management System

Cross Functional team

Job Rotation

Self inspectors

Excellence awards

QC circles

A four tier need identification system is institutionalized in the unit. Based on assessment manpower planning is done. Training records of all employees are maintained in computer database. Employees are sent for training to premier training institutes like XLRI, Administrative Staff College, Management Training Centre, M.D.I. etc.

MAINTENANCE PRACTICE AND MANAGEMENT SYSTEM

The security department ensures the security of assets. The entire plant is insured for fire, theft, floods and earthquake and plan covers buildings, machines, test and office equipment, raw materials, and components etc.

Fire hydrants and extinguishers are located at vantage points. These are regularly tested for readiness of use as per plan devised by the fire safety department. The entire perimeter of the factory and strategic locations is monitored 24*7 by CCTV cameras. The surveillance data is recorded and archive is maintained for future reference.

A contingency plan for disaster management, called Civil Defense Plan, is in place and mock drill conducted from time to time, to ensure the effectiveness of the plan. To gauge the overall security system for all units, security audit is done by the team constituted by corporate office.

The audit team examines e-security, information security, document control security, fire security besides physical security and recommends the necessary changes if required.

A safety committee in vogue since 1987 monitors the occupational health and safety of the employees working in hazardous areas. The employees working in hazardous areas undergo regular medical checkups to monitor their health. Personal Protective Equipments (PPE) is issued to employees for use. To increase the awareness on safety, safety week is celebrated every year.

The unit has evolved a strategy to reduced and reuse waste. The waste is recycled and treated and recycled waste is dumped in deep pits. An oxidation pond situated in the outer periphery is used for treatment of liquid waste, before being discharged into the public drainage system.

The environmental monitoring is done by M/S Pollution Control Research Institute, Haridwar to ensure the compliance of norms related with pollution. The conservation of resources like water, electricity paper etc is given paramount importance. The preservation of fauna and flora in and around the factory premises is one of the major roles of the horticulture department. All efforts are put to ensure that the factory has a green cover round the year with delightful combinations of flowers and plant.

The requirement of material for manufacturing is generated through SAP using Sales order and running of MRP. The MRP system takes the entire pipeline and available stock into account before generating the net requirement of components. The ordering of material is also done through SAP system. The ordering and

stock history of other units of BEL is also available in SAP, which helps the purchase executives to finalize outsourcing. ABC analysis of inventory helps in the control of high value 'A' class items.

The following action plan is in place to achieve optimum inventory holdings.

- The requirement of project inventory is controlled and stored sale order wise in the concerned store.
- This helps in segregation of inventory category-wise and product wise and the documentation is controlled through SAP transactions.
- Targets are set each year in terms of value and in no. of days of production

HUMAN RESOURCE DEPARTMENT

WORK CULTURE IN B.E.L., KOTDWARA

BEL KOT believes that performing work culture can be nurtured by being a learning organization. Series education, training, self development and career development program are done for Human Resources Development.

Various activities done in BEL to promote continuous learning are:

- Individual learning,
- Internal/ External Training,
- work experience,
- on the job training,
- job Rotation,
- team learning,
- Improvement projects,
- Task force for specific task,
- Seminars/Conference,

ORGANISATION'S STRATEGY

BEL-KOT has always placed great emphasis on Human Resource Development and Management. The major HRD objectives BEL-KOT are:

- To create an organisational culture which encourages employees to realise their full potential through continuous learning on the job and through other HRD initiatives
- To ensure that all people get equal opportunity to learn, grow and contribute. There is no distinction in remuneration or in allotment of jobs based on gender.

In conformity with these objectives, the unit has established its own Human Resource Development Centre, which is instrumental in providing every employee with an opportunity to reflect on a job, seek and to obtain guidance and to improve his performance.

Our manpower norms and selection policies ensure that company inducts people with right sort of technological skills, who fit into the organizational culture.

Learning opportunities are provided at induction, as well as on the job, to acquire and update knowledge and skills. They are in the form of in-house programs, on the job \trainings, external courses, conferences, seminars and opportunities of higher studies.

USING SURVEYS TO IMPROVE HR POLICIES, STRATEGIES AND PLANS

To understand employee's perception, feedback is obtained through ESS, exit interview, various committees and other participative forums. Based on the learning from these surveys, survey methodologies were modified including launching of OCS, quarterly communication surveys were conducted. Various action plans were undertaken based on survey feedback. To assess the effectiveness of these action plan organizational climate survey(O.C.S.) was conducted across the BEL.

The results drawn out of this survey has been analyzed and further action plans are being initiated, as part of continual improvement process.

PEOPLE KNOWLEDGE AND CAPABILITIES ARE DEVELOPED.

BEL-KOT believes that performing work culture can be nurtured by being a learning organization. Continuous education, training, self development and career development are the essential requirements of Human Resource Development.

Employee's inherent talents are recognized by way of conducting cultural and sports events and other competitions. Employees are encouraged to pursue higher educations and are suitably rewarded after acquiring such qualifications.

BEL has nominated nineteen executives of kotdwara unit for PMP certification program from Project Management Institute. Excellent Employee Award scheme was introduced in the year 2002-03 for executives and non-executives. Employee's recognition /awards are published in GIRI SANDESH (quarterly),Monthly News Letter and Corporate house journal ELECTRONICA(quarterly).

BEL-KOT creates a healthy environment at work place. All electronic assembly and testing area as well as office are Air-conditioned and well illuminated. In order to ensure industrial peace and harmony, unit has signed a memorandum of settlement with existing unions, whereby the methodology had been agreed upon to identify the Negotiating Trade Union for a period of two year. The Negotiating Trade Union is identified through secret ballot.

PERFORMANCE APPRAISAL

Performances appraisal is an affective instrument for helping people and develop in organizational setting. A good appraisal system should primarily focus on employee development and at the same time, provide a significant input for salary and reward management.

MAIN COMPONENTS

- KRA'S
- Setting of goals or objectives under each KRA.
- Identification of behavioral dimensions that is critical for a managerial effectiveness.
- Analysis of performances on a rating scale by identifying facilitating and inhibiting factors.
- A format performances review and discussion at convenient and facilitative period between the employees and his reporting officers.
- Identification of development needs and development of action plan for future.

2. REVIEW OF LITERATURE

Climate, in contrast, concerns the meaning employees attach to the tangible policies, practices, and procedures they experience in their work situation (Schneider et al., 2013)

The study conducted Kuenzi & Schminke, (2009) is one of the study that deal with Organizational climate and organizational culture are closely related, but are certainly not the same. Both deal with how individuals try to make sense of their environments, and are learned through interaction among persons belonging to a certain group.

The study conducted by Macey and Schneider (2008) is one of the study that propose that high states of employee engagement lead to discretionary effort of employees. Discretionary effort on its turn will lead to better organizational performance

3. OBJECTIVES OF THE PAPER

The present study seeks to achieve the following objectives:

1. To study the organizational climate in B.E.L., KOTDWARA
2. To evaluate the effectiveness of organizational climate in regard to the perception of employees of B.E.L.- KOTDWARA UNIT.
3. To study the factors influencing organizational climate.
4. To study the organizational climate using seven dimensions: compensation, job training, career development, benefits, organizational pride, recognition, creativity and job satisfaction.

4. RESEARCH METHODOLOGY

4.1 SOURCES OF DATA
This research paper is an attempt of descriptive research based on Primary data and secondary data. Primary data was collected through well designed question- naires and Secondary data was collected from various website, journals, magazines which focused on various aspects of employee perception on organizational climate.

4.2 UNIVERSE OF THE STUDY
For the purpose of the study, the universe consists of all the employees of BEL Kotdwara District Pauri Garhwal (Uttrakhand).

4.3 SAMPLE SIZE
A total of 150 questionnaires were collected.

4.4 STATISTICAL TOOL USED
Simple statistical tool was used to analyze the collected data.

5. ANALYSIS OF DATA AND RESULTS
As mentioned above, the study is based on a sample of 150 BEL Employees of Kotdwara.

DEMOGRAPHIC CHARACTERISTICS OF SAMPLE CUSTOMERS (N=150)

TABLE 1

S. No.	Demographics	HR (37)	Finance (84)	Others (29)	Total
1.	Gender				
	Male	23(15.33)	31(20.67)	12(08.00)	66(44.00)
	Female:	14(09.33)	53(35.33)	17(11.33)	84(56.00)
2.	Age Group				
	20 _ 30	11(07.33)	25(18.00)	07(04.67)	43(28.67)
	30 – 40	15(10.00)	40(12.67)	11(07.33)	66(44.00)
	40 – 50	07(04.67)	14(09.33)	03(02.00)	24(16.00)
	More than 50	04(02.67)	05(03.33)	08(05.33)	17(11.33)
3.	Income Group				
	Less than Rs. 35000	06(04.00)	09(06.00)	11(07.33)	26(17.33)
	Rs. 35,000 – Rs. 50,000	09(06.00)	13(08.67)	03(02.00)	25(16.67)
	Rs 50,000 – Rs. 70,000	19(12.67)	57(38.00)	08(05.33)	84(56.00)
	More than Rs. 50,000	03(02.00)	05(03.33)	07(04.67)	15(10.00)
4.	Education				
	ICWAI	02(01.33)	05(03.33)	03(02.00)	10(06.67)
	Btech	06(04.00)	16(10.67)	06(04.00)	28(18.67)
	MBA	17(11.33)	34(22.67)	08(05.33)	59(39.33)
	Others	12(08.00)	29(19.33)	12(08.00)	53(35.33)

Source: Field Survey

It is revealed from the Demographics that (56.00%) of the respondents is female and (44.00%) are male. Most of the employees belong to the Income group between Rs 50,000 – Rs. 70,000 (56.00%). Most of the employees are MBA (59.00%).

TABLE NO. 1: DISTRIBUTION OF CUSTOMERS ACCORDING TO THEIR INDIVIDUAL PERCEPTION

S. No.	Attributes	SDA	DA	NAND	A	SA
A1	Employees and customer needs are valued by the organization	14 (9.33)	23 (15.33)	38 (25.33)	22 (14.67)	53 (35.33)
A2	Employees proud of the quality of service provided by their team work.	09 (6)	11 (7.33)	27 (18)	47 (31.33)	56 (37.34)
A3	Superior inspires their subordinates to perform their task efficiently	12 (8)	16 (10.67)	21 (14)	42 (28)	59 (39.33)
A4	This division pays attention on creativity.	03 (2)	09 (6)	17 (11.33)	65 (43.33)	56 (37.34)
A5	Adequate working conditions are provided to the employees.	06 (4)	13 (8.67)	38 (25.33)	13 32 (21.33)	61 (40.67)
A6	This division of B.E.L. is providing medical facilities to all employees.	07 (4.67)	10 (6.67)	26 (17.33)	57 (38)	50 (33.33)
A7	Proper training and development are provided to all employees in this division of B.E.L.	10 (6.67)	13 (8.67)	19 (12.67)	25 (16.66)	83 (55.33)
A8	There is a high degree of collaborative culture in this division of B.E.L.	05 (3.33)	02 (6.8)	20 (7.6)	32 (42)	91 (41.2)
A9	Industrial relation issues are handled properly in this division.	26 (17.33)	11 (7.34)	32 (21.33)	37 (24.67)	44 (29.33)
A10	In this organization employees are properly compensated without any discrimination.	12 (8)	02 (1.33)	07 (4.67)	76 (50.67)	53 (35.33)
A11	People working in this organization are updated with latest technology.	06 (4)	20 (13.33)	29 (19.33)	54 (36)	41 (27.33)

* SDA: Strongly Disagree, DA: Disagree, NAND: Neither Agree nor disagree, A: Agree, SA: Strongly Agree

6. FINDINGS
The study observed that, most of the employees are satisfied with Organizational Climate. The distribution of employees according to their perception with respect to different attributes/statements is (table-1):
1. Most of the people strongly agree with the statement that the employee needs are valued by the organization.
2. After that when questions were asked from the employees regarding their team work then my study found that more than half employees believe that their team work leads job quality in their service.
3. The study indicates that the employee's complaint is not paid attention by this division of B.E.L.
4. Most of the employees are with this statement that proper refreshment is provided to the employees in this division.

5. There are few chances of growth and development in this division of B.E.L.
6. People working in this organization are updated with latest technology.
7. Employees are in the majority that this division pays attention on the welfare and loyalty of employees.
8. More than half of the employees believe that in this organization employees are properly compensated without any discrimination.
9. Industrial relation issues are handled properly in this division.
10. Most of the employee's precept that there is a high degree of collaborative culture in this unit.

7. SUGGESTIONS

Maximum utilization of manpower through effective participation is crying need of the hour. There is however some drawbacks still left. These drawbacks & measure for their removal are:

1. The joint conductive forum must be institutional used in the organization on the compulsion basis, which encourage workers to be involved in the process of decision-making.
2. Objectives set for the organization must be clear to employees.
3. Executives should be made clear of the impact of organization's culture.
4. Education and training should be imparted to make a significant contribution to the good climate.
5. The superiors should consider their subordinates as matured people who know the best practices in their field and work area, so liberty should be given to them in decision making and necessary support should be provided to them when they need it.

8. CONCLUSIONS

Organizations can become more productive, plus serve as a basis for quality improvements. By identifying areas of inefficiency and acting on performance barriers identified by employees of all levels, an organization gains a fresh and different perspective. Survey analysis identifies areas of employee satisfaction and dissatisfaction to facilitate management in the creation of greater workplace harmony and, therefore, increased productivity

9. LIMITATION OF THE STUDY

1. The assignment being very challenging and of exhaustive nature requires appreciable time to carry out survey and compile recommendations. The time being limited which has restricted me to go in more detailed work.
2. Respondents were having a very busy schedule, due to which frequent visit were required.
3. The effort has been made to distribute the questionnaire in proportion to the executive in different business groups and departments to have a true representation of all business groups and departments, the responses received are not in similar proportion, due to some questionnaire not being returned.
4. While doing the survey many people try to avoid filling the questionnaire, which creates difficulty in research work.

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A STUDY OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN MAHARATNA PUBLIC SECTOR ENTERPRISES OF INDIA

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ABSTRACT

Corporate Social Responsibility (CSR) is an area of concern and an important activity across the business world. It can be defined as commitment of a company to operate in an economically, socially and environmentally sustainable manner while recognizing the interests of its stakeholders. Through CSR, the organizations serve the interests of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities, environment and in all aspects of their operations. The thrust of CSR in public sector is on inclusive growth, sustainable development and capacity building with due attention on the socio-economic needs of the neglected and marginalized sections of the society. The objective of the study is to analyze the Corporate Social Responsibility (CSR) activities carried out by Maharatna Public Sector Enterprises in India. The study is based on secondary data taken from the annual reports of Maharatna companies from 2010-11 to 2014-15. Variables considered for the study are: profit after tax, funds allocated for CSR activities, funds utilized in CSR activities and funds unutilized in order to determine the exact performance of CSR activities and its impact on profitability of public sector Maharatna companies of India. The results indicate that Maharatna companies are making efforts in the CSR areas but still there is requirement for more emphasis on CSR. It is also observed that few companies not even meet the regulatory requirements. The public sector companies have shown the highest contribution in CSR activities.

KEYWORDS

public sector, maharatna companies, corporate social responsibility, funds allocate, funds utilise.

INTRODUCTION

Corporate social responsibility (CSR) is the commitment of a company to operate in an economically, socially and environmentally sustainable manner while recognizing the interests of its stakeholders. It refers as operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has from business (Sinha et al, 2012). In the present era of globalization, corporate social responsibility has become an increasingly important activity for businesses. Large corporations serving as global providers have progressively recognized the benefits of CSR programs at various locations across the globe. Most of the companies are involved in CSR practices for making prestige and creating value in the society. Many corporate houses use CSR as a competitive strategy to stay and compete in the market. In India, nearly all leading corporate houses are involved in different types of CSR activities like in education, health, livelihood creation, social development and empowerment of women and other weaker sections of the society (Mukherjee et al, 2014).

Public sector enterprises play a crucial role in the development of our economy. Government set up PSEs to build the industrial capacity and generate employment along with improved socio-economic condition of the country. The central government establishes Central Public Sector Enterprises (CPSEs) under the Department of Public Enterprise, Ministry of Heavy Industries & Public Enterprise which are governed by the guidelines issued by Department of Public Enterprise. New Guidelines on CSR and Sustainability for CPSEs came into effect on April 1, 2013. In India, the concept of CSR is governed by clause 135 of the Companies Act 2013, which was passed by both houses of the Parliament and had received the assent of the President of India on August 29, 2013. The CSR provision within the Act is applicable to all companies having an annual turnover of Rs. 1000 crore and more, or a net worth of Rs. 500 crore and more, or a net profit of Rs. 5 crore and more. The new rules enforced from the fiscal year 2014-15, also require companies to set up a CSR committee consisting of their board members having at least one independent director. The act encourages companies to spend at least 2 per cent of their average net profit in the previous three years on CSR activities. Only the CSR activities undertaken in India will be considered. The activities meant exclusively for employees and their families will not qualify under these guidelines and the public sector units like Maharatna, Navratna, Miniratna etc have to perform mandatory CSR activities.

As per new guidelines, it is obligatory for CPSEs to disclose their various CSR initiatives and performance to stakeholders. The CPSEs would have to utilize and spend the entire amount earmarked for CSR or would have to disclose the reasons for not utilizing the full amount. Further, if the CPSEs are unable to spend the earmarked amount for CSR in a particular year, they would have to spend the amount in the next two financial years, failing which, it would be transferred to Sustainability Fund. In the revised guidelines, the thrust of CSR and sustainability is clearly on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions and upliftment of marginalized and under privileged sections of the society. The revised guidelines give a clear, unequivocal message that CPSEs are expected to act in a socially responsible manner at all times.

The present study is organized as follows: First section deals with the introductory background of the study. Section two summarizes the concept of CSR and review of previous empirical studies. Section three specifies the methodology used in the study. Section four is concerned with analysis and interpretation of data. The last section focuses upon concluding remarks along with limitations of the study.

CORPORATE SOCIAL RESPONSIBILITIES: THE CONCEPT

Corporate social responsibility (CSR) is the way by which corporation achieves balance among its economic, social, and environmental responsibilities in its operations so as to address the expectations of shareholders and other stakeholders. CSR is the responsibility of an organization for the impact of its decisions and activities on society and the environment through transparent and ethical behavior that is consistent with sustainable development and the welfare of society considering the expectations of stakeholders; in compliance with applicable law and consistent with international norms of behavior; and is also integrated throughout the organization (ISO, 2007).

CSR may be defined as the commitment of business to contribute to sustainable economic development working with employees, their families, the local community and society at large to improve their quality of life (Namita et al, 2012). Corporate social responsibility is a concept whereby organization considers the interests of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders as well as the environment (Harish, 2012). Corporate Social Responsibility (CSR) is becoming an increasingly important activity to businesses nationally and internationally.

As globalization accelerates and large corporations serve as global providers, these corporations have progressively recognized the benefits of providing CSR programs at various locations (Dipak et al, n.d.).

In India, CSR is known from ancient times as social duty or charity which through different ages is changing its nature in broader aspect. From the origin of business, which leads towards excess wealth, social and environmental issues have deep roots in the history of business. India had a long tradition of corporate philanthropy and industrial welfare has been put to practice since late 1800. CSR is recognized as an important function contributing to accelerate the process of overall development of a nation. India being the second most populous country in the world, and home to the largest number of people in need of basic amenities, calls for more intensive efforts as part of such initiatives in the healthcare space of the nation. Indian companies are now expected to discharge their stakeholder responsibilities and societal obligations, along with their shareholder-wealth maximization goal. The evolution of CSR in India can be divided into four phases.

CSR motivated by charity and philanthropy: It was characterized by the inclination of industrial families of the 19th century such as Tata, Godrej, Modi, Birla, Singhania towards economic as well as social considerations. CSR for India's social development: The second phase started with the independence movement where the industrialists were influenced by Mahatma Gandhi for socio-economic development of the nation. During this phase schools, colleges, training centers etc, were set up by various companies. CSR under the paradigm of the mixed economy: the labor and environment laws were introduced in an independent India. The CSR activities were mainly taken by the Public Sector Undertakings (PSUs). CSR at the interface between philanthropic and business approaches: the fourth phase which is still in existence, started in 1980. Indians started abandoning their traditional engagement with CSR and integrated it into a sustainable business strategy.

Historically, the philanthropy of business people in India has resembled western philanthropy in being rooted to religious belief. Business practices in the 1900s that could be termed socially responsible took different forms: philanthropic donations to charity, service to the community, enhancing employee welfare and promoting religious conduct. Corporations may give funds to charitable or educational institutions and may argue for them as great humanitarian deeds, when in fact they were simply trying to buy community goodwill. The ideology of CSR in the 1950s was primarily based on an assumption of the obligation of business to society (Sarkar et al, 2015). Today, corporate social responsibility is quite familiar to business world. The thrust of CSR in public sector is on inclusive growth, sustainable development and capacity building with due attention to the socio economic needs of the neglected and marginalized sections of the society.

CORPORATE SOCIAL RESPONSIBILITIES: THE GOVERNMENT PERSPECTIVES

India's new Companies Act 2013 (Companies Act) has introduced several provisions which have changed the face of Indian corporate business. One of such new provisions is Corporate Social Responsibility (CSR). The concept of CSR rests on the ideology of give and take. Companies use resources such as raw materials, human resources etc from the society and by performing CSR activities they are giving something in return to the society. Ministry of Corporate Affairs has notified Section 135 and Schedule VII of the Companies Act as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 which came into effect from 1 April 2014. Section 135 of the Companies Act provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the company to be Rs 500 crore or more; (b) turnover of the company to be Rs 1000 crore or more; (c) net profit of the company to be Rs 5 crore or more. Further as per the CSR Rules, the provisions of CSR are not only applicable to Indian companies, but also applicable to branch and project offices of a foreign company in India (Anchula et al, 2015).

CORPORATE SOCIAL RESPONSIBILITY: FINANCIAL COMPONENTS

Every year, each CPSE with the approval of its Board of Directors shall make a budgetary allocation for CSR and Sustainability activities/projects for the year. The budgetary allocation will be based on the profitability of the company. More specifically, it will be determined by the Profit after Tax of the company in the previous year and Range of Budgetary allocation for CSR and Sustainability activities (as % of PAT in previous year)

TABLE 1

Less than Rs. 100 Crore	3% - 5%
Rs. 100 crore to Rs. 500 crore	2% - 3%
Rs. 500 crore and above	1% - 2%

Source: Department of Public Enterprises, Guidelines on CSR and Sustainability for CPSEs

With the enactment of new companies act, CPSEs need not to follow the above budgetary allocation. Now they have to spend 2 per cent of net profit under section 135 of Companies Act, 2013 (Rath, 2016). Each CPSE should have a Board level committee headed by either the Chairman and Managing Director, or an Independent Director, to oversee the implementation of the CSR and Sustainability policies of the Company and to assist the Board of Directors in formulating the adequate and suitable policies and strategies to undertake the CSR and Sustainability agenda of the company in the desired direction. Now as per the new law, CSR committee is to be formed to formulate CSR policy and monitor its implementation (Rajsekar et al, 2015).

BENEFITS OF CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility is a manner in which companies show their concern about the welfare of the society, environment and company itself. The benefits of CSR practices are presented in table 2.

TABLE 2: BENEFITS OF CORPORATE SOCIAL RESPONSIBILITY

Company	Public	Environment
• Improved financial performance; • Lower operating cost; • Enhanced brand image and reputation; • Increased sales and customer loyalty; • Greater productivity and quality; • More ability to attract and retain employees; • Reduced regulatory oversight; • Access to capital; • Workforce diversity; Product safety and decreased liability	• Charitable contributions; • Employees volunteer programme • Corporate involvement in community education, employment and homelessness programme • Product safety and quality	• Greater material recyclability; • better product durability and functionality; • Greater use of renewable resources; • Integration of environmental management tools into business plans, including life-cycle assessment and costing, • environmental management standards and eco-labeling

Source: Asemah et al, 2013

PUBLIC SECTOR MAHARATNA COMPANIES OF INDIA: A BRIEF PROFILE

Public sector plays a vital role in economic and social development of the nation. The present study is primarily concerned with the corporate social responsibility practices followed by the public sector Maharatna companies of India. The brief profiles of Public Sector Maharatna Companies are presented in table 3.

TABLE 3: PUBLIC SECTOR MAHARATNA COMPANIES

Company	Established	Headquarter	Products
SAIL	1954	New Delhi	Steel, Flat steel products, long products, wire products.
GAIL	1984	New Delhi	Natural gas, petrochemical, liquid hydrocarbons, gas transmission, city gas distribution, E&P, tele-communication, electricity generation
NTPC	1975	New Delhi	Electrical power and natural gas
ONGC	1956	Dehradun	Petroleum, natural gas and other petrochemicals
IOC	1959	New Delhi	Fuels, Lubricants, Petrochemicals
BHEL	1964	New Delhi	Gas and Steam, Turbines Boilers, Electric Motors, Generators, Heat Exchangers, Pumps, Switchgears, Sensors, Automation and Control systems, power electronics, transmission system
CIL	1975	Kolkata	Coal, Bituminous

Source: Different reports of Public Sector Maharatna Companies

CSR PRACTICES BY PUBLIC SECTOR MAHARATNA COMPANIES OF INDIA

Public sector companies are much aware about the corporate social responsibility activities and they are working on this issue since long. Now, the government has made CSR practices mandatory. The areas where the public sector Maharatna companies are working is being highlighted in table 4.

TABLE 4: TARGETED AREAS UNDER CSR PRACTICES BY MAHARATNA COMPANIES

SAIL	GAIL	NTPC	ONGC	IOC	BHEL	CIL
Medical & Healthcare; -Education, Livelihood Generation; - Empowering under-privileged sections of the society - Rural Development	Nutrition, Health, Sanitation, Drinking Water projects; - Education Initiatives; - Livelihood Generation and Skill development initiatives; - Rural Development; - Women Empowerment initiatives; - Care of the elderly and differently abled; - Environment centric initiatives	-Education - Women Empowerment - Health Care - Entrepreneurship Development - Infrastructure Development - Care for Differently Abled - Water Management - Environment Protection - Promotion of Artisans - Promoting Sports	Promoting Education; - Promoting Gender Equality; - empowering women; - setting up homes and hostels for women and orphans; - setting up old age homes; - ecological balance; - protection of Flora and Fauna; - Animal Welfare; Conservation of Natural Resources	-Clean Drinking Water; - Health & Medical Care; - Expansion of Education; - Rural Development; -Women empowerment initiatives	-Environment Protection & Energy Conservation; - Adoption of ITI' sand Setting up of Skill Development Institutes; - Vocational Training - Education & Promotion of Talents - Adoption of Villages and Community Development; - Disaster/Calamity Management; - Health Management; - Infrastructure Development;	Installation/Repairing of Hand Pumps; -Digging/renovation of Wells/Ponds/ Dam etc.; - Water Supply through pipelines; - Construction/Renovation and repair of Community; - Centre/building, Construction/repair of Roads/Culverts; - Organising Medical Camps; - Organising Sports and Cultural Activities

Source: Annual reports of public sector Maharatna companies

RESEARCH PROBLEM

Indian Public sector companies contribute nominal part of their profits towards corporate social responsibility practices. The Companies Act 2013 clearly states that certain class of companies have to spend at least 2 per cent of their three year average annual net profit towards CSR activities. In this perspective, the following study is undertaken to find out CSR budget, allocation of funds, utilisation of funds and unutilized amount by the Indian Public Sector Maharatna companies.

LITERATURE REVIEW

Harish, N. (2012), studied corporate social responsibility practices in Indian companies focusing on reducing income inequalities in India. The study is also concerned about the practices followed by Indian companies and approaches adopted for CSR as business practice. The risk components and opportunities relating to CSR practices in India are also addressed. Anchula et al (2015), examined the CSR practices in PSU of Maharatna through the fund allocated and utilized before and after the Companies Act 2013. The variables used for the analysis were fund allocated and funds utilized for CSR practices by Maharatna. It was revealed that Maharatna enterprises were unable to spend their CSR budget, the utilized amount was only 50 per cent of the allocated amount. The study concluded that Maharatna enterprises were not taking much CSR initiatives as they didn't receive any support from the government. Gautam et al (2010) in their paper studied corporate social responsibility practices of top 500 companies in India. They discussed various definitions and descriptions of CSR and elaborated upon development of CSR in India. The study examined how India's top 500 companies view and conduct their CSR and identified key CSR practices. The study was exploratory in nature and content analysis technique was used to assess CSR practices of companies operating in India. Rajasekar et al (2015), studied the evolution of corporate social responsibility in India and developments in this sphere. They analysed the amount spent by Maharatna public sector undertakings as part of CSR. Seven public sector Maharatna companies were considered for funds utilisation in CSR activities. They discussed the new requirements of mandatory expenditure of 2 per cent of average net profit of immediately 3 preceding financial years and made a brief analysis of the amount spent by the public sector undertakings in the Maharatna category for the financial year 2011-14. It was concluded that CSR utilized funds by Maharatna public sector enterprises show that even though these companies are engaged in the extensive CSR activities before it is made mandatory the amount they spent fell short of the mandatorily prescribed limit giving amble room and resources for these Maharatna PSEs to enlarge their CSR activities and act as a catalyst for inclusive growth agenda of the Government.

Mukherjee et al (2014) discussed the corporate social responsibility practices by central public sector enterprises with the sample of two major companies i.e. North Eastern Electric Power Corporation Limited and National Hydroelectric Power Corporation limited. The study concluded that both the companies were entrusted with highest number of projects for constructing big dams in north east India and their operational impact over the society and the natural environment. Sahu (2014) examined CSR activities of Maharatna companies in India. The main emphasis of the study was to generate information about CSR activities undertaken by seven Maharatna public sector undertakings in India. He assessed the commonality of CSR actions of the Maharatna companies on socio-economic development of the society.

RESEARCH GAP

Several studies have been conducted on corporate social responsibility across the world. The researcher does not found any study on corporate social responsibility available on CSR funds utilization and its impact on performance of the company. The present study is primarily concerned with funds allocation and its utilization for CSR practices by the companies and the impact of utilized funds on profitability of the company at specified period of time.

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OBJECTIVES OF THE STUDY

1. To discuss CSR practices adopted by Public Sector Maharatna companies of India.
2. To study the existing CSR practices by Maharatna companies in terms of:
   - Funds allocation
   - Funds Utilization
3. To measure the impact of CSR practices on the profitability of Maharatna companies.

HYPOTHESES OF THE STUDY

The main hypotheses of the study are as follows:

H_{01}: There is no significant difference in fund utilization for CSR activities among Maharatna companies.

H_{02}: There is no significant impact of utilized funds on net profit among Maharatna companies.

METHODOLOGY OF THE STUDY

The present study is purely based on secondary sources of information derived from various journals, books, newspapers along with the published annual reports of selected public sector enterprises of India.

NATURE OF STUDY

The study is exploratory in nature which depends upon the workings and operations of Selected Maharatna companies of Indian Public Sector and their corporate social responsibilities practices for socio-legal environment and other aspects.

SAMPLE OF THE STUDY

The Maharatna Companies have been taken as sample for the purpose of study which are as follows:

- Bharat Heavy Electricals Limited (BHEL)
- Coal India Limited (CIL)
- Gas Authority of India Limited (GAIL).
- Indian Oil Corporation Limited (IOCL)
- National Thermal Power Corporation (NTPC) Limited.
- Oil & Natural Gas Corporation (ONGC) Limited.
- Steel Authority of India Limited (SAIL)

NATURE AND SOURCES OF DATA

Secondary data is used for the analysis which has been taken from the Published Annual Reports of Public Sector Companies. Various Journals, Magazines, News-papers as well as internet have been used for the collection of data regarding corporate social responsibility.

TENURE OF THE STUDY

The present study deals with the disbursement of funds by Maharatna Companies of Indian Public Sector for a period of five years ranging from 2010-11 to 2014-15.

VARIABLES OF THE STUDY

Profit after Tax, Funds Allocated for CSR activities, Funds Utilized for CSR activities, Funds Unutilized and funds utilized as percentage of net profit.

TOOLS USED

Descriptive Statistics, Correlation and Ordinary Least Square Regression Model have been used along with tabular and graphical presentation of data.

DATA ANALYSIS AND INTERPRETATION

The present study is concerned with CSR activities measured by five variables chosen for the analysis. The tabular and graphical presentation of profit after tax, funds allocated, funds utilized and funds unutilized are as follows:

TABLE 5: PROFIT AFTER TAX IN PUBLIC SECTOR MAHARATNA COMPANIES *(Rs. in crore)*

Year	SAIL	BHEL	NTPC	ONGC	CIL	GAIL	IOC
2010-11	4905	6011	9103	18924	10867	3561	7445
2011-12	3543	7040	9224	25123	14788	3654	3955
2012-13	2170	6615	12619	20926	17356	4022	5005
2013-14	2616	3460	10974	22095	15112	4375	7019
2014-15	2093	1419	10291	17733	13727	3039	5273

Source: Annual Reports of Maharatna companies from 2010-11 to 2014-15

The above table presents the profitability position of Public Sector Maharatna companies of India from 2010-11 to 2014-15. The profit of SAIL was Rs. 4905 crore in 2010-11 which declined steeply during the study period and stood at Rs. 2093 crore in 2014-15. BHEL has also experienced mixed trend of profit during the study period. It was fluctuating during the first half of the study period and later declined to reach its lowest i.e. Rs. 1419 crore in 2014-15. NTPC has a fluctuating cum increasing trend of profit during the study period. The profit of ONGC was Rs. 18924 crore in 2010-11 which increased next year but fluctuated in later part of the study period. The profit after tax of CIL was Rs. 10867 crore in 2010-11 which showed a mixed trend during the study period and finally reached to Rs. 13727 crore in 2014-15.

GAIL displayed a slow increase in profit throughout the study period except in 2014-15 when it turned down to Rs. 3039 crore. The profit of IOC was Rs. 7445 crore in 2010-11 which declined in later part of the study period and finally stood at Rs. 5273 crore in 2014-15.

GRAPH 1: PROFIT AFTER TAX OF PUBLIC SECTOR MAHARATNA COMPANIES *(Rs. in crore)*

Source: Annual Reports of Public Sector Maharatna Companies

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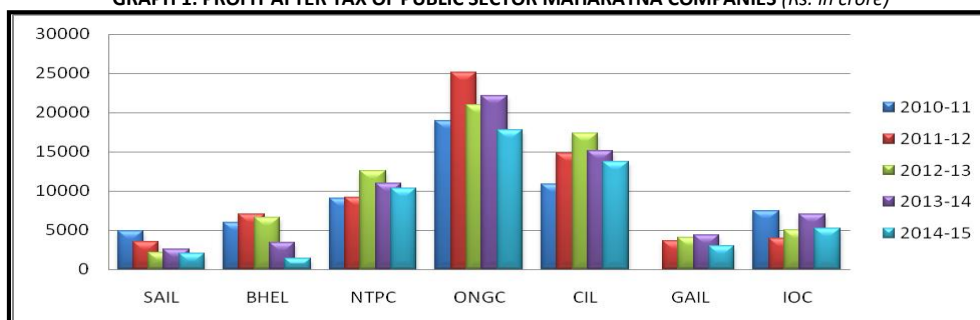
Graph 1 provides the details of earnings after tax by public sector Maharatna companies from 2010-11 to 2014-15. From the graphical presentation, it is evident that earning performance of the companies did not vary to large extent during the study period. ONGC has earned higher net profit as compared to other companies.

TABLE 6: FUNDS ALLOCATED FOR CSR ACTIVITIES BY MAHARATNA PUBLIC SECTOR ENTERPRISES *(Rs. in crore)*

Year	SAIL	BHEL	NTPC	ONGC	CIL	GAIL	IOC
2010-11	94.00	21.55	72.37	335.35	262.28	69.54	131.11
2011-12	64.00	36.47	49.44	378.48	113.03	80.95	78.47
2012-13	42.00	63.00	69.24	418.5	140.13	92.00	82.88
2013-14	44.87	69.2	128.35	418.5	142.16	91.00	81.91
2014-15	78.00	165.00	283.48	660.61	298.10	118.67	133.40

Source: Annual Reports of Maharatna companies from 2010-11 to 2014-15

The above table shows the funds assigned for CSR activities by Public Sector Maharatna companies. In the year 2010-11 SAIL, allocated Rs. 94 crore for CSR activities which declined in the next two years and stood at Rs. 42 crore in 2012-13. A slight increase was seen in 2013-14 and the allocated amount further increased to Rs. 78 crore in 2014-15. BHEL recorded an increasing trend in allocating funds for CSR activities. The amount allocated by NTPC has also increased throughout the study period except in 2011-12 when it declined to Rs. 49.44 crore. ONGC has allocated a huge amount for CSR activities, depicting an increasing trend all over the study period but in 2012-13 and 2013-14 where the allocated funds did not change. CIL, GAIL and IOC have shown a fluctuating trend throughout with the highest allocation of funds in 2014-15.

GRAPH 2: FUNDS ALLOCATED FOR CSR PRACTICES BY MAHARATNA COMPANIES *(Rs. in crore)*
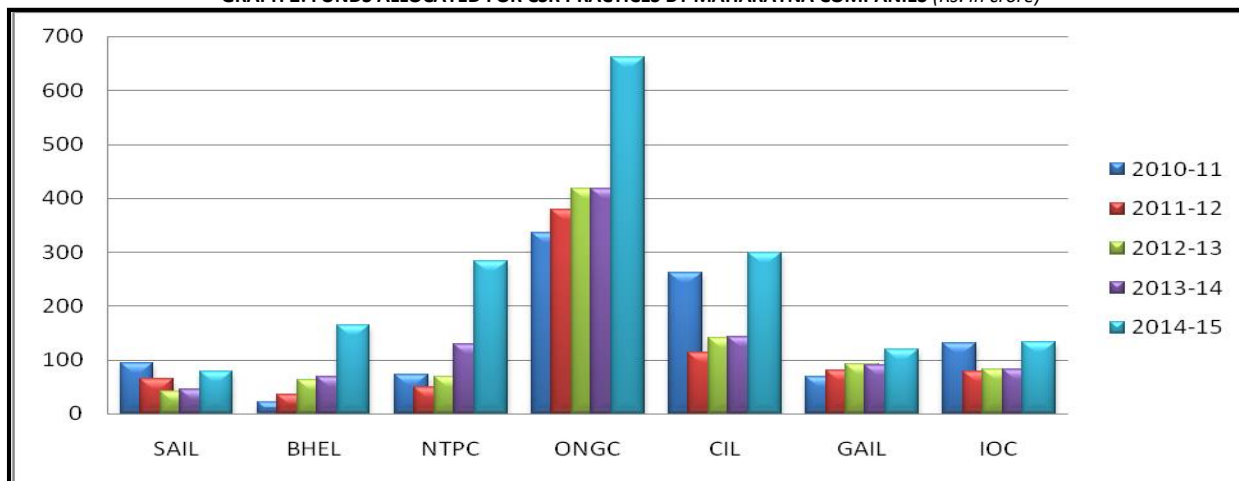
Source: Annual Reports of Public Sector Maharatna Companies from 2010-11 to 2014-15

Graph 2 shows funds allocated for CSR activities by Maharatna companies during the study period. The funds allocated for CSR activities by all the companies was Rs. 100 crore approximately except ONGC which has spent a large amount on CSR activities during the entire study period.

TABLE 7: FUNDS UTILIZED IN CSR PRACTICES BY MAHARATNA PUBLIC SECTOR ENTERPRISES *(Rs. in crore)*

Year	SAIL	BHEL	NTPC	ONGC	CIL	GAIL	IOC
2010-11	68.27	21.55	72.21	219.03	152.33	59.90	128.41
2011-12	35.52	30.05	45.52	121.08	104.12	54.43	82.73
2012-13	24.81	63.00	69.24	261.57	23.73	64.65	78.97
2013-14	40.00	56.7	109.77	341.3	141.70	62.57	81.91
2014-15	35.04	102.06	205.18	495.23	24.04	102.06	113.79

Source: Annual Reports of Maharatna companies from 2010-11 to 2014-15

The above table highlights the funds utilized for CSR activities by Maharatna companies. Out of the total allocated funds of Rs. 94 crore, SAIL utilized Rs. 68.27 crore in 2010-11. Most of the allocated funds have been utilized in 2013-14. BHEL utilized the whole amount of allocated funds in 2010-11 and 2012-13. NTPC also exhibits the same pattern with almost full utilization of funds in 2010-11 and full utilization for CSR in 2012-13. ONGC has not utilized much of its funds for CSR activities whereas, CIL shows a fluctuating trend. GAIL has utilized most of the funds allocated for CSR activities in a quite stable pattern. IOC has displayed a better trend in utilization of funds but in 2014-15 only Rs. 113.79 crore were utilized. It is observed that IOC has made better utilization of funds in comparison to other Maharatna companies.

GRAPH 3: FUNDS UTILIZED BY PUBLIC SECTOR MAHARATNA COMPANIES *(Rs. in crore)*

Source: Annual Reports of Public Sector Maharatna Companies from 2010-11 to 2014-15

Graph 3 shows funds utilized by the public sector Maharatna companies from 2010-11 to 2014-15. All the companies have a fluctuating trend of CSR funds utilization during the study period. ONGC is the single company among Maharatna which utilized maximum amount on CSR practices.
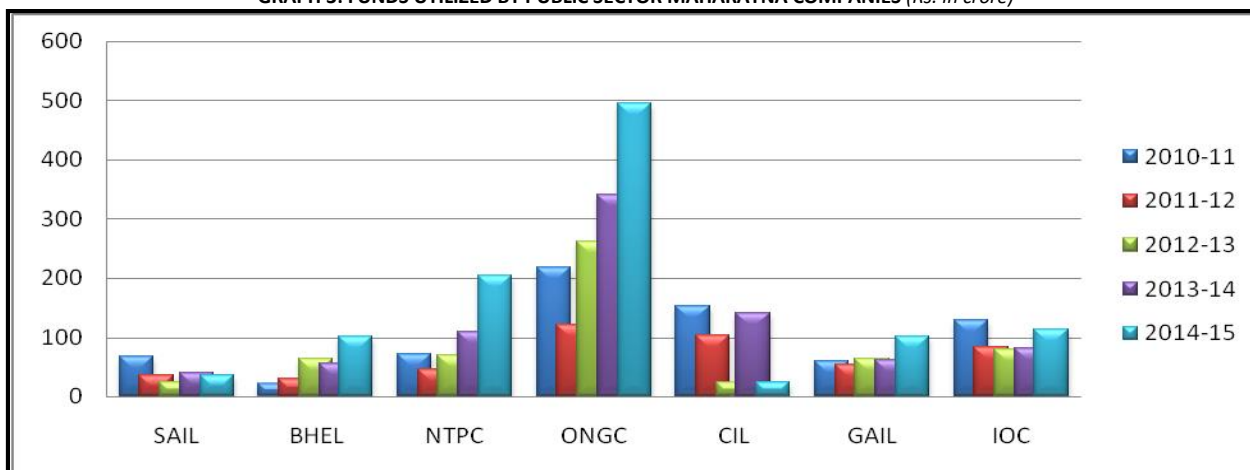
TABLE 8: FUNDS UNUTILIZED IN CSR PRACTICES BY MAHARATNA PUBLIC SECTOR ENTERPRISES *(Rs. in crore)*

Year	SAIL	BHEL	NTPC	ONGC	CIL	GAIL	IOC
2010-11	25.73	0	0.16	116.32	109.95	9.64	2.7
2011-12	28.48	6.42	3.92	257.4	8.91	26.52	4.26
2012-13	17.19	0	0	156.93	116.4	27.35	3.91
2013-14	4.87	14.5	18.58	77.2	0.46	28.43	0
2014-15	42.96	62.94	78.3	165.38	274.06	62.39	19.61

Source: Annual Reports of Maharatna companies from 2010-11 to 2014-15

Table 8 presents the amount of unutilized funds in CSR activities by Maharatna companies from 2010-11 to 2014-15. SAIL had Rs. 25.73 crore in 2010-11 as unutilized funds which fluctuated and increased to Rs. 42.96 crore in 2014-15. In 2012-13, BHEL and NTPC have no unutilized funds and the situation is almost same in 2010-11 too. As compared to other companies, ONGC has the highest amount of unutilized funds throughout the study period. CIL shows a fluctuating trend with least unutilized funds in 2013-14. IOC seems to be better with very little unutilized funds. The unutilized funds in all the companies remained highest in 2014-15 and ONGC had maintained Rs. 257.4 crore in 2011-12 which was the highest unutilized amount among the Maharatna companies.

GRAPH 4: FUNDS UNUTILIZED BY PUBLIC SECTOR MAHARATNA COMPANIES *(Rs. in crore)*
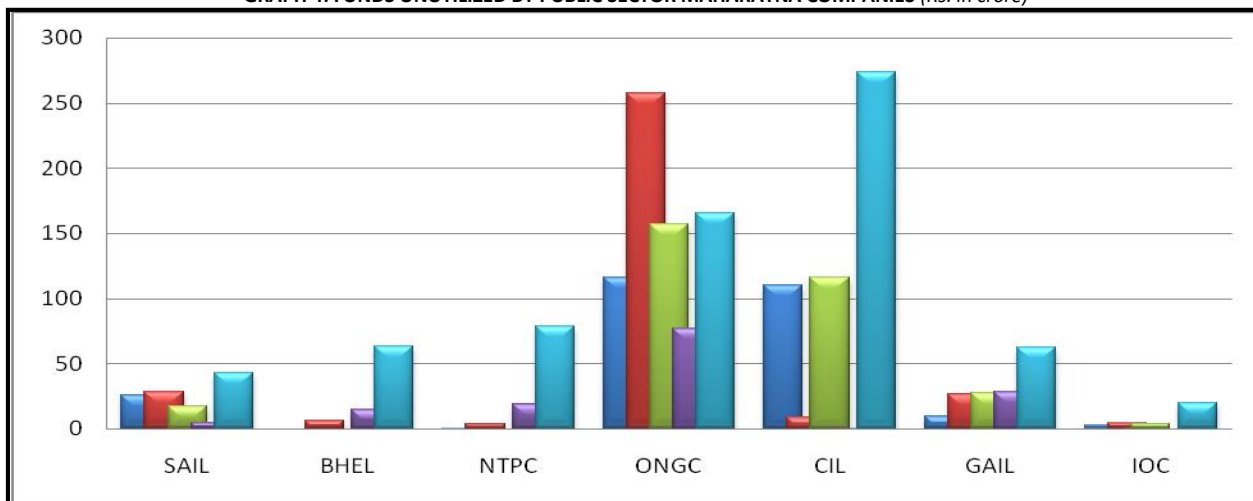
Source: Annual Reports of Public Sector Maharatna companies from 2010-11 to 2014-15

Graph 4 reveals the position of funds unutilized by public sector Maharatna companies from 2010-11 to 2014-15. ONGC and CIL have not spent enough funds on CSR activities during the study period as shown in the graph whereas IOC has made the best utilisation of funds.

AMOUNT SPENT ON CSR ACTIVITIES AS A PERCENTAGE OF NET PROFIT BY PUBLIC SECTOR MAHARATNA COMPANIES

Considering the mandatory requirement of spending i.e. 2 per cent of the average net profit of the preceding 3 financial years for CSR activities by profit making companies, a brief analysis of the amount spent on CSR activities by the Maharatna Public Sector Undertakings as percentage of their net profit for the past 3 years is given here as follows:

TABLE 9: AMOUNT SPENT BY MAHARATNA COMPANIES AS PERCENTAGE OF NET PROFIT *(in percentage)*

Year	SAIL	BHEL	NTPC	ONGC	CIL	GAIL	IOC
2010-11	1.39	0.36	0.79	1.16	1.40	1.68	1.72
2011-12	1.00	0.43	0.49	0.48	0.70	1.48	2.09
2012-13	1.14	0.95	0.55	1.25	0.14	1.61	1.58
2013-14	1.53	1.64	1.00	1.54	0.94	1.43	1.17
2014-15	1.67	7.19	1.99	2.79	0.18	3.35	2.16

Source: Annual Reports of Maharatna companies from 2010-11 to 2014-15

The above table presents the amount spent by public sector Maharatna companies from 2010-11 to 2014-15. The amount spent by SAIL was approximately 1.5 per cent during the study period while the performance of BHEL was not good in initial years of the study period but in 2014-15, 7.19 per cent of net profit was spent on CSR activities. The amount spent as a percentage of net profit remained highest in 2014-15 in all the Maharatna companies except CIL where it was at peak in 2010-11 and decreased in later part of the study period. GAIL spent approximately more than 1.5 per cent of net profit on CSR activities during the entire study period.

GRAPH 5: AMOUNT SPENT AS %AGE OF NET PROFIT *(in percentage)*
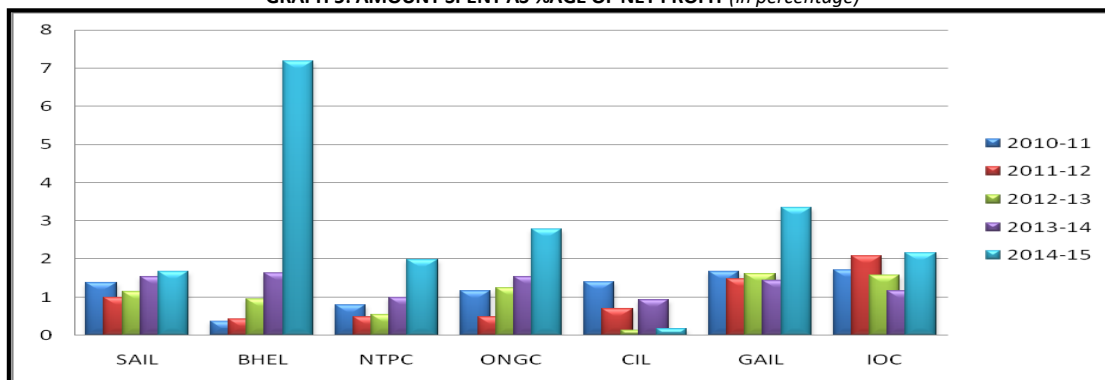
Source: Annual Reports of Public Sector Maharatna companies from 2010-11 to 2014-15

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Graph 6 shows the amount spent as percentage of net profit by the public sector Maharatna companies during the study period. It can be seen that SAIL has spent more than 1 per cent funds of net profit while BHEL has spent more than 7 per cent of net profit on CSR activities. GAIL and IOC have used more than 2 per cent of net profit during the study period.

DATA ANALYSIS AND INTERPRETATION

The present study is primarily concerned with the issue of Corporate Social Responsibility practices by Public Sector Maharatna companies of India. The secondary data considered for the study consists of selected variables collected for the five year period from 2010-11 to 2014-15. The analysis and interpretation is based on the following hypotheses:

H_{01}: There is no significant difference in fund utilization for CSR activities among Maharatna companies.

To understand the changes in funds utilized across public sector Maharatna companies the following analysis is carried out to identify the mean percentage of variation in funds utilization in different companies during the study period. The null hypothesis (H0) assumed that there is no significant difference in CSR funds utilization across Maharatna companies. The mean values of percentage change of various bank branches have been compared between more than two groups by using one way ANOVA. The following tables show the results of mean differences of CSR fund utilisation among Maharatna companies of Indian public sector with the help of SPPS.

TABLE 10: DESCRIPTIVE STATISTICS

Company	N	Mean	Std. Deviation	Minimum	Maximum
SAIL	5	40.73	16.370	24.81	68.27
BHEL	5	54.67	31.711	21.55	102.06
NTPC	5	100.38	62.937	45.52	205.18
ONGC	5	287.64	140.626	121.08	495.23
CIL	5	89.18	62.242	23.73	152.33
GAIL	5	68.72	19.026	54.43	102.06
IOC	5	97.16	22.499	78.97	128.41

Source: Calculated from table 7

The above table shows the statistical description of fund utilization for CSR activities by public sector Maharatna companies from 2010-11 to 2014-15. SAIL and BHEL utilized Rs. 40.73 and Rs. 54.67 crore respectively on CSR practices during the study period. ONGC spent maximum amount of Rs. 287.64 crore on CSR practices among Maharatna companies while NTPC is the second largest company which utilized Rs. 100.38 crore on CSR practices.

To understand the change in fund utilisation for CSR activities among Maharatna companies following analysis is carried out. In order to identify the variation in fund utilisation among different Maharatna companies following null hypothesis (H₀) is formulated, i.e. there is no significant difference in fund utilization in CSR activities among Maharatna companies. The mean values of percentage change in fund utilisation have been compared between different Maharatna companies by using one way ANOVA. The following table shows the result of mean differences of fund utilisation of different Maharatna companies with the help of SPSS.

TABLE 11: TEST OF HOMOGENEITY OF VARIANCES

Test of Homogeneity of Variances				
Levene Statistic	F- value	4.482	p-value	.003
ANOVA				
F-Statistic	F –value	8.170	p-value	.000
Robust Test of Homogeneity of Variances				
Welch Test	F value	4.813	p-value	.010
Brown Forsythe test	F value	8.170	p-value	.004

Source: Calculated from table 7

As it has been clearly seen from table 11 that the P value of F test in ANOVA is 0.003 which is less than alpha 0.05 which shows statistically significant differences in the mean percentage of fund utilisation among different Maharatna companies and thus null hypothesis is rejected. It reveals that the funds utilized by Maharatna companies in CSR activities differ significantly and according to their profit position. To test the homogeneity of variances i.e. the Levene statistic, the null hypothesis is assumed that there is no significant difference between variance of population. The results of Levene test shows the p- value 0.039 which is statistically significant with the alpha 0.05 thereby rejecting the null hypothesis. Here the principle of homogeneity is violated and thus Brown Forsythe test and Welch test has been used accordingly regarding the equal variances in the sample. Levene test is used to find the homogeneity of data and significance value lesser than 0.05 shows heterogeneity of the data and significance value greater than 0.05 shows homogeneity in the data. The results of Levene test shows that the data is heterogeneous i.e. p-value is less than 0.05. From the analysis it has been observed that Maharatna companies are more or less working satisfactorily in their CSR activities during the study period and a significant difference exist in fund utilization for CSR activities among Maharatna companies.

H_{02}: There is no significant impact of utilized funds on net profit among Maharatna companies.

To find the impact of utilized funds on net profit among Maharatna companies, Ordinary least-squares (OLS) regression is used. In OLS regression, to find the relationship between a dependent variable (response variable) and independent variables (explanatory variables), following linear equation is used:

$Y = \alpha + \beta X + e$

Where

Y = dependent variable

X = independent variable

α = intercept (value of Y when X is equal to zero)

β = regression coefficient (change in Y that is associated with a unit change in X).

In this study,

Y = Net Profit (NP)

X = Fund Utilization (FU)

Therefore, equation will be

$NP = \alpha + \beta FU + e$

For this study, 5 years (2011-2015) data of total utilized funds by each Maharatna company is taken from the annual reports from 2010-11 to 2014-15. To find the impact of fund utilization in CSR practices on net profit, OLS regression model is used and results are shown in the table below:

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TABLE 12: IMPACT OF FUND UTILIZATION ON NET PROFIT

Variables	Coefficient	Std. Error	t-Statistic	P-value
Funds Utilized	39.36	9.21	4.27	0.00
C	4878.94	1318.16	3.70	0.00
R-squared	0.35			
Adjusted R-squared	0.33			
F-statistic	18.26			
P-value (F-statistic)	0.00			

Source: Calculations are made on the basis of data given in annual reports of public sector Maharatna companies

In the above table, the value of F-statistic is 18.26 which is significant at 1 per cent level as the P-value is less than .01, this shows that the funds utilised for CSR practices is one of the factor of increasing Net profit of the 7 public sector companies and the R^2 value of 0.35 also shows that this model explains the 35 per cent of variation in the dependent variable due to independent variable. The above mentioned results provide that as more and more funds are utilised in CSR practises, more will be the impact on net profit of the firms.

The coefficient values of fund utilized shows that there is a positive relationship between the funds utilised and net profit. The CSR fund allotment is quite minimal i.e. around 2 per cent of the total profit and the percentage of utilized funds are even less. It shows that there are other factors too affecting the profitability of the firm and this is the reason due to which the value of R square is 0.35 which is quite low.

CONCLUDING REMARKS AND SUGGESTIONS

Companies all over the world are increasingly realizing their stake in the society and engaging themselves in various social and environmental activities. Corporate social responsibility is an evolving concept that incorporates a wide range of internal and external policies and practices extending from the workplace into the community, the environment and beyond.

From the above analysis, it may be concluded that Maharatna companies are working satisfactorily in CSR activities. They are involved more or less in same kind of CSR activities as they follow the guidelines issued by Department of Public Enterprise which streamlines CSR activities of CPSEs. As per recently passed company law, CSR is mandatory for companies as per criteria set for that and it has now become an integral part of Corporate Governance. As per Section 135 of Companies Act, 2013, companies have to spend 2 per cent of the average net profit made during the three immediately preceding financial years, in pursuance of its CSR Policy. CSR Committee should be formed to formulate and recommend CSR policy to the Board, amount to be spent and to monitor the CSR policy from time to time.

The analysis of the funds spent by the Maharatna companies viz-a-viz the average net profit, the criteria of spending 2 per cent of the net profit for CSR activities is being done in order to examine the CSR practices. However, considering the higher amount of profit some companies are registered during the years under study. The amount spent for CSR activities and the extent of activities undertaken are notable. The Maharatna PSU's being profit making and large in size, the mandatory allocation of 2 per cent of the net profit will substantially increase the corpus size for CSR spending from its current level.

The study of CSR activities by Maharatna PSEs show that even though these companies are engaged in extensive CSR activities, the amount they spent fell short of the mandatorily prescribed limit giving amble room and resources for these Maharatna PSEs to enlarge their CSR activities and act as a catalyst for inclusive growth agenda of the Government. The Government can further encourage the CSR activities by giving appropriate tax break and other financial incentives for the CSR expenditure which is not currently available and also increase the recognition for CSR activities as these would definitely give a greater momentum to the initiatives undertaken by the Government to promote CSR.

CSR activities under taken by Maharatna include environmental protection, women empowerment, village up-liftmen, health care, education, job creation and assistance during natural calamities. Among these activities, Maharatna enterprises have given top priority to environmental protection. Only half of the amount is utilized for CSR practice from the total allocated amount to Maharatna. Among the seven Maharatna enterprises, IOC, SAIL, GAIL and NTPC enterprises have utilized more than 50 per cent of the allocated amount.

From the above analysis, it is suggested that if the amount of funds allocated to CSR activities of Maharatna Companies is found to be remains unutilized, the amounts should be carried forward for the next years to make productive utilisation in CSR activities only. Maharatna Companies need to choose best projects to implement CSR activities and priorities should be given to support the backward districts and simple spending for the sake of utilization of funds allocated for CSR activities should not be done. Some kind of financial incentives should be given to these Maharatna Companies so that they can feel motivated and undertake more and more CSR activities. Maharatna should be given some kind of recognition such as award to accelerate the level of their CSR activities. Further, Maharatna Companies feel CSR expenditure should be liable for a tax deduction, which would act as a major incentive for carrying out CSR projects. As per latest figures, companies are spending between 1 to 2 percent for CSR activity e.g. SAIL (1.34 per cent), BHEL (2.11 per cent), NTPC (0.96 per cent), ONGC (1.44 per cent), CIL (0.67 per cent), GAIL (1.91 per cent) and IOC (1.74 per cent) etc.

The new mandate will not affect the companies which are already involved in CSR as their business activity and spending between 1.5 to 2 percent. They will only have to spend some more on CSR to reach the level of 2 percent. It will awake the companies which are doing minimal or no CSR activity. Many are of the opinion that CSR should be voluntary but at the other hand, some experts opined that CSR must be a mandatory affair as companies are affecting their stakeholders and not taking enough care of them. Mandatory CSR policy suggested by the new Companies Act 2013 is a very good step towards sustainable development.

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AN EMPIRICAL ANALYSIS OF ARBITRAGE OPPORTUNITIES IN NSE NIFTY FUTURES

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ABSTRACT

A Derivative contract derives its value from the performance of an underlying entity which can be an asset, index, or interest rate. Derivatives can be used for hedging, increasing exposure to price movements for speculation or getting access to otherwise hard to trade assets or markets. In this study we have analysed the relation between "Arbitrage Profit per Contract" and "Number of Contracts traded on a day". "Days to Maturity of the contract" and "Change in Open Interest on a day". The analysis has been based on 90 days Nifty Futures Contracts expiring on 29th Dec 2016; 25th January, 2017 and 23rd February, 2017. Pearson's product-moment correlation has been applied at 95% level of significance and a two-tailed T-test has been administered. The results suggested a significant negative correlation with the number of contracts traded, a significant positive correlation with the number of days till maturity and no significant correlation with change in open interest.

KEYWORDS

arbitrage, correlation, derivatives, hedging, Nifty futures contract.

INTRODUCTION

Derivatives can be used for insuring against price movements (hedging), increasing exposure to price movements for speculation or getting access to otherwise hard to trade assets or markets. The most common underlying assets include commodities, stocks, bonds, interest rates and currencies. The underlying asset does not have to be acquired. Derivatives therefore allow the breakup of ownership and participation in the market value of an asset.

In June 2000, the Bombay Stock Exchange (BSE) launched the first exchange-traded index derivatives contract in India, i.e., futures on the capital market benchmark index—the BSE Sensex. BSE commenced trading in index options on Sensex in June 2001. Stock options were introduced on 31 stocks in July 2001 and Single Stock Futures were launched in November 2002. The National Stock Exchange (NSE) commenced trading in derivatives with the launch of index futures in June 2000. In the futures and options segment, trading in CNX Nifty index, CNX IT index, Bank Nifty index, Nifty Midcap 50 index and single stock futures are available. In August 2008, currency derivatives were introduced in India with the launch of currency futures in USD/ INR by NSE. It also added currency futures in Euros, pounds and yen. Only the NSE and the BSE have been permitted to trade in equity derivatives contracts. Derivative instruments were issued in India not only in index product but also at individual stock level. The need of the derivative instruments was felt in India post liberalization because derivatives trading provide various benefits such as risk management, price discovery, operational advantage, market efficiency and opportunity to speculate. Introduction of risk management instruments in India has gained momentum in the last few years, thanks to Reserve Bank of India's efforts in allowing forward contracts, cross currency options, etc. which have developed into a very large market.

Futures contract is one of the variants of derivative contracts. Futures contract is an agreement between two parties to buy or sell an asset at a certain time in the future for certain agreed price. The certain agreed price is called futures price. To make trading possible, the exchange specifies certain standardized features of the contract. As the two parties to the contract do not know each other, the exchange provides a mechanism that gives the two parties confidence that the contract will be honoured.

One of the parties to a futures contract assumes a long position and agrees to buy the underlying asset on a certain specified future date for a certain agreed price. The other party assumes a short position and agrees to sell the asset on the same date for the same price. Long futures give the profit to the trader if the value of the underlying asset on the maturity date is more than the futures price. Short futures give the profit to the trader if the value of the underlying asset on the maturity of the futures contract is less than the futures price. The underlying asset may be individual stock, stock market index, foreign currency, commodities, gold, silver, fixed-income securities. The profit to the trader acquiring long position in the futures contract is the value of the underlying asset at expiration minus futures price. The profit to the trader acquiring short position in the futures contract is futures price minus value of the underlying asset at expiration.

LITERATURE REVIEW

Put/call parity was developed by **Stoll (1969)** to establish a relationship between the prices of put and call options. While recognizing that "real world" factors like transactions costs and taxes could affect the results, Stoll tested two sets of data and concluded that the theory was reasonably valid. **Klemkosky and Resnick (1979)** attempted to correct some of the previously noted deficiencies with the put/call parity theory by recognizing changes in the structure of the options markets and incorporating a dividend term in the basic model. Out of 540 long hedges tested, 234 were profitable, and 324 out of 592 short hedges tested were profitable. Transactions costs were then added, but profitable hedges still occurred, the number decreasing as the level of transactions costs increased. The authors nevertheless concluded that their tests were consistent with put/call parity. **Brenner and Galai (1986)** tested put/call parity by using option price data and calculating the implied interest rate. The authors conclude that implied rates track well with market rates, but they also acknowledge that short positions apparently are not treated the same as long positions and that the probability of early exercise is likely to cause significant deviation of the implied interest rates. **Chance (1988)** used index call options to minimize the dividend effect and bid-ask market maker quotes to reflect the prices available to the general investing public. The Treasury bill rate was again assumed to be the relevant interest rate. Few violations of put/call parity were noted, and the majority of them were on options deep-in-the-money options with short maturities. **Frankfurter and Leung (1991)** extended the work of Brenner and Galai by increasing the size of the data set but restricting the data set to calls where the stock price was within 15% of the strike price. They concluded that the implied interest rates are poor proxies for the risk-free rate. They also concluded that time to maturity, the absolute level of Treasury bill rates, the relationship of the exercise price to the underlying stock price, and individual stock characteristics affected the implied interest rates. **Misra, Kannan & Misra (2006)** tested the validity of put/call parity theorem in NSE Nifty futures taking the data from 2005-06. The results indicated that there is a violation of spot-futures parity relationship for many futures in case of NSE Nifty futures. The average arbitrage profit earned was Rs. 2422 per contract whereas maximum arbitrage profit of Rs. 8069 was possible in one of the futures. Another objective of this paper was to find out the factors behind the violation of spot-futures parity theorem. The different factors considered were: time to maturity; whether violation was

more in rising markets or in declining markets; whether violation was more when theoretical futures price exceeds actual futures price or when actual futures price exceeds theoretical futures price; number of contracts traded; and change in open interest. The results of estimated regression models indicate that arbitrage profits were more: for far the month futures contracts than for near the month futures contracts; for undervalued futures market (relative to the spot market) than for overvalued futures market (relative to the spot market); for high liquid futures than for less liquid futures; when new contracts are added than when outstanding contracts are settled. **Ghose and Rathi (2016)** analyzed the Pearson's correlation between the Turnover (T/O) of BSE cash segment and derivatives segment, stock futures, index futures, index call options and index put options, stock call options and stock put options. The results reveal that derivatives do indeed facilitate transfer of risk and that this segment has gradually overtaken the cash segment in terms of T/O and that there is a correlation between the above-mentioned parameters.

IMPORTANCE OF THE STUDY

There exists a deterministic relationship between spot and futures prices, irrespective of the investor demand for the futures. The theoretical spot-futures relationship can be developed to determine a futures price for a given spot price and other relevant information (risk-free rate, dividend yield and time to maturity). If the actual futures price differs from the theoretical price, there exists an arbitrage opportunity and an arbitrageur can set up a risk-less position and earn more than the risk-free rate of return. Speculators use index futures to bet on future movement in the price of the underlying asset. Arbitrageurs use index futures to take advantage of mispricing.

The futures and options (F&O) segment of NSE reported a total turnover *of Rs. 91312417.24 Crores* during 2016-17 as against Rs.*64825834.30 Crores* during 2015-16, as against *Rs.55606453.39 Crores* in 2014-15, and Rs.*38211408.05 Crores* in 2013-14 registering an average annual growth of 46.32% over the past three financial years. Considering the data from the year 2016-17, Index futures registered a turnover of Rs.4204326.25 Crores, amounting to 4.6% of the total turnover in the F&O market.

This paper has been analysed from the point of view of arbitrageurs. The objective of this paper is to find out whether the spot-futures parity relationship holds in case of index futures in the Indian stock market. In the present market situation it is imperative to understand the above as many investors are considering Futures as a lucrative avenue. Thus this study aims to bring light to such investors the risks and rewards of investing in futures.

OBJECTIVES OF THE STUDY

1. To investigate the validity of "Put-Call parity theorem" in NSE Nifty Futures and analyse the Arbitrage opportunities arising out of disparity in Nifty futures.
2. To analyze the relation between "Arbitrage Profit per Contract" and "Number of Contracts traded on a day".
3. To analyze the relation between "Arbitrage Profit per Contract" and "Days to Maturity of the contract".
4. To analyze the relation between "Arbitrage Profit per Contract" and "Change in Open Interest on a day".

RESEARCH METHODOLOGY AND DATA COLLECTION

The analysis has been based on 90 days Nifty futures Contracts expiring on 29th Dec 2016; 25th January, 2017 and 23rd February, 2017 which is the sample. The data is secondary and has been collected from www.nseindia.com. The spot-futures parity relationship has been verified using daily data on value of NSE Nifty; time to maturity for different futures contracts available for trading; and number of contracts traded for different futures contracts.

To verify the spot-futures parity relationship, the sample carrying one year time period from 30th September, 2016 to 23rd February, 2017 has been chosen. To analyze the correlation of the arbitrage profits with its possible explanatory parameters, "Karl Pearson's product-moment correlation" has been analyzed at 95% level of significance and using a two-tailed T-test.

Tabular and graphical analysis have been used to demonstrate the cause and effect relationship between: Arbitrage profit per contract and "number of contracts traded", Arbitrage profit per contract and "days to maturity of a contract".

FIGURE 1: FORMULAS

Calculating the Correlation Coefficient: Formula for Pearson's r

- Definitional formula for Pearson's r:

$$r = \frac{\sum (x - \bar{x})(y - \bar{y})}{\sqrt{\left[\sum (x - \bar{x})^2\right]\left[\sum (y - \bar{y})^2\right]}}$$

- *Use the computational formula to calculate*:

$$r = \frac{n\Sigma XY - (\Sigma X)(\Sigma Y)}{\sqrt{[n\Sigma X^2 - (\Sigma X)^2][n\Sigma Y^2 - (\Sigma Y)^2]}}$$

$$t = \frac{r_{xy}\sqrt{n-2}}{\sqrt{1 - r_{xy}^2}}$$

RESULTS AND DISCUSSIONS

ANALYSIS 1: To investigate the validity of put-call parity theorem in NSE nifty futures & to analyze the arbitrage profits arising there off.

It has been assumed that the Risk free rate of interest is SBI's Fixed Deposit account interest rate i.e. 5.5% per annum and each contract consists of 100 units of NSE Nifty Futures.

TABLE 1: ARBITRAGE PROFITS

Arbitrage Profits (Rs. per contract- per day)			
Mean	Maximum	Minimum	Standard Deviation
1334	12754	11	1683

INTERPRETATION 1

In general, the Put-Call parity theorem seems to hold true, the average arbitrage profits per contract-per day are only Rs.1334 which is only 0.16% of the contract value. This small amount of arbitrage profit can be due to the existence of the transaction costs for the trade and occasional mispricing in the markets. The highest arbitrage profit that was possible during the period was Rs. 12754 being about 1.5% of the Contract value, this indicates that there is an occasional mispricing which can be taken advantage of by the arbitrageur. Further, the variation in the arbitrage profits is huge, with an absolute range of Rs. 12743 and a standard deviation of Rs.1683

ANALYSIS 2: To analyze the relation between arbitrage profit per contract and number of contracts traded.

H_0: *There is no statistically significant correlation between the arbitrage profits and the number of contracts traded in a day.*

H_1: *There is a statistically significant correlation between the arbitrage profits and the number of contracts traded in a day.*

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TABLE 2: CORRELATION ANALYSIS

Particulars	Value
Correlation coefficient:	-0.242
Significant correlation coefficient:	-0.144
T-Value:	-3.386
Significant T Value:	-1.973

INTERPRETATION 2

As the test statistic exceeds the required t-value, we have sufficient evidence to reject H_0, thus there is a significant negative correlation between the number of contracts traded and the arbitrage profit per contract. So, we can conclude that the arbitrage profit per contract decreases when more number of contracts is traded in a day. This is because, as the volume of trade increases, the market efficiency also increases, so the opportunities for arbitrage diminish. The table and graph also show expected results, as the number of contracts traded per day increase, the arbitrage profit per contract reduces. Also, there is a decreasing trend in the standard deviation; this can be interpreted as enhanced market efficiency due to increased volume of trade.

TABLE 3: NUMBER OF CONTRACTS BASED ANALYSIS

NUMBER OF CONTRACTS TRADED	Arbitrage Profits Per Contract (Rupees)			
Mean	Mean	Maximum	Minimum	Standard Deviation
Up to 1000	1854	9739	426	839
1000-5000	1706	12754	66	1468
5001-10000	1784	10347	142	908
> 10000	842	3069	11	629
Overall	1334	12754	11	1683

FIGURE 2: NUMBER OF CONTRACTS TRADED
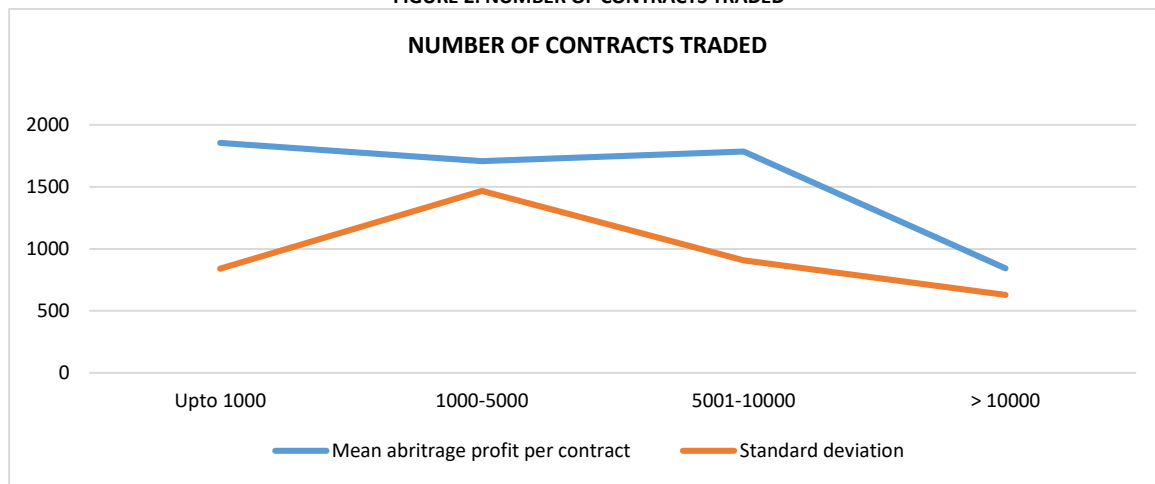
ANALYSIS 3: To analyze the relation relation between arbitrage profit per contract and days to maturity of a contract.

H_0: *There is no statistically significant correlation between the arbitrage profits and the number of days to maturity of a contact.*
H_1: *There is a statistically significant correlation between the arbitrage profits and the number of days to maturity of a contact.*

TABLE 4: CORRELATION ANALYSIS

Particulars	Value
Correlation coefficient:	0.304
Significant correlation coefficient:	0.144
T-Value:	4.322
Significant T Value:	1.973

INTERPRETATION 3

As the test statistic exceeds the required t-value, we have sufficient evidence to reject H_0. Thus, there is a significant positive correlation between the number of days to maturity of a contract and the arbitrage profit per contract. So, we can conclude that the arbitrage profit per contract decreases when fewer days to maturity are remaining. This is because, as the contract gets nearer to its maturity, volume of trade increases, the market efficiency also increases, so the opportunities for arbitrage diminish. There might be other possible reasons for this relationship. The table and graph also show expected results, as the number of days to maturity reduces, the arbitrage profit per contract reduces. Also, there is a decreasing trend in the standard deviation, which can be interpreted as enhanced market efficiency due to increased volume of trade as contract gets closer to its maturity date.

TABLE 5: NUMBER OF DAYS TO MATURITY BASED ANALYSIS

Number of Days to Maturity	Arbitrage Profits Per Contract (Rupees)			
	Mean	Maximum	Minimum	Standard Deviation
60-90	1707	11706	66	1335
30-60	1584	12755	84	1394
<=30	756	2968	11	507

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FIGURE 3: AVERAGE ARBITRAGE PROFIT

ANALYSIS 4: To analyze the relation between arbitrage profit per contract and open interest in the market.

H_0: *There is no statistically significant correlation between the arbitrage profits and open interest in the market.*

H_1: *There is a statistically significant correlation between the arbitrage profits and open interest in the market.*

TABLE 6: CORRELATION ANALYSIS

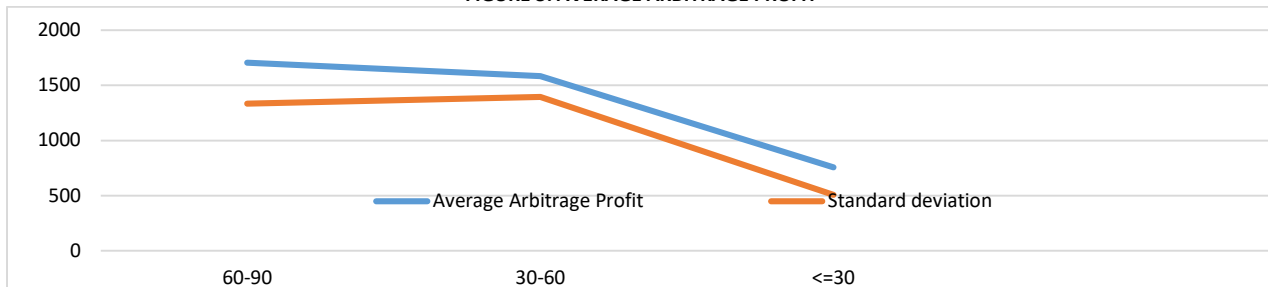| Particulars	Value
Correlation coefficient:	0.004
Significant correlation coefficient:	0.144
T-Value:	0.063
Significant T Value:	1.973

INTERPRETATION 4

As the test statistic does not exceed the required t-value, we do not have sufficient evidence to reject H_0. Thus, there is no significant correlation between the open interest in the market and the arbitrage profit per contract.

FINDINGS AND CONCLUSION

The results indicate that, in general, the put-call parity theorem seems to hold true, the average arbitrage profits per contract-per day is only Rs.1334 which is only 0.16% of the contract value. This small amount of arbitrage profit can be accounted for by the transaction costs for the trade and occasional mispricing in the markets. The highest arbitrage profit that was possible during the period was Rs.12754 being about 1.5% of the Contract value, indicating that there is an occasional mispricing which can be taken advantage of by the arbitrageur. Further, the variation in the arbitrage profits is huge, with an absolute range of Rs.12743 and a standard deviation of Rs.1683. The results suggested a significant negative correlation with the number of contracts traded, a significant positive correlation with the number of days till maturity and no significant correlation with change in open interest. Thus arbitrage opportunities have diminished over the years, as volume has increased, and market efficiency has improved.

FURTHER SCOPE OF RESEARCH

To analyze the various sources of arbitrage profits and their effects, a regression can be performed. There are various other factors responsible for the variation in arbitrage profits, than those considered by the study. This indicates that there is a further scope of research in this area, to find out the various other factors that affect the arbitrage profits per contract. Also the sample can be extended beyond the time period and types of futures.

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ANNEXURE

TABLE 1: NUMBER OF CONTRACTS

Date	Expiry	Settle Price	Turnover in Lacs	Open Int	Change in OI	Average Spot Rate	Theoretical Futures Price	Arbitrage Profit	No. of contracts	<1000	1000-5000	5000-10000	10000+
30-Sep-16	29-Dec-16	8728.35	11035.1	69825	69825	8611.15	8725.586689	276.3311	1688	0	276.331132	0	0
3-Oct-16	29-Dec-16	8874.05	12070.45	146700	76875	8738.1	8850.328231	2372.177	1822	0	2372.17691	0	0
4-Oct-16	29-Dec-16	8896.75	7204.03	178125	31425	8769.15	8880.474277	1627.572	1081	0	1627.57228	0	0
5-Oct-16	29-Dec-16	8872.95	10303.81	216675	38550	8743.95	8853.655552	1929.445	1548	0	1929.44483	0	0
6-Oct-16	29-Dec-16	8828.35	8270.94	227925	11250	8709.55	8817.530442	1081.956	1244	0	1081.95585	0	0
7-Oct-16	29-Dec-16	8819.00	5446.33	235500	7575	8697.6	8804.140738	1490.926	824	1490.92618	0	0	0
10-Oct-16	29-Dec-16	8835.4	2837.89	234825	-675	8708.8	8811.599436	2380.056	428	2380.05635	0	0	0
13-Oct-16	29-Dec-16	8678.8	17538.84	330825	96000	8573.35	8670.73408	806.592	2687	0	806.59196	0	0
14-Oct-16	29-Dec-16	8699.5	7435.66	339075	8250	8583.4	8679.624956	1987.504	1141	0	1987.50442	0	0

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17-Oct-16	29-Dec-16	8621.6	8825.45	358725	19650	8520.4	8612.127992	947.2008	1361	0	947.200768	0	0
18-Oct-16	29-Dec-16	8774.75	14451.64	373725	15000	8677.9	8770.037044	471.2956	2209	0	471.295644	0	0
19-Oct-16	29-Dec-16	8760.8	7342.5	394275	20550	8659.1	8749.753866	1104.613	1117	0	1104.61338	0	0
20-Oct-16	29-Dec-16	8802.45	19284.59	549075	154800	8699.4	8789.186421	1326.358	2922	0	1326.35792	0	0
21-Oct-16	29-Dec-16	8798.05	8378.2	577500	28425	8693.05	8781.482658	1656.734	1273	0	1656.73416	0	0
24-Oct-16	29-Dec-16	8819.9	12326.37	652875	75375	8708.95	8793.673801	2622.62	1862	0	2622.61994	0	0
25-Oct-16	29-Dec-16	8799.35	12879.83	706500	53625	8691.3	8774.564886	2478.511	1954	0	2478.51143	0	0
26-Oct-16	29-Dec-16	8715.25	27090.67	810600	104100	8615.25	8696.510548	1873.945	4138	0	1873.94517	0	0
27-Oct-16	29-Dec-16	8708.7	25762.45	875175	64575	8615.25	8695.234977	1346.502	3957	0	1346.50235	0	0
28-Oct-16	29-Dec-16	8719.6	26030.22	892725	17550	8638	8716.917438	268.2562	3987	0	268.256237	0	0
30-Oct-16	29-Dec-16	8681.65	4664.07	894750	2025	8625.7	8701.951762	2030.176	716	2030.17624	0	0	0
1-Nov-16	29-Dec-16	8704.25	25396.15	985650	90900	8625.7	8699.39921	485.079	3884	0	485.079012	0	0
2-Nov-16	29-Dec-16	8594.65	35063.44	1004250	18600	8625.7	8698.123214	10347.32	5432	0	0	10347.32	0
3-Nov-16	29-Dec-16	8569.3	28294.15	1053675	49425	8625.7	8696.847406	12754.74	4393	0	12754.7406	0	0
4-Nov-16	29-Dec-16	8509.9	36285.95	1098375	44700	8433.75	8502.066909	783.3091	5676	0	0	783.3091	0
7-Nov-16	29-Dec-16	8567	25401.64	1124325	25950	8497.05	8562.110985	488.9015	3947	0	488.901512	0	0
8-Nov-16	29-Dec-16	8615.55	23870.85	1135200	10875	8543.55	8607.704299	784.5701	3704	0	784.570091	0	0
9-Nov-16	29-Dec-16	8515.95	151720.8	1249350	114150	8432	8494.070599	2187.94	24189	0	0	0	2187.94
10-Nov-16	29-Dec-16	8604.95	61720.97	1263600	14250	8525.75	8587.250991	1769.901	9538	0	0	1769.901	0
11-Nov-16	29-Dec-16	8381.15	79506.38	1379475	115875	8296.3	8354.920192	2622.981	12556	0	0	0	2622.981
15-Nov-16	29-Dec-16	8191.65	111851.3	1708350	328875	8108.45	8160.953048	3069.695	18108	0	0	0	3069.695
16-Nov-16	29-Dec-16	8167.6	87271.13	1723350	15000	8111.6	8162.925961	467.4039	14177	0	0	0	467.4039
17-Nov-16	29-Dec-16	8141.1	87535.86	1779600	56250	8079.95	8129.883061	1121.694	14296	0	0	0	1121.694
18-Nov-16	29-Dec-16	8121.25	109433.3	2148600	369000	8074.1	8122.805311	155.5311	17933	0	0	0	155.5311
21-Nov-16	29-Dec-16	7977.15	390080	4914000	2765400	7929.1	7973.421064	372.8936	64886	0	0	0	372.8936
22-Nov-16	29-Dec-16	8044.95	410078.2	6691500	1777500	8002.3	8045.84992	89.99197	68215	0	0	0	89.99197
23-Nov-16	29-Dec-16	8064.7	522755.9	9187350	2495850	8033.3	8075.83392	1113.392	86545	0	0	0	1113.392
24-Nov-16	29-Dec-16	8013.1	1108297	15015450	5828100	7965.5	8006.500403	659.9597	184219	0	0	0	659.9597
25-Nov-16	29-Dec-16	8126.35	983208.8	14147625	-867825	8114.3	8154.870013	2852.001	162248	0	0	0	2852.001
28-Nov-16	29-Dec-16	8150.6	733722.5	14752575	604950	8126.9	8163.939587	1333.959	120167	0	0	0	1333.959
29-Nov-16	29-Dec-16	8172.05	823352.8	15091950	339375	8142.15	8178.059388	600.9388	134021	0	0	0	600.9388
30-Nov-16	29-Dec-16	8260.35	872663.4	15600150	508200	8224.5	8259.560918	78.90821	141525	0	0	0	78.90821
1-Dec-16	29-Dec-16	8212	653494.8	16102125	501975	8192.9	8226.619381	1461.938	105795	0	0	0	1461.938
2-Dec-16	29-Dec-16	8108.9	977992.1	15733725	-368400	8086.8	8118.891683	999.1683	160118	0	0	0	999.1683
5-Dec-16	29-Dec-16	8164.9	765064.8	15520875	-212850	8128.75	8157.417606	748.2394	125464	0	0	0	748.2394

6-Dec-16	29-Dec-16	8169.05	613578.2	15499725	-21150	8143.15	8170.669771	161.9771	99946	0	0	0	161.9771
7-Dec-16	29-Dec-16	8123.35	869296.8	15832500	332775	8102.05	8128.238479	488.8479	142128	0	0	0	488.8479
8-Dec-16	29-Dec-16	8255.65	898797.9	16865250	1032750	8246.85	8272.292993	1664.299	145413	0	0	0	1664.299
9-Dec-16	29-Dec-16	8277	565814.4	17151225	285975	8261.75	8286.02342	902.342	91161	0	0	0	902.342
12-Dec-16	29-Dec-16	8183.4	719832.2	16502925	-648300	8170.8	8191.200783	780.0783	116984	0	0	0	780.0783
13-Dec-16	29-Dec-16	8227.45	592755.6	16960425	457500	8221.8	8241.119165	1366.917	96307	0	0	0	1366.917
14-Dec-16	29-Dec-16	8197.65	618416.6	16581150	-379275	8182.45	8200.473711	282.3711	100519	0	0	0	282.3711
15-Dec-16	29-Dec-16	8173.05	1157661	15584400	-996750	8153.6	8170.361589	268.8411	188405	0	0	0	268.8411
16-Dec-16	29-Dec-16	8146.5	657362.1	14874900	-709500	8139.45	8154.986181	848.6181	107524	0	0	0	848.6181
19-Dec-16	29-Dec-16	8124.15	390143.4	14570625	-304275	8104.35	8116.246754	790.3246	63952	0	0	0	790.3246
20-Dec-16	29-Dec-16	8099.9	634488.2	14405925	-164700	8082.4	8093.077296	682.2704	104439	0	0	0	682.2704
21-Dec-16	29-Dec-16	8080.65	471045.5	14274225	-131700	8061.3	8070.765458	988.4542	77520	0	0	0	988.4542
22-Dec-16	29-Dec-16	7996.85	876852.9	12897600	-1376625	7979.1	7987.297221	955.2779	146045	0	0	0	955.2779
23-Dec-16	29-Dec-16	7995	836572.2	13605525	707925	7985.75	7992.78153	221.847	139593	0	0	0	221.847
26-Dec-16	29-Dec-16	7911.3	768036.9	14412375	806850	7908.25	7911.730879	43.0879	129296	0	0	0	43.0879
27-Dec-16	29-Dec-16	8031.35	1065036	13281600	-1130775	8032.85	8035.206976	385.6976	178213	0	0	0	385.6976
28-Dec-16	29-Dec-16	8031.35	1093454	10557750	-2723850	8034.85	8036.028695	467.8695	180872	0	0	0	467.8695
28-Oct-16	25-Jan-17	8760.6	5738.05	34200	34200	8638	8751.509681	909.0319	875	909.03191	0	0	0
30-Oct-16	25-Jan-17	8723.95	1139.14	42075	7875	8625.7	8736.484616	1253.462	174	1253.46158	0	0	0
1-Nov-16	25-Jan-17	8747	6573.77	87675	45600	8625.7	8733.921934	1307.807	1001	0	1307.80662	0	0
2-Nov-16	25-Jan-17	8635.25	5558.34	112200	24525	8625.7	8732.640875	9739.087	857	9739.08746	0	0	0
3-Nov-16	25-Jan-17	8614.3	7393.84	143100	30900	8625.7	8731.360003	11706	1142	0	11706.0003	0	0
4-Nov-16	25-Jan-17	8549.1	13848.74	226425	83325	8433.75	8535.806539	1329.346	2156	0	1329.34608	0	0
7-Nov-16	25-Jan-17	8609.1	9879.02	275475	49050	8497.05	8596.088894	1301.111	1528	0	1301.11063	0	0
8-Nov-16	25-Jan-17	8655.4	7198.51	323850	48375	8543.55	8641.863141	1353.686	1113	0	1353.68594	0	0
9-Nov-16	25-Jan-17	8553.4	30022.2	358650	34800	8432	8527.778496	2562.15	4763	0	2562.15043	0	0
10-Nov-16	25-Jan-17	8645.8	9682.83	376725	18075	8525.75	8621.328665	2447.133	1490	0	2447.13345	0	0
11-Nov-16	25-Jan-17	8423.6	15392.84	433650	56925	8296.3	8388.075884	3552.412	2419	0	3552.4116	0	0
15-Nov-16	25-Jan-17	8231.75	17319.59	472575	38925	8108.45	8193.339	3841.1	2787	0	3841.09998	0	0
16-Nov-16	25-Jan-17	8206.4	14713.44	505725	33150	8111.6	8195.319743	1108.026	2378	0	1108.02571	0	0
17-Nov-16	25-Jan-17	8177.5	10664.69	524475	18750	8079.95	8162.145715	1535.429	1733	0	1535.42852	0	0
18-Nov-16	25-Jan-17	8155.7	30082.03	658200	133725	8074.1	8155.039878	66.01225	4912	0	66.0122458	0	0
21-Nov-16	25-Jan-17	8012.45	25281.24	710400	52200	7929.1	8005.062814	738.7186	4189	0	738.718598	0	0
22-Nov-16	25-Jan-17	8076	17526.68	740475	30075	8002.3	8077.779096	177.9096	2904	0	177.909646	0	0
23-Nov-16	25-Jan-17	8091.65	18861.69	818325	77850	8033.3	8107.882085	1623.209	3111	0	1623.20855	0	0

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24-Nov-16	25-Jan-17	8044.95	24806.75	911925	93600	7965.5	8038.273425	667.6575	4107	0	667.65745	0	0
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28-Nov-16	25-Jan-17	8176.9	23353.32	1081800	74325	8126.9	8196.337392	1943.739	3813	0	1943.73916	0	0
29-Nov-16	25-Jan-17	8202.2	34478.91	1044525	-37275	8142.15	8210.513226	831.3226	5592	0	0	831.3226	0
30-Nov-16	25-Jan-17	8294.6	24421.14	1087350	42825	8224.5	8292.338186	226.1814	3948	0	226.181395	0	0
1-Dec-16	25-Jan-17	8247.3	17911.75	1113825	26475	8192.9	8259.265924	1196.592	2888	0	1196.59235	0	0
2-Dec-16	25-Jan-17	8144.55	30632.87	1168650	54825	8086.8	8151.110719	656.0719	4995	0	656.071913	0	0
5-Dec-16	25-Jan-17	8195.05	29417.53	1256625	87975	8128.75	8189.789528	526.0472	4807	0	526.047208	0	0
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7-Dec-16	25-Jan-17	8152.2	42961.35	1428975	165525	8102.05	8160.494606	829.4606	6990	0	0	829.4606	0
8-Dec-16	25-Jan-17	8287.5	41892.9	1521450	92475	8246.85	8305.120787	1762.079	6749	0	0	1762.079	0
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12-Dec-16	25-Jan-17	8217.7	41881.32	1634025	48675	8170.8	8223.70677	600.677	6778	0	0	600.677	0
13-Dec-16	25-Jan-17	8263.4	30674.45	1684125	50100	8221.8	8273.823249	1042.325	4965	0	1042.32491	0	0
14-Dec-16	25-Jan-17	8231.6	33826.66	1773375	89250	8182.45	8233.016498	141.6498	5476	0	0	141.6498	0
15-Dec-16	25-Jan-17	8207.95	58277.87	1904925	131550	8153.6	8202.784878	516.5122	9444	0	0	516.5122	0
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19-Dec-16	25-Jan-17	8159.55	41836.87	2390100	249075	8104.35	8148.455294	1109.471	6828	0	0	1109.471	0
20-Dec-16	25-Jan-17	8133.1	70722.27	2678100	288000	8082.4	8125.19389	790.611	11592	0	0	0	790.611
21-Dec-16	25-Jan-17	8115.2	72946.1	3140925	462825	8061.3	8102.79351	1240.649	11958	0	0	0	1240.649
22-Dec-16	25-Jan-17	8030	233861.8	4876350	1735425	7979.1	8018.994037	1100.596	38804	0	0	0	1100.596
23-Dec-16	25-Jan-17	8027.95	260302.2	7031100	2154750	7985.75	8024.50011	344.989	43251	0	0	0	344.989
26-Dec-16	25-Jan-17	7942.6	331976.1	9674850	2643750	7908.25	7943.127817	52.78174	55666	0	0	0	52.78174
27-Dec-16	25-Jan-17	8060	444160.4	11568600	1893750	8032.85	8067.093917	709.3917	74078	0	0	0	709.3917
28-Dec-16	25-Jan-17	8056.25	602587.5	12744375	1175775	8034.85	8067.918897	1166.89	99365	0	0	0	1166.89
29-Dec-16	25-Jan-17	8117.3	748493.7	16142550	3398175	8103.6	8135.758352	1845.835	123349	0	0	0	1845.835
30-Dec-16	25-Jan-17	8187.4	705568.5	17107050	964500	8185.8	8217.079128	2967.913	114999	0	0	0	2967.913
2-Jan-17	25-Jan-17	8192.1	684469.4	17031150	-75900	8179.5	8207.142616	1504.262	111530	0	0	0	1504.262
3-Jan-17	25-Jan-17	8196.5	698025.3	17229825	198675	8192.25	8218.730035	2223.003	113527	0	0	0	2223.003
4-Jan-17	25-Jan-17	8204.05	557851.5	17529225	299400	8190.5	8215.769143	1171.914	90638	0	0	0	1171.914
5-Jan-17	25-Jan-17	8288.2	892673.5	18773775	1244550	8273.8	8298.108824	990.8824	143845	0	0	0	990.8824
6-Jan-17	25-Jan-17	8267.65	693892.7	18727275	-46500	8243.8	8266.80796	84.204	111583	0	0	0	84.204
9-Jan-17	25-Jan-17	8249.9	387847.7	18707775	-19500	8236.05	8255.402649	550.2649	62644	0	0	0	550.2649
10-Jan-17	25-Jan-17	8293.85	493580.7	18709950	2175	8288.6	8306.857531	1300.753	79420	0	0	0	1300.753
11-Jan-17	25-Jan-17	8387.2	726184.2	19355850	645900	8380.65	8397.878342	1067.834	115758	0	0	0	1067.834
12-Jan-17	25-Jan-17	8418	682495.3	20646300	1290450	8407.2	8423.24725	524.725	108255	0	0	0	524.725
13-Jan-17	25-Jan-17	8417.7	630803.3	19916550	-729750	8400.35	8415.149691	255.0309	99975	0	0	0	255.0309
16-Jan-17	25-Jan-17	8431.7	517084.4	20138625	222075	8412.8	8423.913773	778.6227	81879	0	0	0	778.6227
17-Jan-17	25-Jan-17	8408.5	613260.9	19685100	-453525	8398	8407.860806	63.91937	97186	0	0	0	63.91937

18-Jan-17	25-Jan-17	8429.35	743563	20561025	875925	8417	8425.647092	370.2908	117493	0	0	0	370.2908
19-Jan-17	25-Jan-17	8442.95	503319.5	20198775	-362250	8435.1	8442.527187	42.28133	79581	0	0	0	42.28133
20-Jan-17	25-Jan-17	8362.65	896103.7	17989575	-2209200	8349.35	8355.475953	717.4047	142458	0	0	0	717.4047
23-Jan-17	25-Jan-17	8402.4	977189.9	15481950	-2507625	8391.5	8393.96221	843.779	155352	0	0	0	843.779
24-Jan-17	25-Jan-17	8480.5	1132809	10783050	-4698900	8475.8	8477.043381	345.6619	178727	0	0	0	345.6619
25-Nov-16	23-Feb-17	8193.4	3849.97	27450	27450	8114.3	8222.133869	2873.387	631	2873.38692	0	0	0
28-Nov-16	23-Feb-17	8210.7	5553.87	53700	26250	8126.9	8231.278253	2057.825	903	2057.82527	0	0	0
29-Nov-16	23-Feb-17	8232.05	4189.66	64050	10350	8142.15	8245.514518	1346.452	677	1346.45181	0	0	0
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2-Dec-16	23-Feb-17	8178.2	8585.88	142275	25275	8086.8	8185.85878	765.878	1394	0	765.877962	0	0
5-Dec-16	23-Feb-17	8233.05	4422.96	153675	11400	8128.75	8224.702476	834.7524	719	834.752442	0	0	0
6-Dec-16	23-Feb-17	8233.8	2852.49	157050	3375	8143.15	8238.063949	426.3949	461	426.394865	0	0	0
7-Dec-16	23-Feb-17	8188.9	4892.57	169125	12075	8102.05	8195.28267	638.267	793	638.267034	0	0	0
8-Dec-16	23-Feb-17	8316.2	6283.97	189075	19950	8246.85	8340.52539	2432.539	1009	0	2432.53898	0	0
9-Dec-16	23-Feb-17	8336.55	3944.99	204450	15375	8261.75	8354.36907	1781.907	631	1781.90704	0	0	0
12-Dec-16	23-Feb-17	8244.8	4803.77	200475	-3975	8170.8	8258.764307	1396.431	774	1396.43068	0	0	0
13-Dec-16	23-Feb-17	8294.65	3490.07	214275	13800	8221.8	8309.094431	1444.443	563	1444.4312	0	0	0
14-Dec-16	23-Feb-17	8262.2	7185.77	247050	32775	8182.45	8268.113721	591.3721	1159	0	591.372111	0	0
15-Dec-16	23-Feb-17	8240.3	10962.85	254025	6975	8153.6	8237.753224	254.6776	1769	0	254.677557	0	0
16-Dec-16	23-Feb-17	8214.9	3697.95	263775	9750	8139.45	8222.250996	735.0996	600	735.099636	0	0	0
19-Dec-16	23-Feb-17	8194.6	5395.62	287250	23475	8104.35	8183.192034	1140.797	877	1140.79659	0	0	0
20-Dec-16	23-Feb-17	8170.3	9080.36	311400	24150	8082.4	8159.831467	1046.853	1481	0	1046.85326	0	0
21-Dec-16	23-Feb-17	8148.4	5024.67	324075	12675	8061.3	8137.335595	1106.441	820	1106.44052	0	0	0
22-Dec-16	23-Feb-17	8062.75	13105.78	352350	28275	7979.1	8053.178886	957.1114	2164	0	957.111357	0	0
23-Dec-16	23-Feb-17	8061.45	10367.36	366825	14475	7985.75	8058.708431	274.1569	1716	0	274.156893	0	0
26-Dec-16	23-Feb-17	7973.9	13062.38	391950	25125	7908.25	7976.98925	308.925	2181	0	308.924991	0	0
27-Dec-16	23-Feb-17	8084.9	17408.39	461925	69975	8032.85	8101.483815	1658.382	2893	0	1658.3815	0	0
28-Dec-16	23-Feb-17	8081.4	23855.14	566025	104100	8034.85	8102.312312	2091.231	3922	0	2091.2312	0	0
29-Dec-16	23-Feb-17	8138.8	24487.14	706050	140025	8103.6	8170.440966	3164.097	4027	0	3164.0966	0	0
30-Dec-16	23-Feb-17	8208.45	31334.24	800775	94725	8185.8	8252.108411	4365.841	5094	0	0	4365.841	0
2-Jan-17	23-Feb-17	8216.45	23463.59	836400	35625	8179.5	8242.129539	2567.954	3811	0	2567.95392	0	0
3-Jan-17	23-Feb-17	8222.6	32822.31	982350	145950	8192.25	8253.766355	3116.636	5321	0	0	3116.636	0
4-Jan-17	23-Feb-17	8229.7	21968.55	1054200	71850	8190.5	8250.792841	2109.284	3558	0	2109.28412	0	0
5-Jan-17	23-Feb-17	8312.95	38813.18	1165275	111075	8273.8	8333.483535	2053.354	6235	0	0	2053.354	0
6-Jan-17	23-Feb-17	8293.75	37748.04	1222725	57450	8243.8	8302.049236	829.9236	6052	0	0	829.9236	0
9-Jan-17	23-Feb-17	8277.05	25476.02	1307775	85050	8236.05	8290.595305	1354.53	4102	0	1354.53045	0	0
10-Jan-17	23-Feb-17	8318.85	20551.41	1307550	-225	8288.6	8342.269538	2341.954	3297	0	2341.95376	0	0

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11-Jan-17	23-Feb-17	8413.55	37962.03	1353000	45450	8380.65	8433.678369	2012.837	6034	0	0	2012.837	0
12-Jan-17	23-Feb-17	8442.95	41435.38	1446000	93000	8407.2	8459.155424	1620.542	6553	0	0	1620.542	0
13-Jan-17	23-Feb-17	8443.05	82545.17	2069700	623700	8400.35	8451.023345	797.3345	13049	0	0	0	797.3345
16-Jan-17	23-Feb-17	8455.15	36117.83	2162625	92925	8412.8	8459.824788	467.4788	5702	0	0	467.4788	0
17-Jan-17	23-Feb-17	8430.9	46529.45	2339325	176700	8398	8443.703388	1280.339	7353	0	0	1280.339	0
18-Jan-17	23-Feb-17	8454.85	59619.64	2444250	104925	8417	8461.565497	671.5497	9390	0	0	671.5497	0
19-Jan-17	23-Feb-17	8466.75	73506	2880600	436350	8435.1	8478.517551	1176.755	11588	0	0	0	1176.755
20-Jan-17	23-Feb-17	8387.2	178396.3	3863325	982725	8349.35	8391.095219	389.5219	28281	0	0	0	389.5219
23-Jan-17	23-Feb-17	8424.75	379564.2	6696975	2833650	8391.5	8429.745542	499.5542	60177	0	0	0	499.5542
24-Jan-17	23-Feb-17	8509.6	751137.5	12670725	5973750	8475.8	8513.180888	358.0888	118150	0	0	0	358.0888
25-Jan-17	23-Feb-17	8614.85	1120284	18169050	5498325	8602.75	8639.423392	2457.339	174164	0	0	0	2457.339
27-Jan-17	23-Feb-17	8671.1	812299.8	19389450	1220400	8641.25	8675.541964	444.1964	124832	0	0	0	444.1964
30-Jan-17	23-Feb-17	8655.35	592176.2	19939950	550500	8632.75	8663.195059	784.5059	91222	0	0	0	784.5059
31-Jan-17	23-Feb-17	8584.3	975710.7	19447125	-492825	8561.3	8590.232908	593.2908	151198	0	0	0	593.2908
1-Feb-17	23-Feb-17	8737.9	1662725	20860725	1413600	8716.4	8744.574259	667.4259	256338	0	0	0	667.4259
2-Feb-17	23-Feb-17	8743.95	899984.2	21658800	798075	8734.25	8761.196708	1724.671	137422	0	0	0	1724.671
3-Feb-17	23-Feb-17	8754.35	595124.7	21486000	-172800	8740.95	8766.631333	1228.133	90734	0	0	0	1228.133
6-Feb-17	23-Feb-17	8816.6	728035.1	21854325	368325	8801.05	8823.024386	642.4386	110169	0	0	0	642.4386
7-Feb-17	23-Feb-17	8785.5	560425.7	21568425	-285900	8768.3	8788.903303	335.3303	85012	0	0	0	335.3303
8-Feb-17	23-Feb-17	8796.35	765412.5	21768225	199800	8769.05	8788.365831	798.4169	116252	0	0	0	798.4169
9-Feb-17	23-Feb-17	8796.85	1024704	21760950	-7275	8778.4	8796.446008	40.39923	155576	0	0	0	40.39923
10-Feb-17	23-Feb-17	8809.35	578911.5	21685425	-75525	8793.55	8810.334695	98.46954	87575	0	0	0	98.46954
13-Feb-17	23-Feb-17	8815.35	782547.4	22318275	632850	8805.05	8817.975344	262.5344	118500	0	0	0	262.5344
14-Feb-17	23-Feb-17	8814.85	591555.6	23350950	1032675	8792.3	8803.915113	1093.489	89528	0	0	0	1093.489
15-Feb-17	23-Feb-17	8743.1	1128252	25091025	1740075	8724.7	8734.944413	815.5587	171595	0	0	0	815.5587
16-Feb-17	23-Feb-17	8787.6	681849.9	24620025	-471000	8778	8787.01796	58.20395	103632	0	0	0	58.20395
17-Feb-17	23-Feb-17	8827	913002.4	24253650	-366375	8821.7	8829.467592	246.7592	137805	0	0	0	246.7592
20-Feb-17	23-Feb-17	8873.85	763958.9	21694650	-2559000	8879.2	8883.10825	925.825	115075	0	0	0	925.825
21-Feb-17	23-Feb-17	8910.35	1163092	16272450	-5422200	8907.85	8910.463716	11.37155	174589	0	0	0	11.37155
22-Feb-17	23-Feb-17	8920.1	1038633	13441125	-2831325	8926.9	8928.209557	810.9557	155133	0	0	0	810.9557

AN EMPIRICAL STUDY OF DEMONETIZATION IMPACT ON RURAL PUBLIC

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ABSTRACT

Demonetization technically is a liquidity shock, a sudden stop in terms of currency availability. The term demonetization is not new to the Indian economy. The highest Bank notes ₹1,000 and ₹10,000 demonetized in 1946 and ₹1,000, ₹5,000, and ₹10,000 were demonetized in 1978. Recently on 8 November 2016, India's Prime Minister Narendra Modi announced the Government of India's decision to cancel the legal tender character of ₹500 and ₹1,000 banknotes with effect from 9 November 2016. He also announced the issuance of new ₹500 and ₹2,000 banknotes in exchange for the old banknotes up to 30 December 2016. Demonetization affects the economy through the liquidity side. Its effect will be a telling one because nearly 86% of currency value in circulation was withdrawn without replacing bulk of it. Demonetization may have had considerable negative effect in the first few days but the situation now has improved and it will have a positive impact on the economy. The demonetization of the highest denomination currency notes is part of several measures undertaken by the government to address tax evasion, bogus currency and funding of illegal activities by encouraging cashless transactions. It would help combat black money and reduce corruption, while having a positive result on the economic front. Demonetization has significant and immediate impact on the state of the Indian economy. The present study relates to Krishna District of Andhra Pradesh. The main object of this research paper is to measure the Impact of Demonetization on Rural Public. The researcher has collected data through primary sources and secondary sources as well.

KEYWORDS

demonetization, black money, corruption, tax evasion and cashless transactions.

INTRODUCTION

The government has implemented a major change in the economic environment by demonetizing the high value currency notes – of Rs 500 and Rs 1000 denomination. These ceased to be legal tender from the midnight of 8th of November 2016. People have been given up to December 30, 2016 to exchange the notes held by them. The proposal by the government involves the elimination of these existing notes from circulation and a gradual replacement with a new set of notes. In the short term, it is intended that the cash in circulation would be substantially squeezed since there are limits placed on the amount that individuals can withdraw. In the months to come, this squeeze may be relaxed somewhat. The reasons offered for demonetization are two-fold: one, to control counterfeit notes that could be contributing to terrorism, in other words a national security concern and second, to undermine or eliminate the 'Black Economy'. 86% of India's currency was nullified in a great demonetization effort that aimed to clean out the black market's cash supply and counterfeit notes which completely disrupted the social, political, and economic spheres of the world's second largest emerging market.

FIG. 1 & 2

CAUSES FOR DEMONETIZATION

The common public and bankers are undoubtedly in hassles in the present scenario. Now the question arises that why was demonetization required to be done at this point of time. Here are certain points to clarify on the need of demonetization of currency:

- To Introduce New Currency in to the country.
- To develop a good banking system
- The Fake currency in the economy.
- To Block the inflow of fake currency notes and their use for criminal activities including terrorist activities.
- To Eliminate Black Money, Currency Storage, Corruption and Tax Evasion etc.,
- Destabilizing election campaigns being done through black money.
- Destroying hoardings of public money by few influential people.

HISTORY OF DEMONETIZATION IN INDIA?

This is not the first time when Indian currency is demonetized in India. The first instance was in 1946 and the second in 1978 when an ordinance was circulated to phase out notes with denomination of Rs. 1,000, Rs. 5,000 and Rs. 10,000. The highest denomination note ever printed by the Reserve Bank of India was the Rs. 10,000 note in 1938 and again in 1954. But these notes were demonetized in January 1946 and again in January 1978. Higher denomination banknotes of Rs. 1,000, Rs. 5,000 and Rs. 10,000 were reintroduced in 1954 and all of them were demonetized in January 1978. The Rs. 1,000 note made a comeback in November 2000. Rs 500 note came into circulation in October 1987. The move was then justified as attempt to contain the volume of banknotes in circulation due to inflation. However, this is the first time that Rs. 2,000 currency note is being introduced.

THE POSITIVE IMPACT OF DEMONETIZATION

✓ What happens, when people go to bank and deposit their money? Deposits in banks will increase and this eventually makes the interest rates come down.
✓ Curb on black money, corruption, terrorism etc.
✓ Boost to cashless economy with people adopting the habits of using Debit cards, Credit cards, Net banking, Mobile banking and Wallets etc.
✓ Political related activities, real estate business, etc., will be fair and transparent.
✓ A trap on tax evaders will bring good revenues to Government.

THE NEGATIVE IMPACT OF DEMONETIZATION

▪ Withdrawal of currency in circulation, in the short-run, might actually drive up interest rates.
▪ Very Short-term liquidity squeeze could be severe and hence economic activity could suffer.
▪ There is short-term impact on economic activity which reduces government revenues and widens deficit.
▪ Cost of printing the new currency would create another problem.
▪ Immediate confusion and public disorder.

CATEGORIES EFFECTED BY DEMONETIZATION

The following are various categories affected by Demonetization,
▪ Agriculture sector
▪ Real Estate and Construction
▪ Automobiles and Auto Ancillary
▪ Mobile phones and pc sellers
▪ Juices/fruit drinks sale
▪ Durable goods sellers
▪ Cigarettes sellers
▪ Petty vendors
▪ Hair saloons
▪ Kirana Shops
▪ Employees
▪ Women
▪ Students

OBJECTIVES OF THE STUDY

To study and analyses the demonetization post- impact on rural public in Krishna District.
➢ To know the problems and challenges faced by the rural public due to demonetization.
➢ To know the effect of demonetization on banking transactions.
➢ To know the interest of the public to move for cashless transactions instead of using paper currency.

METHODOLOGY

The research paper is analytical in nature. The research is mainly based on primary data as well as secondary data. The sample size is 120 from various rural households in Krishna District of Andhra Pradesh. Questionnaire was canvased on selected respondents using Convenience Sampling Method.

FINDINGS OF THE STUDY

❖ 90% of the respondents told that the new currency note i.e., Rs. 2000 is very inconvenient to them.
❖ Out of the total respondents, about 75% were effected by demonetization
❖ Out of the total respondents, about 95% are having bank accounts and 87.5% have ATM cards. Of them only 52.5% availing ATMs for their payments.
❖ Of the total sample, only 15% of the respondents are using e-banking for their payments and 65% of the respondents are showing interest to use e-banking for their future payments.
❖ 50% of the respondents are dissatisfied with the continuation of cash withdrawal limits from their bank accounts.
❖ Respondents had faced tough situation to get lower denomination currency for Rs. 500 and 2000 notes particularly the rural mass and illiterate labour.
❖ Liberalizing the limits on cash withdrawals and steady availability of cash at Banks & ATMs slowly relieving the rural people from the negative impact of demonetization at micro level.

PICTURE 3

RECOMMENDATIONS & SUGGESTIONS

✓ Immediate action is needed for the installation of POS machines at all retail outlets, like Kiraana Shops, Medical stores, Oil bunks, PDS dealers ect.,
✓ Awareness programs on cashless transactions to be continued.
✓ Awareness programs on the use of Debit cards, Credit cards, Smart cards, e-Banking, Mobile Banking, Paytms/ wallets etc. in rural areas to be undertaken.
✓ Monitoring the progress of cashless transactions
✓ Encouraging the public to go for cashless transactions by offering monetary incentives, like discounts.
✓ Implementation of Aadhaar enabled e-Payment system
✓ Elimination of service charges on cashless transactions.

PICTURE 4

CONCLUSION

The study observes that the demonetization effect on public initially was painful but has led the sellers and buyers to adopt cashless means such as paytm, debit & credit cards use, online banking to buy goods. By switching over to cashless means, economy will reap its fruits in due course of time. Of course Indian consumers particularly the rural and illiterates need to learn the means of going to cashless transactions. By adopting the cashless means, certainly there will be a definite check on black money and the tax evaders.

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EMOTIONAL INTELLIGENCE AS AN EDUCATIONAL STRATEGY FOR ENHANCEMENT OF EMPLOYABILITY

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ABSTRACT

Emotional intelligence skills and competencies are ways for creating and maintaining a healthy and productive educational climate. To achieve the educational aspirations of the 21st century, there is an increasing need to develop healthy, responsible, and productive students that ultimately will lead to good placements. Nowadays institutes of higher learning deliver programmes for generic skills but a meagre amount of attempt is seen in developing skills that are explicitly aimed at enhancing emotional intelligence, which is most sought by global employers. In addition to having a pool of skills relevant to a career field, employers are seen looking for candidates with sound emotional balance and intelligence when hiring. The transition phase from higher education to work life often results in challenges for graduates as they are ill prepared for the reality of employment and hence employability. In order to do justice with all these roles emotional intelligence can be one component which can be looked into. Embedding graduate attributes especially emotional intelligence into curriculum is the need of the hour. If all these are taken care of, it will ultimately result in producing quality output i.e. students and finally the employability. The current scenario potentially represents a notable gap in skills among graduates. The research understudy would offer potential solutions to reduce this gap through proper educational strategy and efforts in the area of enhancement of employability of graduates.

KEYWORDS
employability, education, emotional intelligence, graduates, employers.

INTRODUCTION

Education is an enlightening experience that provides an understanding of something. It is through education which gives us the perspective of the things around us and helps us to look at our life and learn from every experience. Education is fruitless if it does not have quality aspect in it. In today's Global competition it is not only necessary to access education but receiving education of good quality. One of the basic objectives of the implementation of European Higher Education Area (EHEA) is the learning ability to achieve the employability on the basis of quality higher education. In India, the higher education sector has taken big strides since independence and has contributed tremendously towards producing qualified and skilled human resource, thus enabling it keep human resource ready for all sectors of its economy. However, the quality of output from this sector has continuously been subject of criticism at the hands of academicians, scholars, social leaders and employers both in private and public sector. There is no doubt that India has one of the largest educational systems in the world. The standard of education is rising as the educational sector is undergoing a process of overhaul. There is a rapid change in the current professional requirements and demands. Talking specifically of higher education, it has grown in a remarkable way and academicians of higher education have played a significant role in this growth. The role of academicians is very critical in their institutions as well as shaping the careers of the students. In order to do that, they have to perform in the best way so that the students get benefitted in terms of employability. Employers favour graduates who are highly impressive on quality dimension of education and demand skills for people to learn to act appropriately in the labour market, and one of them precisely being emotional intelligence (Navas 2015). Since the late 20th century, for professional and academic success, the interest in the field of emotional intelligence and employability plays a significant role. Theorists claim that in the 20th century the "driving force of intelligence" was IQ but for the 21st century it will be emotional intelligence (Zeidner, Matthews and Roberts, 2004). Emotional intelligence has been defined as *"a set of skills that enables us to make our way in a complex world - the personal, social and survival aspects of overall intelligence, the elusive common sense and sensitivity that are essential to effective daily functioning"* (Stein and Book 2011). Nowadays institutes of higher learning deliver programmes for generic skills but a meagre amount of attempt is seen in developing skills that are explicitly aimed at enhancing emotional intelligence, which is most sought by global employers. In addition to having a pool of skills relevant to a career field, employers are seen looking for candidates with sound emotional balance and intelligence when hiring. Leading educators have identified and emphasized the importance of a healthy university climate for student learning and achievement (Goodlad, 1983; McQuary, 1983). Emotional intelligence has a substantial impact on employability and helps in achieving a better personal, professional and social success. Emotional intelligence skills and competencies are ways for creating and maintaining a healthy and productive educational climate. To achieve the educational aspirations of the 21st century, there is an increasing need to develop healthy, responsible, and productive students that ultimately will lead to good placements. In fact, the relevance of emotional education is considered as an index of employability progress. But the current scenario potentially represents a notable gap in skills among graduates. The research understudy would offer potential solutions to reduce this gap through proper educational strategy and efforts in the area of enhancement of employability of graduates.

EMOTIONAL INTELLIGENCE

Intelligence has an emotional base and using emotions as a source of energy to accomplish the self-defined goal is what *emotional intelligence* consists of (Chadha 2001). Emotions are not only important but absolutely necessary for us to make good decisions, take optimal action to solve problems, cope with change and succeed (Mayer, Caruso and Salovey, 2004). Emotions affect relations with other people as well as one's self-identity and ability to complete a task. The first term of emotional intelligence is attributed to Wayne Payne(1985) who introduced the term emotional intelligence in his doctoral dissertation entitled "A Study of Emotion: Developing Emotional Intelligence; Self-Integration; Relating to Fear, Pain and Desire." Intelligence has an emotional base and using our emotions as a source of energy to accomplish the self-defined goal is what Emotional Intelligence (EI) consists of (Chadha, 2005). To put this in proper context, Goleman(1995) popularized the concept of Emotional intelligence. Peter Salovey and John D. Mayer coined the term 'Emotional Intelligence' in 1990 describing it as "a form of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them, and to use this information to guide one's thinking and action". In the 1990's Daniel Goleman became aware of Salovey and Mayer's work, and this eventually led to his publication of book *"Emotional Intelligence-Why It can Matter More Than IQ".*

The definition of emotional intelligence refers to the ability to understand and manage both your own emotions, and those of the people around you. People with a high degree of emotional intelligence usually know what they're feeling, what this means, and how their emotions can affect other people (Imanzadeh et.al,

2012).Bradberry and Greaves(2009) identified four essential emotional intelligence skills that can be learnt and categorized them into two types of competencies to deal with them: personal and social competencies. These are:-*Self- Awareness, Self Management, Social Awareness and Relationship Management*. *Self Awareness* is the ability to recognize ones' own emotions and how they affect ones' thoughts and behaviour. *Self Management* refers to the ability to manage your emotions, response according to situations and other people. On the other hand, *Social Awareness* refers to the ability to understand the emotions, needs, and concerns of other people. *Relationship Management* is the ability to use your awareness of your own emotions and those of others to manage interactions successfully. Emotional Intelligence is all about teamwork, leadership, partnership and vision.

EMOTIONAL INTELLIGENCE AND EMPLOYABILITY IN HIGHER EDUCATION

Higher education of India has grown in a remarkable way and academicians of higher education have played a significant role in this growth. The role of academicians is very critical in their institutions as well as shaping the careers of the students. In order to do that, they have to perform in the best way so that the students get benefitted in terms of employability. The employability can be achieved by many factors. One of them is emotional intelligence. Emotional intelligence is a true intelligence which helps a person to achieve success in every area of life whether it's your workplace, home or society. It gives us foundation to build our emotions in a balanced way so that we can handle different situations in a very effective manner. The notion of emotional intelligence rises out of the search for a set of measurable tendencies and capabilities which, in addition to IQ, may serve as valid predictors of academic, occupational and life success (Fox & Spector, 2000). Apart from teaching they have to perform many other roles like counselling or mentoring the students, supervising their performance, transferring knowledge apart from studies, guiding the students with latest technologies, and many more. In order to do justice with all these roles emotional intelligence can be one component which can be looked into. If all these are taken care of, it will ultimately result in producing quality output i.e. students and finally the employability.

Many studies (Berrocal 2007) advocate the importance of emotional intelligence in achieving personal and professional success. Studies (Garcia et al 2009) have shown that lack of emotional skills leads to problems in and outside classroom, when a student faces the reality of competition in the global market. Emotional intelligence has a strong bearing on the learning process of students, that improves their leadership and ability to work effectively in teams, which allows better communication and interpersonal relationships having a strong impact on working life later. In addition, the emotional intelligence as an educational strategy promotes learning as a process of understanding, innovation, interaction, recreation, systematization and transfer of knowledge for a better confrontation against the daily challenges and conflicts at all levels of life (Navas 2015). Therefore people who learn social and emotional skills are more employable and successful in all areas of life. The transition phase from higher education to work life often results in challenges for graduates as they are ill prepared for the reality of employment and hence employability. Embedding graduate attributes especially emotional intelligence into curriculum is the need of the hour to develop self awareness, self management and self innovation. According to (Melinde & Christopher 2010) higher levels of trait emotional intelligence lead to greater confidence in displaying employability related skills and behaviour. (Mayer 1999) view that emotions help individuals to generate multiple future plans, improve their decision making processes, facilitate creative thinking and enhance persistence in challenging tasks.

RESEARCH METHODOLOGY

The study has undertaken data from employers of top listed HR companies from India as per the list compiled by companiesinindia.net in 2017. The paper details a survey of employers' (n=200) opinion on the relevance and current level of competencies displayed by the employees. The survey was completed across Sutra HR, ABC Consultants, Adecco India and Career Net to explore the competencies displayed by graduates during employment. Preliminary findings revealed the management perspective regarding the importance of different competencies (10 listed) and the current levels displayed by graduate employees. Both the primary and secondary data collection methods were considered. The primary data was collected through a structured questionnaire (Source: Jameson, A., Carthy, A., McGuinness, C., & McSweeney, F. (2016). Emotional intelligence and graduates–employers' perspectives). Questionnaires were received from the total sample of 200. Secondary data was taken from various Journals, websites, Research papers and Magazines. Random probability sampling was adopted for the survey with a sample size of 200 employers, 50 from each company. The sampling was adopted for equal chances of selection from each group.
The Statistical Package for Social Science (SPSS) VERSION 16.0 was used to analyze the data.

ANALYSIS

TABLE 1: RESPONDENTS FROM COMPANIES (Top and Middle)

Name of HR Companies	Top level	Middle level	Total
1.Sutra HR	10	40	50
2.ABC Consultants	15	35	50
3.Adecco India	11	39	50
4.Career Net	18	32	50

Below is the bar graph showing frequency distribution of sample from the selected organisations

FIG. 1: BAR GRAPH DEPICTING DISTRIBUTION OF RESPONDENTS FROM TOP AND MIDDLE LEVEL
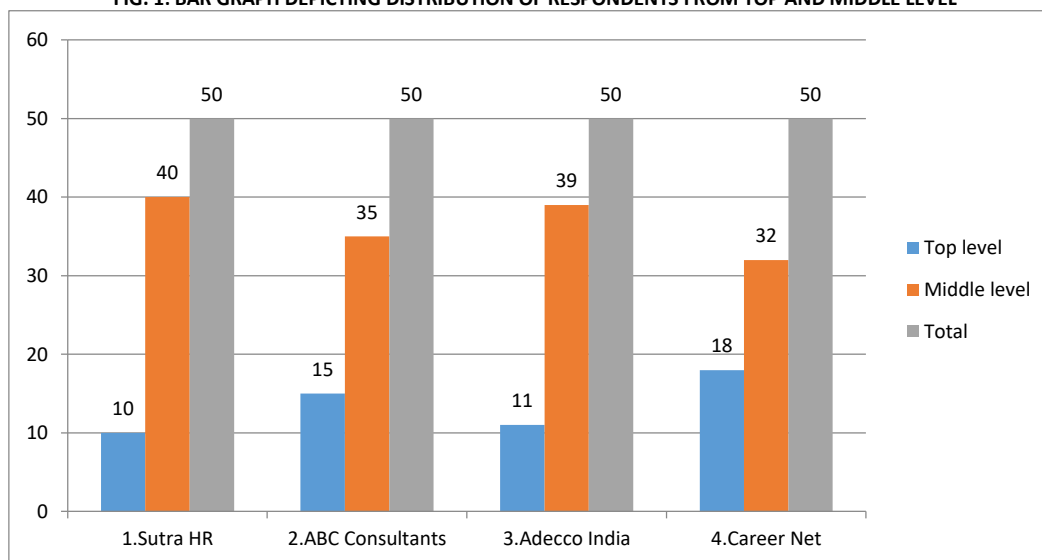
Employers were categorised according to the level of management. The survey was carried out by keeping Middle level management more because of direct contact with employees and hence more cognition about their level of competencies displayed at work.

TABLE 2: NUMBER OF EMPLOYERS FROM TOP AND MIDDLE LEVEL

Level of Management	N=200
Top level	57
Middle level	143

There were a total of 200 responses to the survey which was carried out first for exploring the management ratings of importance of 10 competencies listed in the table below. Employers were given a list of ten social and emotional competencies which were selected from the Emotional Competence Framework proposed by Goleman 1998. These were: (1) emotional self-awareness (recognising one's emotions and their effects), (2) emotional self-control (keeping disruptive emotions and impulses in check), (3) initiative (readiness to act on opportunities), (4) motivation (focused and committed to the goals of the team and the organisation), (5) adaptability (flexibility in handling change), (6) positive outlook (persistence in pursuing goals despite obstacles and setbacks), (7) empathy (sensing others' feelings and perspectives, and taking an active interest in their concerns, (8) communication (listening openly and sending convincing messages), (9) conflict management (negotiating and resolving disagreements) and (10) teamwork (working with others toward shared goals). Employers were, in the first instance asked to rate each competence in terms of its importance for graduates to possess in their workplace, on a scale of 5 (very important) to 1 (not important at all) the degree of importance of the ten competencies.

TABLE 3: MANAGEMENT RATINGS OF IMPORTANCE OF TEN COMPETENCIES

Competency	Very important	Important	Neutral	Somewhat important	Not important at all	Total
Emotional self awareness	113(56.5%)	61(30.5%)	22(11%)	2(1%)	2(1%)	200
Emotional self control	124(62%)	45(22.5%)	25(12.5%)	4(2%)	2(1%)	200
Initiative	135(67.5%)	55(27.5%)	5(2.5%)	4(2)	1(0.5%)	200
Motivation	143(71.5%)	33(16.5%)	15(7.5%)	6(3%)	3(1.5%)	200
Adaptability	161(80.5%)	36(18%)	2(1%)	1(0.5%)	0(0%)	200
Positive outlook	159(79.5%)	31(15.5%)	8(4%)	2(1%)	0(0%)	200
Empathy	147(73.5%)	35(17.5%)	12(6%)	6(3%)	0(0%)	200
Communication	155(77.5%)	41(20.5%)	2(1%)	1(0.5%)	1(0.5%)	200
Conflict management	148(74.0%)	40(20%)	10(5%)	1(0.5%)	1(0.5%)	200
Team work	168(84.0%)	21(10.5%)	5(2.5%)	4(2%)	2(1%)	200

Employers were then asked to rate each of the ten competencies, on a scale of 5 (excellent) to 1 (poor), in respect of the current level of competence demonstrated by graduates. Table 2 presents these findings.

TABLE 4: MANAGEMENT RATINGS OF CURRENT LEVEL OF COMPETENCY DEMONSTRATED BY EMPLOYEES

Competency	Excellent	Very Good	Good	Fair	Poor	Total
Emotional self awareness	7(3.5%)	45(22.5%)	105(52.5%)	35(17.5%)	8(4%)	200
Emotional self control	6(3%)	51(25.5%)	81(40.5%)	55(27.5%)	7(3.5%)	200
Initiative	10(5%)	48(24%)	98(49%)	37(18.5%)	7(3.5%)	200
Motivation	1(0.5%)	112(56%)	48(24%)	38(19%)	1(0.5%)	200
Adaptability	7(3.5%)	44(22%)	102(51%)	41(20.5%)	6(3%)	200
Positive outlook	35(17.5%)	25(12.5%)	74(37%)	65(32.5%)	1(0.5%)	200
Empathy	4(2%)	89(44.5%)	69(34.5%)	35(17.5%)	3(1.5%)	200
Communication	3(1.5%)	42(21%)	121(60.5%)	32(16%)	2(1%)	200
Conflict management	10(5%)	49(24.5%)	97(48.5%)	35(17.5%)	9(4.5%)	200
Team work	7(3.5%)	109(54.5%)	48(24%)	31(15.5%)	5(2.5%)	200

From the table it is depicted that almost 56.5% (n=113) of employers rated all ten competencies as 'very important', with 84% (n=168) of employers rating team work and 80.5% (n=161) rating 'Adaptability' as 'very important'. In addition, findings also reveal that less than 17.5% (n=35) of employers rated the current level of competence among graduates as 'excellent' across all ten competencies, with highest ratings of 'excellent' found for 'positive outlook' (n=35) and 'initiative' (n=10). Highest ratings of 'good' were found for three competencies, emotional self awareness, adaptability and communication. 32.5% (n=65) rated 'positive outlook' as 'fair' among graduates. Between 0.5% (n=1) and 4.5% (n=9) of employers rated current levels of competence across all ten competencies as 'poor' among graduates.

As per the dimensions identified for the study a model was proposed depicting the variables (Emotional intelligence dimensions) that ultimately lead to employable graduates.

FIG. 2: PROPOSED MODEL FOR STUDY
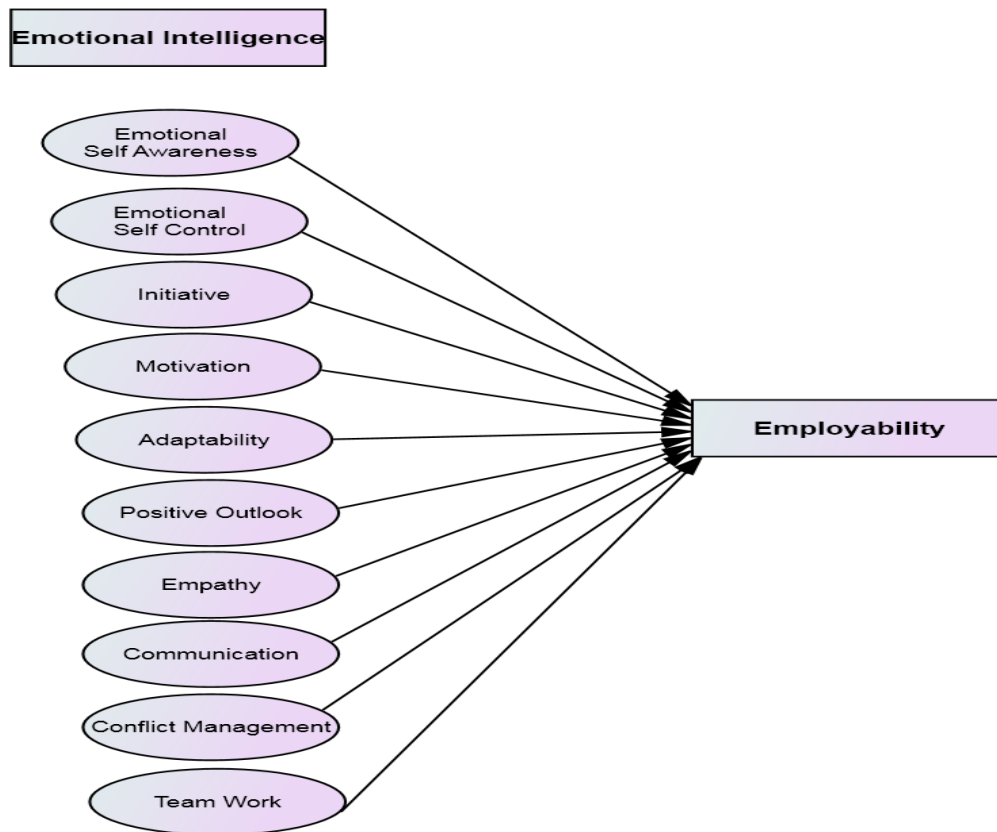
All the ten dimensions that come under the broader element of emotional intelligence lead to employability that is further strengthened by way of testing correlation among the dimensions under study.

TABLE 5: CORRELATION MATRIX

	ESA	ESC	IE	MN	AY	PO	EY	CN	CM	TW
ESA	1									
ESC	0.34**	1								
IE	0.31**	0.39**	1							
MN	0.27**	0.36**	0.25**	1						
AY	0.23**	0.24**	0.29**	0.43**	1					
PO	0.28**	0.30**	0.49**	0.29**	0.27**	1				
EY	0.37**	0.28**	0.24**	0.25**	0.29**	0.05**	1			
CN	0.34**	0.35**	0.23**	0.27**	0.35**	0.54**	0.32**	1		
CM	0.40**	0.36**	0.27**	0.39**	0.46**	0.42**	0.27**	0.22**	1	
TW	0.23**	0.40**	0.25**	0.43**	0.37**	0.44**	0.37**	0.26**	0.25**	1

** Correlation is significant at 0.01 levels (2 tailed).

As all the dimensions ultimately lead to Employability as a whole, correlation was also checked to check the strength among various dimensions under study. It was found that all the dimensions were positively correlated with each other. The maximum co-relation was found to be between CN (Communication) and PO (Positive Outlook) with the r-value = 0.54 and the least co-relation was found to be between CM (Communication) and CN (Conflict Management) with r-value = 0.22.

CONCLUSION

Organizations demand skills for people to learn to act appropriately in the labour market, and one of them is precisely emotional intelligence. This is put forth by summarising the data from perception of employers regarding the importance of competencies at work. Consequently, the emotional components perform an important function in achieving a better and more productive life and student´s professional career. The findings reveal that there is a gap between what is considered important and relevant by employers and what is actually displayed by the graduates at work. In order to lessen this gap, emotional intelligence and its dimensions need to be incorporated in the regular curriculum as a part of educational strategy by higher education institutions. Emotional intelligence as an educational strategy contributes to enhancing emotional skills and employability in the labour activity. It has an impact on employability and is a significant factor in achieving a better personal, social and professional success. The socio-emotional learning skills based on the good use of acquired skills through educational strategies supported in emotional intelligence are what will determine, among others, our ability to cope with frustration, or the way we react to adversity. Emotional intelligence as an educational strategy is a way to enhance productivity in the different areas of human beings activities. All of it is possible when higher educational institutes embed attributes of emotional learning in their programmes and prepare graduates well in advance in terms of emotional intelligence in the world of work. This effort may potentially result in rewards for graduates and employers in terms of career choice, increased job satisfaction, workplace performance, stress management and increased productivity, leading to a workforce who is socially and emotionally competent to skilfully navigate its way in a complex, demanding and dynamic global economy.

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DEMONETIZATION & ITS IMPACT ON INDIAN ECONOMY

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ABSTRACT

The Government claimed demonetization as an effort to curb the counterfeit of current banknotes purportedly used to fund terrorism as well to crack down the black money from the country. The main objective behind this move was to restrain smuggling, curb corruption and to reduce the use of drugs. In India about 80% of India's labour force is employed in informal sector consisting 45% of GDP of our country. As the economy is underbanked economy and where 60% of population falls in below international threshold line of 1.9$ per day, this move caused a severe social experiment on the population. Initially and on short term, this move benefited the government which effectively tend to deploy its resources to permeate the impact to needy and poor people within the country. The paper reveals about the move of Demonetization taken by Government of India exploring its causes and impacts on sectors like E-wallet businesses, online retail stores, Automobile agencies, Micro businesses, and so on in India. The present paper highlights the consequences of this decision on various economic variables and entities and backed up with the benefits of this move.

KEYWORDS

blackmoney, demonetization, real estate sectors, trading.

INTRODUCTION

The Government of India announced a war against black money and corruption through Demonetization. In an emboldened move, P.M. Modi declared that Rs 500 and Rs 1000 currency notes will cease to be a legal tender from midnight 8th November 2016. The measure was taken in an attempt to address the resolve against black money, corruption, terrorism and counterfeit notes with an intention to discard black money and cleanse the formal economic system. The cause which impelled the Government to demonetize the currency is that the circulation was not in line with the economic growth of country. The data produced by the Finance Ministry, during 2011-2016 states variation in the money circulation and the economy growth. On 28th October 2016, in India total currency in circulation was Rs 17.77 lakh crore and the annual report(31st march 2016) of Reserve Bank of India stated total bank notes in circulation was Rs 16.42 lakh crore(in terms of value) of which about 86% was 500 and 1000 currency notes. This move was to eliminate fake currency and cash circulated in relation to corruption, to scoop out the black money from the economy estimated at about 5 lakh crore.

Demonetization is not a new concept, in the past also it has been adopted by countries like Zimbabwe (2015), North Korea (2010), Australia (1996) etc. as well as by India (1946), where in January 1000 and 10000 rupee notes were withdrawn and fresh currency of 1000, 5000 and 10000 rupees in 16 January 1954 were introduced in the economy. Then again on 16 January 1978 Janata Party Coalition Government had again demonetized notes of 1000, 5000, 10000 with an attempt to curtail forgery and black money from the economy.

OBJECTIVES

1. To analyze the current impact of demonetization on Indian economy.
2. To explore the benefits of demonetisation.

RESEARCH METHODOLOGY

TYPE OF DATA - The analysis of paper is completely based on the secondary data.
SOURCE OF DATA - The present study is based on secondary data and the sources of data include the facts by RBI and different websites.
LIMITATIONS - All the limitations of secondary data will be applicable for this study.

EFFECTS OF DEMONETIZATION

Demonetization's impact on different sectors in different ways proved to be boom for some sectors like E-Wallet businesses and somewhere resulting into temporary decline like micro businesses like small seasonal businesses, vegetable vendors, small grocery shops where transactions are completely done on cash basis. Some selected sectors which are major affected by demonetization are as:

1. ***ON ECONOMY***
   1) Demonetizing of 500 and 1000 notes pushed Asia's third largest economy into liquidity crisis.
   2) Invalidating the currency led to cash crunch which ultimately result in GDP growth falling to 0.5% from 6.4%. The growth from October to December quarter it will show negative growth (as per reported by Ambit Capital, Mumbai based equity research firm)
2. ***ON MICRO BUSINESS***: In India Micro small and Medium Enterprises sector contributes considerable share in India's GDP but medium sized enterprises have share of about 1 percent and in general use online mode for payments and receipts. And for the remaining two demonetizations has created a lot of problem as all the transaction were dependent on cash due to less technical know-how and less education amongst people.
3. ***MICRO FINANCE INSTITUTION***: These are the bodies which facilitate with financial assistance to micro businesses and the demonetization led to a very slow disbursement rate. Demonetization resulted in delay in collection of instalments from the clients.
4. ***ONLINE RETAIL STORES***: E-commerce sites like Snapdeal, Myntra, Amazon, Flipkart and others paused offering Services of Cash On Delivery and Redseer Management (Research firm) states that around 70% of orders in India are on Cash on Delivery basis which has a highly negative impact on volume of sales.
5. ***E-WALLET FIRMS***: It stands for electronic wallet used to make electronic transactions like online booking, recharging phone, bill payments etc. The examples of E wallet are Freecharge, Paytm, Mobikwik etc.
6. ***SUPPLY CHAIN***: The Businessmen have lack of funds overnight to carry on their trades as due to cash unavailability payment for transport of goods to market. Retailers cannot sell their commodities since customers are not having cash and can provide on credit only up to certain limit.
7. ***REAL ESTATE & CONSTRUCTION***: The real estate company is conventionally involved a significant level of informal funding in form of cash transactions and demonetization measures leads to decreased informal funding sources, so having an adverse effect on real estate. As the transactions taking place in real estate business are done through cash and its unavailability will lead to decline investors with the insufficient audit and KYC funding procedures.
8. ***AUTOMOBILE INDUSTRY***: Demonetization has an adverse effect in the automobile industry, especially for 2 wheeler and secondary automobiles and auto ancillary industries. As a result of reduced liquidity it becomes difficult for trade of secondary vehicles.
9. ***EFFECT ON GDP***: Demonetization will lead to reduction in the consumption demand. However, demands on some goods may not be significant as some demands will be deferred and can be produced on availability of cash.
10. ***EFFECT ON BANKS***: As per the directions of Government currency notes of 500 and 1000 were to be deposited and exchanged by the banks before 31st march 2016 which will ultimately lead to increase in CASA account and which can be used.

11. *FMCG PRODUCTS*: Consumer expenditures also affected by that decision now only those products are purchased which was necessary for daily consumption and mostly the small traders like kirana store', small bodies', thela wala' etc. they all have done their daily transactions only in cash and because consumer has less cash in his pockets the daily sells of these traders drop down by 20 to 30 %. It is also a short term impact in future things get normal.

12. *AGRICULTURE*: As farmers are totally dependent on cash, hence shortage of cash lead to delay in payment which in turn will affect related companies in short term. The sector is highly dependent on cash transactions and hence near term impact could be seen till liquidity infuses in rural areas.

BENEFITS OF DEMONETIZATION

1. **CONTRACTION OF CORRUPTION AND BLACK MONEY**: The demonetization will lead to erode black money as it is like an indentation on the wealth of small offenders like the government clerks and officers who are paid for every small piece of paperwork to get approved in our country. It is like a petty corruption which is an epidemic in Indian society. Another benefit of demonetization is to exercise control on pernicious practice of political parties of buying votes with cash handouts during elections in rural India. This is the area probably where Demonetization has its major impact in our economy.

2. **SHIFT TO ELECTRONIC CURRENCY**: Demonetization can act as a good tool to make the transition easier. The Government and its supporters are continuously touting the benefits of mobile money, and use of ATM's.

3. **TRANSPARENCY IN CASH ECONOMY**: The consistent problem arising in the economy is problem facing tax policy is that information on wealth of richest is sparse. If the Government's forensic attempt to investigate, then the pattern of deposits may provide the information about laundered money and the modes and channels through which black money gets operated.

CONCLUSION

The present study reveals the fact that impact of demonetization has been dominant in different sectors of Indian Economy. It draws out that the GDP of country decreases slightly as compared to previous year. Though Demonetization has some positive and some negative impacts on different sectors but in long run it definitely will have positive impact in curbing black money and fake money.

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IMPACT OF DEMONETIZATION ON ENTREPRENEURSHIP

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ABSTRACT

On 8 November, 2016 Prime minister of India Mr. Narendra Modi announced that the old denominations of Rs. 500 and Rs. 1000 will not be considered as the legal tenders. On the spot decision of denominations affected the economy as whole. The research paper endeavors to understand the impact of demonetization on the entrepreneurship. Variables such are prices, wages, production process and business transactions are considered to measure the impacts of demonetization. Primary data has been collected from the respondents (customers and entrepreneurs) through the structured questionnaire. Judgmental sampling is used to select the respondents. Data is analyzed with the help of SPSS. ANNOVA test is used to measure the impacts of demonetization on entrepreneurs and customers. After analyzing the data, it is found that demonetization has the significant impact on prices, wages to labors and production process as well the entrepreneurship at all.

KEYWORDS

entrepreneurship, demonetization, customers decision-making, denominations.

JEL CODES

M, M1, M19, M190.

INTRODUCTION

The term entrepreneurship is a wider and multitask notion which is concerned with the establishment of new business concern and deals with carrying out all the activities of the existing business units. It is an ability, skill, knowledge and willingness of launching the new ideas and develop the business ventures along with various risks associated with it. Entrepreneur deals with various obstacles comes into their ways. On regular basis, It deals with entrepreneurship ecosystem which includes various internal and external risks such are government policies, technological changes, competitiveness, creditworthiness, socio-economic factors, corporate structure, physical resources etc. which affects the business development and growth. Now a day, Demonetization is one of the notable factor affecting the businesses as well as the whole Indian economy. Demonetization is a process in which the present circulating notes are not considered as legal tender and new notes are introduced. With the motive to control the excess of black money and corruption in economy the decision of demonetization is made. Government of India, has announced on 8 November 2016, notes of Rs. 500 and Rs. 1000 will not be considered as legal tender onwards and the old notes of Rs. 500 and Rs. 1000 can to be deposited in banks till 30 December 2016 and the new notes of Rs. 500 and Rs. 2000 are added in the circulation. These old notes contributed 84% of money circulation as per the reports. So, the decision of demonetization affects the whole economy of India whereas the industries are expected to be effected.

LITERATURE JUSTIFICATION

- On 9 November 2016, a report by CARE Ratings said that with the decision of demonetization the overall demands of consumer goods, real estate businesses, luxuries goods, automobiles are expected to be affected and the prices of the relevant items would be affected due to the contraction in demands. According to the report, the small size traders and professional who generally deals in daily cash basis transactions such are households, service sector, farmers are expected to be affected. Those customers prefer online shopping and makes cash payment on delivery also expected to be decrease.
- On 18 November 2016, an another report by CARE Ratings on Impact on demonetization on GDP growth said that earnings of hotels, transportation, small trades where payments and receipts are highly cash basis. The losses which are expected to be occur estimated to be cover in next quarter.
- On 11 November 2016, Investment advisory group of HDFC Bank Ltd said in a report on demonetization that the value of old notes of Rs. 500 and 1000 is approx. Rs. 14.2 trillion which covers the 85% of money circulation. After the decision of demonetization, the notes of Rs. 500 and 1000 are not considered as legal tender and all the old denominations of Rs. 500 and 1000 are deposits in banks till 31st December. According to the report, the decision of demonetization will strengthen the tax system, fiscal balance and banking sector. But it is not expected as a strong decision for consumer goods, luxurious goods and real estate as the demands of the customers are expected to be highly affected due to the demonetization.

NEED AND IMPORTANCE OF THE STUDY

After the current policy of demonetization implemented by the Indian government all the economy of India has been imbalance. It is important to measure the affects of the demonetization on the businesses in India. So, this Research study endeavors to understand the impacts of demonetization on entrepreneurship. No such study has been done in the context of the current issue of the demonetization. So this research paper will give the clear picture of the situations arises and hurdles faced by the entrepreneurs.

STATEMENT OF THE PROBLEM

After the decision of the demonetization, the costs of the products and services are highly suffers and the number of sales are declining. The customers do not have sufficient amount to buy the required items. And there is also a problem of receipts and payments of cash in the market which affects the business earning. The proposed research study measures the affects of demonetization on entrepreneurship.

OBJECTIVES OF THE STUDY

1. To Evaluate the policy of demonetization implemented.
2. To Evaluate the customer perception regarding demonetization in India.
3. Determine the immediate effect of demobilization on enterprises.

HYPOTHESIS

1. Demonetization has significant impact on prices of the products.
2. Demonetization has significant impact on the payment of wages of the labors.
3. Demonetization has significant impact on the production processes of the businesses.
4. Demonetization has significant impact on the business transactions.

RESEARCH METHODOLOGY

Various constructs such are prices, wages to labors, production process of business, and business transactions are studied in this research study to measure the impacts of demonetization on these variables. Primary survey is conducted to collect the data. 59 customers and 74 entrepreneurs are selected through judgmental sampling. Secondary data is used to detail the demonetization policy implemented in India. Primary data have been collected through the structured questionnaire for the study. To analyze the data SPSS software has been used and ANNOVA test has been applied to generate the outcomes. Various included reports of organization have been considered to determine the demonetization policy in India to satisfy the first objective. And for the second and third objective primary survey has been conducted.

RESULTS AND INTERPRETATIONS

DEMONETIZATION POLICY

- Old denominations of Rs. 500 and Rs 1000 will not be considered as the legal tender and these old notes will be accepted by all the banks with the valid identity proof until 31 December 2016.
- The facility of exchanging the old notes provided by all the banks started from the midnight of 24 November, 2016.
- Old notes of Rs.500 and Rs.1000 in the excess amount of Rs. 50000 can be credited to only know your customers complaint accounts.
- Restriction on deposits of old notes are not imposed for the main purpose of taxation and investment mainly regimes for Pradhan Mantri Garib Kalyan Yojana, 2016.
- The old notes of Rs.500 and Rs. 1000 can be deposited to third party account offered specific authorization with following the standard banking procedure as indicated in Annex-5
- Pan card is mandatory if the depositing amount exceeding Rs.50000 in a single day.
- Foreign citizens are permitted to exchange their foreign currency upto Rs. 5000 per week.
- Withdrawal limits of current accounts is Rs. 50000 per week in a single or multiple transactions.
- Annual life certificates are mandatory to submit by the pensioners in banks in the month of November and the time limit has been increased up to 15 January.
- RBI has directed instructions to National Payment Corporation of India to settle the transaction charges through National Financial Switch till 31st December, 2016.
- In the case of weddings, Rs. 2,50,000 are provided to girls and boys families separately.
- Farmers are allowed to purchase the seeds with the old denominations of Rs.500 and Rs. 1000 from the central and state undertaking seed corporations.
- Various registered traders with APMS are permitted to withdraw up to Rs. 50000 per week from the know your customers accounts in the specific cases of business entities.

The collected data from the 133 respondents through the structured questionnaire has been analyzed with the SPSS 16. ANNOVA technique has been used to measure the impacts of demonetization on entrepreneurship. Values of df (degree of freedom), f values and significant values are helpful to understand the significant and non significant impacts of demonetization on the various selected variables as given below as table no.1. For better understanding of the calculated output the results are explained below:

You can see from the output show in table no.1 given below that the ANNOVA value is significant (p<.05).

TABLE NO. 1: VARIOUS CONSTRUCTS WITH THEIR SIGNIFICANT VALUES

Constructs		Sum of Squares	df	Mean Square	F	Sig.
Wages to labor	Between Groups	65.538	4	16.385	13.478	.000
	Within Groups	155.605	128	1.216		
	Total	221.143	132			
disrupted the business transaction	Between Groups	2.311	4	.578	.511	.728
	Within Groups	144.711	128	1.131		
	Total	147.023	132			
interrupted production process	Between Groups	27.259	4	6.815	5.597	.000
	Within Groups	155.838	128	1.217		
	Total	183.098	132			
prices affected	Between Groups	27.259	4	6.815	5.597	.000
	Within Groups	155.838	128	1.217		
	Total	183.098	132			

- According to the given table, the prices of the products are highly affected after the decision of demonetization. Demonetization has significant impact on the prices. ANNOVA F- value 5.597 with a significance value.000. At the level of.05. **Thus, H1 is accepted.**
- As facing the shortage of cash, it becomes difficult to pay the wages to labors. Demonetization has significant impact on the payment of wages. ANNOVA F- value 13.478 with a significance value.000. At the level of.05. **Thus, H2 is accepted.**
- Production process of business required a sufficient amount for the purchasing of raw materials and payments to suppliers. Demonetization has significant impact on the production process of business. ANNOVA F- value 5.597 with the significance value of.000. At the level of.05. **Thus, H3 is accepted**.
- Demonetization has not significant impact on business transactions at whole. ANNOVA F-value.511 with the significance level of.728. **Thus, H4 is rejected.**

RECOMMENDATIONS

- Various variables such are prices, wages, production process are studied in this research study. Some other factors like insurance, banks and finance companies can also be studied.
- Economic impacts of demonetization can also be considered for future studies.
- Entrepreneurs can also facilitate the E- money transaction to their customers and dealers.
- Stock exchanges and share market can also be consider for future research to determine the impact of demonetization.

CONCLUSIONS

After the decision of demonetization the old denominations of Rs 500 and 1000 are not considered as the legal tenders. It affects the entrepreneurship and becomes the challenge to face the various hurdles of scarcity of cash for the survival of the businesses. As the results showing that the customers and entrepreneurs both are facing the cash problems as the shortage of cash. Customers do not have sufficient amount to buy the necessities and it affects their demand level as well as with the decreasing of demands the entrepreneurs faces the problems of cash which affects their production processes. Prices are also affected by it. It becomes difficult for the entrepreneur to make payment of wages to labors engaged in business activities. Overall demonetization affects the entrepreneurship to the great extent.

LIMITATIONS

- The study is basically restricted to the area of entrepreneurship.
- Other economically impacts of demonetization have been ignored.

SCOPE OF THE FUTURE RESEARCH

The study of entrepreneurship gives the brief picture of the situation of the business after the demonetization decision implemented and helpful to the researchers to include the various factors of entrepreneurship for future study. Various impacts of the demonetization can be studied in the context of tax system of India.

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MEETING ISSUES AND CHALLENGES OF TALENT MANAGEMENT THROUGH SELECT HUMAN RESOURCE PRACTICES IN SELECT IT COMPANIES OF PUNJAB

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ABSTRACT

Talent management is the discipline of using tactical human resource planning to get better business value and promising companies and organizations to reach their objectives. This research article explores the factors that can extensively impact Talent management which is comprise of magnetizing, hiring and maintaining the manpower are the major challenges for the today's business organizations. For this to occur it is equally essential to develop value propositions for employees & jobs to attract adequate talents. Employee value proposition stands for creating an equilibrium of rewards and appreciation against an employee's performance at place of work. On the verge of research, it was found that the approach of Talent Management must be innovative, unique, compelling and strategically directed to attract a talent pool for an organisation. The major challenge to talent management is ensuring a supply of talent adequate to match the estimated demand, especially when the demand is very hard to forecast and when the supply of talent is not stable. The retention of existing talent is a big issue for an organisation in today's situation because the talent turnover rate is very high due to career planning and search for better career opportunities offered inside the IT industry of Punjab. In this paper the research on the talent management is done on the basis of Analysis of Talent Management strategies in IT Companies of Punjab. Talents are the property of any organization and organization cannot afford losing its key performers. Effective Talent Management tactic can reduce employee turnover and increase Employee retention within an organization. Key employees are the appliance for overall growth and development of an organization. Thus, for retaining best talents, an organization has to design appropriate policy. The present paper is to identify the major causes for employee turnover and analyze the factors involved in retaining Talents and also study the most prominent talent retention strategies adopted by the 5 IT organizations of Punjab. After collecting a comprehensive outline of knowledge about the main components of Talent Management i.e. Hiring the talent and retention of the talent, theoretical as well as practical, this research paper add to filling the knowledge gap by providing a research program at many levels and in several perspectives. We have talk about strategy of the employers of IT Sector of Punjab towards talent management and challenge as well as opportunity of the Talent management, and concluded by identifying various key components and style that are now, and will keep on impact the practice and study of Talent Management in the arena of business in future.

KEYWORDS
talent, talent management, employee engagement, employee retention, career planning, employee value addition, organizational performance.

INTRODUCTION

Talent Management in organizations is process to attracting, hiring and retaining the best talent available in the industry. It is a continuous process that comprise of sourcing, hiring, training, developing, retaining and promoting the talents for meeting the requirements of the today's business environment. If an organization wants to hire the best talent of the industry, it needs to attract that person through offering him something lucrative that is far beyond his imagination which allures him to come and join and then stay long time with the organization. Merely hiring the skillful employee may not resolve the purpose but getting the works done through him is the main task of talent management. Therefore, it can be said that talent management not only ensure the entry of skillful employee but also control exit of the above employee. One can say talent management open the doors for talents and close the doors of theirs exits.

It is overt that contribution of employee raises the graph of multidimensional organisational growth. It is employee who takes the organization to the next level. For successful achievement of desired goals of an organisation the most significant thing is to identify the talent which can be hired, stay with organisation and will work will full dedication towards desired goals. Attracting talents towards an organisation and strategically deploy them at a right place in organization is the next step of talent management. It is to be noted that deploying a people at a wrong place can multiply organisational problems regardless of the qualifications, skills, abilities and competency of that person. How brilliant he or she may be, but

Placing the people at wrong place beats your sole purpose and it doesn't matter individual is how much brilliant. The process of talent management will be regarded incomplete, if organisation is unable to deploy the best talent of the industry at the right place where he or she deserves.

It may some organizations may regard the entire talent management process very unprincipled particularly who are at the giving end (who loses their high-valued employee). But to ensure survival in this cut-throat competition is a big question mark for business organisations, the entire concept realised fair. Now each and every organization needs the most excellent talent to stay alive and stay ahead in business competition. Talent is the most essential elements that pull up an organization and takes it to a higher level, and therefore, the value talent cannot be negotiated at all. It won't be exaggerating saying talent management as a never-ending warfare for talent.

Talent management implies recognizing a person's inborn qualities, skills, traits, personality, nature, flairs and offering him a suitable work. Every person has his own unique talents that suit a specific job profile and his deployment at another place will cause serious uneasiness. It is the job of the Management, especially the Human Resource Department, to deploy candidates' properly with discretion and prudence. Single wrong deployment will cause further hiring, re-training and other wasteful activities which hamper the growth of an organisation.

Talent Management is fruitful to both the organization and the workforce because they made for each other as complementary component of success of business. The organization benefits from: improved productivity and competency, a better association between individuals' efforts and business goals and objectives; dedication of valued employees; reduced employee turnover, prevent employee attrition augmented bench strength and a superior fit between people's jobs and skills. Employees benefit are Higher motivation and commitment; career development; updated knowledge and skills, contribution towards company goals, sustained motivation and job satisfaction.

Now days of competition, where nothing is stable except only change. Now change is the only stable factor and it provide new edges to business organizations. it is very important for an organization to develop the most important resource which is Human Resource. In this globalized world, it is only the Human Resource that can give an organization the competitive edge because under the new trade agreements, technology become unbounded can be easily accessible and may transferred from one country to another and there is no lack for sources of cheap finance. But it is the talented workforce that is very tough to find or somehow by no means it may hired. The major problem is how to retain the present workforce and stop them from quitting the organisation?

HCL Technologies, Infosys, Wipro, Satyam, Satyam and i-Flex Solutions, these are some of the companies, which have the highest revenue growth rates year after year and they are developing leap and bound with all aspect of their respective field of business. Some of them also have revenues more than $1 bn. They provide excellent work environment to their employees. Good salary, perks, foreign assignments, challenging and highly competitive work environment and a great career planning. The above all are some of the uniqueness related with these companies. These companies may be considered as the picture ideal companies with no problems towards talent management.

Now days it become big challenge for HR managers and executive to manage and keep the talent and stop the brain drain inside the organisation and respective industry.

We can see the data of attrition rates in Different leading IT companies of India:

- Infosys - 10.8 %
- Wipro - 17 %
- Satyam - 18 %
- HCL Technologies - 13.1 %
- i-Flex Solutions - 19 %

These are the employee attrition rates of the of the above mentioned top 5 Indian IT companies. Few of these actually proportional to their financial and monetary growth rates. Employee attrition giving a severe pain to the top management in general and HR department in specially. Employee attrition has developed the new functions of the Human Resource department of the IT companies the new function is Talent Management.

IMPORTANCE OF TALENT MANAGEMENT

At first, we draw attention at few of the causes for the significance of talent management inside the organisation.

GLOBALIZATION: Now it's very easy to find out a suitable job for any jobseeker the entire world because of Globalization. One may aware of the opportunities available in any part of the entire world very easily. The number of worldwide talent seeking organisations has also being increased day per day.

INCREASED COMPETITION: Greater than before competition in the market has increased the need for continuously superior performance for organizations become mandatory for survival. These situation compels companies to put its best to hire and retain the best suitable and talented employees in the respective field of operation.

INCREASING KNOWLEDGE: The knowledge era has brought the requirement of the retaining of those talented people who have the ability to update himself according to change in technologies and knowledge of working.

THE CHALLENGE

The talent management is bringing few challenge before companies in which the following two are most important. 1 Searching and hiring of suitable talent, 2 How ensure their retention in such company. If any organisation want to achieve its desired level of objectives have to face both of the challenge most proficiently.

THE FIRST CHALLENGE - WHERE TO FIND NEW TALENT?

It is very natural that all business organizations are very inclined to searching new business opportunities and as result, their Profits and revenues are escalating rapidly.

The increasing business opportunities are responsible to increase the requirement of new talented people. For meeting the above requirement of talents the organizations starts huge recruitment drives.

But, the question is how to search suitable talent?, where to go for best and suitable talent ?, which have ability to handle the job description and specifications and also adjustable to the organizational values and standards. If we scan the environment, we find there is scarcity of skilled man power that can be deployed against the desired outcome.

Some of the potential and important reasons which are main cause behind the shortage of talent are: -

DEMOGRAPHIC RESTRAINTS: This is a normal problem of the all developed countries, where the largest component of their population is on the verge of age of retirement having age of 50 - 55 years. All the developed countries are facing decrease in their young workforce and talent. In the future, they will have to face great scarcity of young skilled professionals in their countries.

EXISTING EDUCATIONAL SYSTEM: The universities and educational institutions are producing the graduates, postgraduates and the diploma holders, are found unable to handle the challenges at workplace because lack of experience they are completely greenhorn. They have only the theoretical knowledge about the work and aspects related to the job and lack the practical part. This fault in contemporary educational system because it is not designed according to need of industry. As result there is large rift between industry requirements of employees and freshers professionals.

COST FACTOR: Recruitment process in developing country is not an easy task. Hiring new employees is being harder and harder in the developing countries, where the Human Resource unit of an organisation has to check out thousands applications of the candidates in search of the complete panel of desired candidates. It is very difficult task to Find out right person for the right work. These obstacles have increased the cost to carry out the recruitment and selection process for such a large population of candidates.

ATTRACTING THE BEST TALENT: This is another challenge. Usually, the best talented people are not only paying attention by because of name and fame of the organization. Some of new triggers that can play vital role to attract the talented work force towards the organisation i.e. bright career prospect, challenging work, encouraging working environment and participative management of organisation.

THE SECOND CHALLENGE - HOW TO RETAIN THE PRESENT EMPLOYEES?

In Today's world young professionals hope new jobs, especially during the first 5-6 years of their work life.

It is very true that the Indian service industry is rising because of outsourced jobs from the developed countries, it can't be overlooked that the highest attrition rates of employees has been found in Indian BPO industry which is around 35 to 40%. Indeed, this type situation indeed never faced by any industry in past in India.

It is a truth that the employees add value to organizations. It is also a truth that human beings are an impatient species who, cannot stay long time at one place and move towards somewhere else for betterment. People need to leave the organisation for one reason or another, and the ultimately it leads loss of an organization.

Gap between organizational values and goals and the personal values and goals is one of the main causes of the attrition rates. If they go parallel, there is no way both would be satisfied and unavoidably, the organization would lose out on a talented employee.

- Boring and stressful Working environment may main cause of high employee turnover. In the today's knowledge era employees having high talent claim for ingenious and autonomous working environment. A talented and skillful employee may not stay longer in lack of good working environment. High competitive working environment leads to psychological problems like pressure, tension, frustration.

- Generally, the Attraction towards higher remuneration packages is the very common among the youth professionals. There are number of organizations which are searching for talented employees and ready to award attractive remuneration package. Some other alluring factors which has also an important role towards attrition of employees i.e. better job opportunities, higher designation and foreign assignments, career development options etc.

- A single mistake while recruitment and selection process and mismatching between right place, right person to the right job may also bring dissatisfaction among the workers.

- The professionals have their career planning and expectations and have different priorities at different times of their career. At the early stage of career, they want to achieve good remunerations and foreign projects and skill trainings. Next stage on the priority list is working on updated technology. Some professionals strive for learning opportunities to cope of change in industrial working scenario.

- Retention of the at hand employees is main concern of the organizations because, training and development of an employee is the investment of huge amount of time and money. If an employee resigns from his organisation it is very tough for organisation to search an alternate of the above employee. The searching of new employee instead of resigned one is very lengthy and virtually it need huge resource and money. Organisation has incurred lot of amount against different costs like - Recruitment & hiring costs, training & development costs and the induction costs etc.

A new employee takes some time for adjustment with new working environment because of induction, training & development process. During induction, training & development period employee productivity is not found at the par. The above process hamper routine operations of the company and may cause financial loss

Employee attrition also held responsible for knowledge transfer, which is a big failure and badly affects the business because it provides the weapons to rivals for their business war against the respective organisation.

THE QUESTION IS - HOW TO MANAGE THE TALENT WITHIN ORGANISATION?

With the advent of era of technology and knowledge, talent is playing main role and holding the driving seat of business organisation. The person who possesses the talent are very most respected rather than other resources i.e. capital. It is very hard to find out the desired talented employee for an organisation and it is more challenging to retain him with the organisation. It is the need of the hours that business stalwarts promote management of talent as a main concern of corporate culture. Usually People having best quality of talent are no longer available in ample in market. It is easy to replace but relatively expensive to hire such people again therefore proper preservation of talented people is mandatory to run the organisation smoothly and achieve the desired goals as well.

Few remedies that may be proved as panacea while hiring and retaining talented employees in the organization, to maintain efficiency and competitiveness in this throat cut competitive business world:

HIRE THE RIGHT PEOPLE: Perfect completion of any job needs the proper talent and professional skills. Best talent and professional skills may be introduced in an organisation by hiring talented and skillful people. It is advised to organisation to be vigilant while hiring process the people. Hiring young people and develop them may be more profitable than to hiring their substitute from other organizations.

The questions which are arising at this stage are:

Whether the person has the proper ability desired for the exclusive job? Whether the values and goals of individuals match with organizational value and goals? In short, deployment of right people at the right place to the right job must be done carefully.

KEEP THE PROMISES: Fake promise never motivate Good talent. The experts says that half-truths and broken promises may raise the dis satisfaction among the employees which may cause the attrition and somehow it reduce the level of productivity. Unfulfilled expectations may be cause dissatisfaction among the employees and it compel them to either exit the organization or perform below the par of their productivity level. The completion of the promises made during the hiring stage will bring allegiance among the employees and their performance will be unmatchable.

GOOD WORKING ENVIRONMENT: It has been observed that well talented persons have their own rules & regulations of working. They work with organisation on their own terms and conditions. It is compulsion of an organisation to provide them an independent and interesting work environment. The organizational rules and regulations should not be rigid and flexible enough to offer them freedom to perform their part of task according to their liking, as long as the assignment is completed. There must be opportunities the employees to achieve their personal goals and objectives equal to organisational goals and objectives. There should be proper relation between work life balance neither the highly talented personnel may quit the organisation.

ACKNOWLEDGMENT OF MERIT: No one in this world who is not motivated through his appreciation. It is highly inspiring for any person when his abilities are being recognized and also duly admired. This is another way to determining proportionate remuneration of the employees against their performance. Performance appraisal may be an additional way to determine Promotions and incentives. Organisation can recognize the merit and talent of the employees by providing them challenging tasks. This process will attain two objectives - it makes employee feel that he is considered important (a highly motivating factor) and gets the work done in a competent manner and brings out the best in the employee.

LEARNING OPPORTUNITIES: Providing Learning Opportunities may also be used as strategical tool for talent management process. According to this thought Employees should be provided uninterrupted learning opportunities every now and again. There should be provision of on job and off job learning program. Organisation can also provide learning facilities to the personnel through management development programmes and different structured learning programmes. This will also help the organization regarding retention of highly talented personnel.

REDUCING HIGH WORK PRESSURE: High Work Pressure is the main cause of frustration and job dissatisfaction, which leads attrition of the employee from organisation. It is noble suggestion for the organization that they has to provide sufficient time to their employee to relax and reduce the stress cause by work pressure. This is the main key for an organisation to retain the most of the available talent. It is very essential to allow them casual leave, LTC, holidays and paid trips, so that they can come back recharged to work and with improved energy.

The employees should have liberty to follow their interests to reduce the stress occurred because of work pressure.

Amusement clubs, entertaining programmes, fun activities within the work area will also decrease the working life stress of the employees and develop fraternity among the workers and result in a pleasant working environment.

DETERMINING THE REQUIREMENT OF TALENT: It is the first stage of Talent Management. In other word one can call it introductory stage of Talent Management which plays a decisive role in achievement of the whole process. The main objective of this stage is to determine the requirement of quantum and quality level of talent. The development of job description and job specifications of the post is the main activity of this stage.

SOURCING THE TALENT: This process starts with searching the best talent of the industry according to the requirement of job. This is the second stage of talent management process that comprises targeting the best talent and Searching for the best talent as suitable to respective job. The both are the main activities of this stage.

ATTRACTING THE TALENT: It is important to attract the talented people towards the specific organisation and its related work. The whole process revolves around the attraction that makes a specific organisation different from crowed. After all the main objective this stage of talent management process is to appoint the best personnel from the industry.

RECRUITING THE TALENTED PERSONNEL: Actually the process of hiring starts from this stage. In this stage people are called to join the organization as they have desired credentials.

SELECTION OF THE TALENTED PROFESSIONAL: Selection of the professional is made on the basis of meeting different credentials and skill sets as mentioned in job description. Candidates who crack this round are invited to join the organization.

TRAINING AND DEVELOPMENT: Training and Development play main role of enhancing capacity of workforce. It also helps organisation to cope up continuous change in technology and work environment. Newly recruited employees are trained and developed to achieve the desired goals of organisation.

RETENTION OF TALENT: Talent management process is solely designed for retention of talent through ensuring stay of existing experienced employees. Hiring of the best employees does not serve up the purpose absolutely. Retention depends on different factors such as pay package, job specification, challenges involved in a job, designation, recognition, incentives, motivation, personal development of an employee and after all culture and the fitness between job and talented work force.

PROMOTION: Not a single employee will work for an organization at the same post with same job responsibilities for very long time. Job enrichment and job enlargement plays an important role to allure the employee to stay with the same organisation.

COMPETENCY MAPPING: COMPETENCY MAPPING is measurement of employees' individual skills, experience, development, attitude, ability and proficiency for determining their capability of work. If required, it should also focus on behaviour, attitude, knowledge and future possibilities of development. It gives a brief idea to organisation if the person is suitable for promotion. It also ensures the employee capacities to bear more responsibilities may be assigned to him in future.

PERFORMANCE APPRAISAL: Measuring the actual performance of an employee in certain span of time is necessary to recognize his or her true potential. It is to check whether the person can be assigned with additional job responsibilities or not.

CAREER PLANNING: If the person is able to handle the additional responsibilities and bear work pressure as well, the organisation has to design career plan for his or her so that he or she feels pleased and motivated. If any employee has distinction in respective work area, he or she should be recognized for his work potential to retain them for a longer period of time.

SUCCESSION PLANNING: Succession planning is a future strategic planning of HR which is all about who will be designated instead of whom in near future. The employee who has been serving the organisation for a very long time and performed best as per the standard of organization, he definitely deserves to hold the senior position. It is responsibility of Management to prepare proper plan about when and how succession will take place who will be placed instead when one people would be promoted.

EXIT PROCESS: The talent management process ends when an individual gets retired/superannuated or is no more a part of the organization is called Exit process. Exit can have an impressive effect on organizational growth and performance. Additionally, it can provide organizations with the insight they need to improve other areas of talent management such as recruitment process, performance management, Employee retention Policies and learning process etc.

REVIEW OF LITERATURE

Jasrotia **(2003)** explores that "The IT industry being people related, that differentiates the best from the rest the excellence of human resources in every organization". While there is abundance of talent available, it is very difficult to find out the adequate talent team with best fit to the respective organization. employees having potential would like to connect themselves with companies which have a " Great brand name" of victory, leadership, people and personal growth plan and also encourage a deep sense of pleasure, Pride and commitment. It has been observed that organizations not make more and more emphasis to improve their corporate image and credentials deliberately. However, with increasing global rivalry and a more mature work environment, Indian IT companies have also regards this truth of brand image and brand value. Employer brand image is the entire about company's value in the market, a timeless process that in today's situation has gained even more importance. It is fundamentally a combination of the reputation of organization, the career offer and the corporate traditions and work culture existing in the company.

Leary-Joyce J (2004) believes that building unbeaten brand and achieving the desirable position of "Employer of Choice" within spirited staff recruitment market needs regularly delivering on the expectations set and assurances made. Successful employer brand has to be built from within: this means ensuring that regularities and good practices at all stages in the recruitment and employment related processes are deliverable and achievable. Still they are a biggest challenge for all 21st century organizations and within any sector. Employer brand building needs to be about substance, rather than stylish or spin.

Nancy R. Lock Wood (2005), in a report opines that in today's global economy, companies should regularly invest in human resource. In the position of business partner, HR leaders work closely with senior management to attract, hire, develop, extend and retain good talent. Yet the scarcity of skills presents both socio-economic and cultural challenges as talent crossing the borders. Thus, with an eye to workforce trends such as changing demographics, global supply chains, the old workforce and increment in global mobility, foresighted organizations must reorganize their approach towards talent management to best attach talent.

Julia Christensen Hughes and Rog (2008) opine that Talent management is an adopted and enforced obligation to implementing an integrated, tactical and technology enabled approach to human resource management (HRM) and its complementary practices. This assurance stems in part from the extensively shared trust that human resources management are the organization's primary source of competitive advantage; a vital asset that is becoming short in supply. The profits of an efficiently implemented talent management strategy comprise of improved Employee recruitment and retention rates, Employee involvement and enhanced employee engagement. These results in turn have been linked with enhanced operational and financial performance. The peripheral and internal triggers and manacles for talent management are in large numbers. The particular importance of talent management is senior management understanding and its commitment towards the key performers. *Nityanand Rao S, and Sharvani Bhavirishetty, (2008)* carried out a research on attrition in IT sectors of India. They pointed out that, employee attrition is due to voluntary retirement, superannuation, death (known as natural attrition) and resignations. The extraordinary increase in resignations is giving rise to concern among employers, who are making efforts to outline the causes of unexpected numbers of resignations. Attrition in the Indian IT sector has been increasing by leap and bounds. In these circumstances, HR managers need to come up with new thoughts to retain the employees.

Tom Baum (2008) explores the distinctiveness and analyzed talent management situations within which businesses can operate for developmental approach which focus on talent identification and its proper management. It will be of value to Human Resource practitioners in assisting them to appraise their recruitment process, retention, involvement and development practices. It will also be of value to researchers in providing the foundation for further study and expression in this area.

Sanne Lehmann (2009), had found in his research that talent management had become an area of high priority, and its performance management process have been established to sustain the development of talents. However, performance appraisals being the main device to reward knowledge and skillful workers implies that the focus on financial achievements is forwarded into the motivational structure of organisations encouraging an environment of fair competition and control. Not much attention has been given by organisations to the underlying organizational and social part of human resource management rooted in work values related to a preference for personal relationships and hierarchical control system.

Namrata Mandloi (2014), concluded in her paper that an organization's talent management tactics and investments upon it must support with broader business goals, objectives and realities. A profound understanding of business issues should include how employees can be managed and developed in the best of respective industry. Companies should create the innovative work culture and programs that will best engage, involve and motivate talented personnel to stay within organization. Successful organizations have a profound thought about their employees and their growing needs. They use that information to enforce the practice of workers segmentation and the formation of meaningful employee value suggestions that align with talent management strategy for their respective organisations. Strategic talent management is important ingredients in building the right workforce and its right placement within organisations. HR Managers must have the ability to rapidly develop and retrain employees according to business need, generate opportunities for new talented employee, there are several benefits of a strategic talent management process. It gives organization a dedicated workforce, trained, developed and skillful employees, Lower attrition rate. It helps in improving HR policies of the organisation and prepares the organization to acclimatize changes that propel organisation towards achievement of desired goals.

Tyler (2004) has put up his view that experienced and skillful employees can be provided as guides for new hires to turn to as a resource. The training team can also verify in on a new employee periodically to address any problem that may arise in future.

Sinnot, Madison & Pataki (2002) has given the definition of talent management in his own and opined that "An effective Employee Retention plan is an organized effort to generate and promote an environment that supports employees to stay employed by having policies and practices in place that address their diverse needs and it is the best idea of Talent Management".

Byrnes (2002) focused on retention strategies and stated that, there are five essential steps for an organisation to build up an effective retention strategy. Organisation should match with prevalent corporate values system and it should not base on the cost of organization's own values and vision. It's very simple for organisation to identify those employees desiring to move in the direction of organization's values and vision. Next, common belief must be setup within all aspects of the business. "Security comes from belief and belief comes from truthfulness and proper communication.

OBJECTIVES OF RESEARCH

1.   To identify various Talent Management strategies used by IT Companies of Punjab for Employee Retention.
2.   To analyze the effectiveness of the HR practices used in IT Companies of Punjab upon Organisational Commitment of the employees.
3.   Recognize the key HR practices which influence most to an employee to stay meaningful within the IT Companies.

RESEARCH METHODOLOGY

RESEARCH DESIGN
This research contains descriptive research design. The main objective of using descriptive research model is to explain the state of affairs as it exists at present. It mainly involves surveys and fact finding enquiries of different kinds.

RESEARCH INSTRUMENTS
The Structured questionnaire (closed and open type both) is used as the research instrument for the study.

SAMPLE SIZES
200 Respondents

SAMPLING TECHNIQUE
Random sampling and Convenience sampling has been adopted for the study.

DATA COLLECTION METHODS

Primary data are the new or fresh data collected from the 200 employees of 10 IT Companies of the Punjab i.e. Icon Software Technologies Ludhiana, UCreate IT Systems, Logic ERP Solutions Pvt. Ltd., Amba Software, Suntech Solutions, Quick coders, Smart info system, Sky Water Lab. Pvt. Ltd., Commission Adways VC Company, Endavour IT Solutions from SAS Nagar, Mohali, through structured questionnaire. The secondary data are collected through the structured questionnaire, literature review, journals, internet, magazines, and articles.

The questionnaires were designed in order to collect opinion of Employees of 10 IT companies of Punjab on their perceptions regarding strategies of respective organization towards Talent Management. The questionnaire mainly consisted of closed-end questions and Likert scale technique has been used. All the respondents selected are Key talent within the organization and their performance has exceeded the expectations. The Key sections of the Questionnaire are about Recruitment, Training, Job description, Compensation & Benefits, Performance Appraisal, Career Development & planning, Recognition, Employee welfare, Motivation & Participation, Employee Value & Grievance handling, Employee Grievances & Respect, Affective Commitment, Organisational Commitment.

The responses from every employee for each determinant are scored on a five-point scale i.e.; Highly Satisfied, Satisfied, Neutral, Dissatisfied and Highly Dissatisfied.

DATA ANALYSIS, INTERPRETATION AND FINDINGS

This part consists of interpretation and analysis of data collected. The data which was collected from the respondents through the Questionnaire is analyzed and interpreted to find out the outcome of the study.

CUSTOM: Custom table has been made for making of groups according the different variable i.e. age, Gender, Marital Status and Experience.

TABLE 1

		Count	Column N %
Age	21 - 30	143	71.5%
	31 - 40	46	23.0%
	> 40	11	5.5%
Gender	Male	123	61.5%
	Female	77	38.5%
Marital Status	Married	69	34.5%
	Unmarried	131	65.5%
Experience	< 5	123	61.5%
	5 - 9	62	31.0%
	>= 10	15	7.5%
	Total	200	100.0%

In above table no. 1 the data has been designed:

3 Groups according to age 21 – 30 years, 31 – 40 years, and more than 40 years.
2 Groups according to gender male and female.
2 Groups according to Marital Status Married and Unmarried.
3 Groups according to age experience i.e. Less than 5 years, 5-9 years, more than 10 years.

MEAN

TABLE 2

	Mean	Std. Deviation	Skewness	Kurtosis
Recruitment	25.1100	2.68588	-.480	.979
Training	28.0500	3.65160	-.364	.537
Job description	16.3700	2.40040	-.871	0.907
Compensation & Benefits	32.2550	4.27215	0.007	0.013
Performance Appraisal	33.4400	3.74386	-.723	0.046
Career Development & planning	12.2650	1.88215	-.892	0.018
Recognition	8.2700	1.45523	0.092	0.951
Employee welfare	15.7550	2.55295	-.316	-.194
Motivation & Participation	21.0600	2.62121	-.727	0.947
Employee Value & Grievance handling	16.6150	2.15173	-.109	-.120
Employee Grievance & Respect	12.7500	1.70058	-.352	.057
Affective Commitment	25.5350	2.75987	-.268	.132
Organisational Commitment	38.9550	4.88388	-.254	.163

In above table no. 2 The mean, standard deviation, Skewness, Kurtosis of the variable has been shown.

TABLE 3: MODEL MAKING

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.489	.239	.235	4.27032	.239	62.292	1	198	.000
2	0.534	.285	.277	4.15152	.045	12.494	1	197	.001

Step wise regression is used here to estimate the relationship between variables. In stepwise regression a regression model is fitted in which the choice of variables is carried out by automatic procedure. In each step, a variable is considered for addition to or subtraction from the set of explanatory variables based on some pre-specified criterion.

The table shows the multiple linear regression models summary and overall fit statistics for the dependent variable organizational commitment. We find that the adjusted R^2 of model 1 is .235 with the R^2 =.239. This means that the linear regression explains 23.9% of the variance in the data in model 1. Adjusted R^2 of model 2 is .277 with the R^2 =.285. This means that the linear regression explains 28.5% of the variance in the data in model 2.

TABLE 4: ANOVA TEST

Model		Sum of Squares	df	Mean Square	F	p-value
1	Regression	1135.932	1	1135.932	62.292	.001**
	Residual	3610.663	198	18.236		
	Total	4746.595	199			
2	Regression	1351.274	2	675.637	39.201	.001**
	Residual	3395.321	197	17.235		
	Total	4746.595	199			

The above table exhibits the output for ANOVA analysis. The *F*-ratio in the **ANOVA** table tests whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable organizational commitment, *for all the models* (i.e., the regression model is a good fit of the data).

TABLE 5: COEFFICIENTS

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	p-value
1	(Constant)	24.211	1.892		12.794	.001**
	Employee welfare	.936	.119	.489	7.893	.001**
2	(Constant)	16.197	2.920		5.548	.001**
	Employee welfare	.788	.123	.412	6.421	.001**
	Recruitment	.412	.117	.227	3.535	.001**

Unstandardized coefficients indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant. In model 1 we will see the effect of employee welfare. The unstandardized coefficient, B_1, for employee welfare is equal to 0.936. This means that increase in employee welfare, there is an increase in organizational commitment of 0.936.

For model 1, on consulting the p-value of the t-test for predictors, we can say that employee welfare contributes to the model. For model 2, on the basis of p-value of the t-test for predictors, we can say that employee welfare and recruitment both contributes to the model.

While the other variables were excluded from the regression model due to their non-significant contribution in the model.

Pearson's correlation was employed to calculate the relationships between the variables. Correlation values measure the strength and direction of linear relationship between the two variables. Correlation value lies between +1 to -1. +1 indicates the perfect positive correlation while -1 indicates the perfect negative correlation. Any variable shows correlation with itself with the value of 1.

Recruitment has shown significant and positive correlation with the other variables such as with training with the value of r =.488, job description with the value of r =.447, compensation and benefits with the value of r =.582, performance appraisal with the value of r =.635, career development with the value of r =.483, recognition with the value of r =.296, employee welfare with the value of r =.342, motivation and participation with the value of r =.400, employee value and grievance handling with the value of r =.453, employee grievance and respect with the value of r =.279, and affective commitment with the value of r =.313 and organisational commitment with the value of r =.367. This shows that the variable Recruitment is highly correlated with performance appraisal.

Training has shown the significant and positive correlations with the other variables such as with job description with the value of r =.397, compensation and benefits with the value of r =.483, performance appraisal with the value of r =.506, career development and planning with the value of r =.497, recognition with the value of r =.332, employee welfare with the value of r =.203, motivation and participation with the value of r =.390, employee value and grievance handling with the value of r =.345, employee grievance and respect with the value of r =.242, affective commitment with the value of r =.360 and Organisational commitment with the value of r =.270. This shows that the variable training is highly correlated with performance appraisal.

Job description has shown the significant and positive correlations with the other variables such as with compensation and benefits with the value of r =.467, performance appraisal with the value of r =.432, career development and planning with the value of r =.393, recognition with the value of r =.367, employee welfare with the value of r =.267, motivation and participation with the value of r =.543, employee value and grievance handling with the value of r =.430, employee grievance and respect with the value of r =.385, and affective commitment with the value of r =.416. This shows that the job description is highly correlated to motivation and participation.

Compensation and benefits has shown the significant and positive correlations with the other variables such as with performance appraisal with the value of r =.731, career development and planning with the value of r =.535, recognition with the value of r =.518, employee welfare with the value of r =.373, motivation and participation with the value of r =.352, employee value and grievance handling with the value of r =.407, employee grievance and respect with the value of r =.426, and affective commitment with the value of r =.418 organisational commitment with the value of r =.273. This shows that the variable compensation and benefits is highly correlated to the variable performance appraisal.

Performance appraisal has shown the significant and positive correlations with the other variables such as with career development and planning with the value of r =.604, recognition with the value of r =.441, employee welfare with the value of r =.323, motivation and participation with the value of r =.388, employee value and grievance handling with the value of r =.448, employee grievance and respect with the value of r =.452, affective commitment with the value of r =.457 and affective commitment with the value of r =.193. This shows that the performance appraisal is highly correlated to career development and planning.

Career development and planning has shown the significant and positive correlations with the other variables such as with recognition with the value of r =.438, employee welfare with the value of r =.247, motivation and participation with the value of r =.437, employee value and grievance handling with the value of r =.492, employee grievance and respect with the value of r =.366, affective commitment with the value of r =.493 and organisational commitment with the value of r =.196. This shows that career development is highly correlated to employee value and grievance handling.

Recognition has shown the significant and positive correlations with the other variables such as with employee welfare with the value of r =.347, motivation and participation with the value of r =.469, employee value and grievance handling with the value of r =.449, employee grievance and respect with the value of r =.460, affective commitment with the value of r =408 and organisational commitment with the value of r =12. This shows that recognition is highly correlated to motivation and participation.

Employee welfare has shown the significant and positive correlations with the other variables such as with motivation and participation with the value of r =.429, employee value and grievance handling with the value of r =.399, employee grievance and respect with the value of r =.470, affective commitment with the value of r =.385 and organisational commitment with the value of r =.489. This shows that employee welfare is highly correlated to employee value and respect.

Motivation and participation has shown the significant and positive correlations with the other variables such as with employee value and grievance handling with the value of r =.594, employee grievance and respect with the value of r =.551, affective commitment with the value of r =.535 and organisational commitment with the value of r =.262. This shows that motivation and participation is highly correlated to employee value and grievance handling.

Employee value and grievance handling has shown the significant and positive correlations with the other variables such as with employee grievance and respect with the value of r =.505, affective commitment with the value of r =.510 and organisational commitment with the value of r =.195. This shows that the variable employee value and grievance handling is highly correlated to the affective commitment.

Employee grievance and Respect has shown the significant and positive correlations with the other variables such as with affective commitment with the value of r =.468 and organisational commitment with the value of r =.170. This shows that the variable employee grievance and respect is highly correlated to the affective commitment.

Affective commitment has shown the significant and positive correlations with the variables organisational commitment with the value of r =.231. This shows that the affective commitment is highly correlated to the organizational commitment.

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As we know that organisational commitment stands for the nature of employee wherein he is highly committed towards his respective organization he wants to stay with organisation with full of zeal.

The above correlation table gives remedies for the organisations to manage the existing talent in the form of highly employee retention ability and it prevent the employee turnover. Prevention of employee turnover is main objective of talent management for the organization.

TABLE 6

Correlations	Recruitment	Training	Job description	Compensation & Benefits	Performance Appraisal	Career Development & planning	Recognition	Employee welfare	Motivation & Participation	Employee Value & Grievance handling	Employee Grievance & Respect	Affective Commitment	Organisational Commitment
Recruitment	1	.488**	.447**	.582**	.635**	.483**	.296**	.342**	.400**	.453**	.279**	.313**	.367**
Training		1	.397**	.483**	.506**	.497**	.332**	.203**	.390**	.345**	.242**	.360**	.270**
Job description			1	.467**	.432**	.393**	.367**	.267**	.543**	.430**	.385**	.379**	.223**
Compensation & Benefits				1	.731**	.535**	.518**	.373**	.352**	.407**	.426**	.418**	.273**
Performance Appraisal					1	.604**	.441**	.323**	.388**	.448**	.452**	.457**	.193**
Career Development & planning						1	.438**	.247**	.437**	.492**	.366**	.493**	.196**
Recognition							1	.347**	.469**	.449**	.460**	.408**	.129
Employee welfare								1	.429**	.399**	.470**	.385**	.489**
Motivation & Participation									1	.594**	.551**	.535**	.262**
Employee Value & Grievance handling										1	.505**	.510**	.195**
Employee Grievance & Respect											1	.468**	.170*
Affective Commitment												1	.231**
Organisational Commitment													1

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

The above table depicts the correlation between the variables. Pearson's correlation was employed to calculate the relationships between the variables. Correlation values measure the strength and direction of linear relationship between the two variables. Correlation value lies between +1 to -1. +1 indicates the perfect positive correlation while -1 indicates the perfect negative correlation. Any variable shows correlation with itself with the value of 1.

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The above correlation table gives remedies for the organisations to manage the existing talent in the form of highly employee retention ability and it prevent the employee turnover. Prevention of employee turnover is main objective of talent management for the organization.

CONCLUSION

Talent Management practice is big multipart and therefore, it is very difficult for HR Manager to handle. The sole intention of the entire procedure is to deploy the right people at the right place at the right point of time in the operation system of organisation. The main virtue of talent management is to set up a right match between the job and the person.

It very important for the organizations to build competence in the form of superior intellectual capital to cope the challenge of Highly demanding business environment. Almost CEOs of all big IT companies regards that the talented human resource can provide competitiveness in the long run to an organisation. Now It become duty of the HR units of respective organisation to cultivate and nurture an army of talented personnel, which can triumph them the war of the business world. The talent has to be vigilantly nurtured, spotted, and most outstandingly conserved for future requirement. The Human Resource departments of the organization play an important part through its practices which are profitable and able to keep on affective and organizational commitment among the employees. Robust talent management cultures also decides how professionals rates their organizations as work places and give the value while making policy for employee welfare, Employee retention and Employee relation and especially regarding prevalent HR practices. In addition if employees are positive about the talent management practices of the organization, the both of the commitment i.e. Affective Commitment and organizational Commitment be increased and employees are more likely to have self-reliance about his future in organization. The above study have shown the significant correlation between the prevalent HR practices of the above mentioned IT Companies and both of commitments of employees i.e. Affective Commitment and organizational Commitment, consequently it prevent employee turnover and ensure talent retention of the organization.

Previously Human resources departments of respective organisation then concerned to whole business strategies like training for organizational development, leading corporate and business communications, and developing and designing total compensation systems. The new trends which are focused on these strategic goals ensure a current shift of human resource Management toward "Talent Management". Talent management introduces new model of human resource management which is the employee lifecycle model. Employee life cycle model is dedicated to strategical goals of talent management i.e. streamline recruitment and leadership succession processes. In the Employee Lifecycle Model, Human Resource department guides employees throughout their career span with the company from proficiency-based recruitment to career development, through termination/transition. During each phase, HR endeavors to measure and manage employee performance through training, feedback and organisational and personal support system. Companies are spending a big component of their revenues (Approximately one-third) on employee wages/salary, benefits and welfare activities therefore emphasis on talent management is most inevitable.

After all we can say that Talent management is a main element to business success in the present economy as it allows companies to retain top talent while increasing productivity. Human Resource Practices impact upon talent management prominently because it brings both of commitments i.e. Affective Commitment and organizational Commitment which leads job satisfaction among the employees and it also prevent workforce attrition therefore it can be said that effective human resource practices may useful for talent management.

RECOMMENDATIONS AND SUGGESTIONS

According to findings of the survey it is suggested that, The HR policies of an IT organization should prepare according to the Competitive market conditions, that may allure employee to join and stay committed with respective organization.

IT organizations identify highest performers who display characteristics privileged by the organization. IT organization Use this group of talent to facilitate transition new employees into the organization. This process will speed up acculturation and ensure the entrenching of desired ways of operating. It has also been found that the improved the first and foremost experiences of a new employee in organisation, the more likely the individual is to be retained by the organization and the faster performance results can be achieved because the experienced employees are the main assets of organisation.

Talented personnel can also serve as mentors throughout the organization and it should be regarded as respect and recognition or as incentive to do so. Innovations made by talented individuals can be introduced into processes, systems and approaches in the organization in the quest of continuous improvement of work culture and they should also be acknowledged for this contribution.

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