



Five Day International Conference on Emerging Trends in Accounting and Finance (ICETAF - 2022)



Organized by

Department of Commerce & BBA
Loyola Academy Degree & PG College

In Association With
Tata Consultancy Services

EDITORS

Dr. Veera Swamy Marri
Phebi Priyadarsini

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FIVE DAY INTERNATIONAL CONFERENCE ON EMERGING TRENDS IN ACCOUNTING AND FINANCE

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Foreword



It is a pleasure and an honour both to organize the Five Days International Conference on Accounting & Finance. The conference is to bring research scholars professors and corporate delegates to present their research ideas in Accounting and finance. This conference is an endeavor to bring together the academicians and researchers in commerce and management in international level to share their professional opinion, knowledge, innovations and visualization on dealing with accounting and finance.

Business organizations are one of the important stakeholders of sustainable development agenda, it is their responsibility to put sustainability at the core and direct their actions and practices towards the achievement of business goals. Given these developments, there are many research questions which need empirical investigation and validation. This conference aims to bring Students, Academicians, Scholars, and Corporate Executives of various disciplines (particularly from Commerce, Management and Economics) into a common platform to share their views, works, ideas and experiences on recent developments in the field of Accounting and Finance. Besides, the conference also aims to help the participants in developing their conceptual and practical understanding of the critical and emerging topics in the field of Accounting and Finance.

The conference provided a snapshot of research on Accounting and finance.

I take this opportunity to thank all the delegates who participated and contributed valuable papers to the international conference.

At this milestone, I am thankful to the management Principal, vice principal (UG), STAFF, students and well-wishers for inspiring me to embark upon to this work.

Dr. Veera Swamy Marri.
Conference Secretary,
Loyola Academy

Message

"It's hard to think of anything else lead rather do than groom the extraordinary young people here."

- Rev. Fr. Dr. S. Emmanuel



Education plays an important role in enabling a person to face a real life situation with adequate knowledge. Educational Institution is a temple of learning and, in Loyola Academy we are making our best effort to give quality education to our students. Our college believes that imparting knowledge to the students is a process of giving them the skills, professionalism, vision and wisdom for their overall development, apart from giving them the lessons in commerce and various other disciplines. In this regard I am proud to acknowledge the Department of Commerce & BBA have taken efforts to organize five days of International Conference on **"Emerging Trends in Accounting & Finance-2022"**. The knowledge of accounting and finance is very much required not only for commerce students, but also for others. This conference has given the wonderful knowledge to the academicians and students on various recent emerging topics in the areas of finance and accounting.

We invited resource persons to our conference from various countries like USA and Ehtopia and also received well written papers from the academicians for publication. Congrats to Dr. M. Veera Swamy and his team for conducting an International conference and publishing this proceedings. Kudos to the external and internal staff members for organizing this conference successfully.

Special appreciation goes to Fr Dr L. Joji Reddy SJ, the Principal and Fr.K. Anil Kumar SJ, the Vice Principal for spearheading this project.

Rev. Fr. Dr. S. Emmanuel
Correspondent, Loyola Academy.

Message

"When people ask me the one thing we feel about our college, I'm happy to say: Responsible."

- Rev. Fr. Dr. L. Joji Reddy SJ



It gives me immense pleasure to write this note on conference Proceedings of "Emerging trends in Accounting & Finance-2022" and that has been envisaged and encouraged in Loyola Academy in order to promote Accounting and Finance field. We believe in creating a learning environment that gives birth to more curiosity, leads to innovation and creativity which enhances the self-esteem and confidence and makes the student ready to pursue in the field of Accounting and Finance.

This conference is an ideal one with a dedicated team of well-equipped faculties, supportive administration, co-operative parents and visionary management. We take every possible initiative to enhance the teaching quality in Accounting and Finance. It also brings research knowledge in the minds of students and overall development.

Loyola Academy aims at transforming students and lives by focusing on all round development through intellectual pursuit and physical wellbeing by offering a need based, value based, broad based education. It nurtures the student mind by constantly following them up through various platforms like conducting workshops, seminars, participative learning methods etc.

I congratulate Dr. Veera Swamy and his team for their untiring efforts in organizing this conference in order to promote knowledge in the area of Accounting and Finance.

Fr. Dr. L. Joji Reddy SJ
Principal, Loyola Academy

Message



Loyola Academy is the place where we focus on Academic excellence, in this regard. I am glad that our department of Commerce & BBA organized this international conference titled "**Emerging Trends in Accounting and Finance-2022**". Accounting and Finance are two key areas in the commerce field. This would enable academicians and students equipped with a good knowledge in accounting and finance. Faculties and students would be aware of what are the recent emerging trends happening in this field. Outside and inside of our commerce faculties presented their research papers in the Conference and their contribution is immense. And I appreciate Dean of Commerce & BBA, Dr. M.Veera Swamy and his team for conducting this wonderful Conference.

Dr. K. Rama
Dean of Academics (UG)

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Impact of Behavioural Finance in Investment Decision in New Normal

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ABSTRACT

Traditional finance speculations make good investment selections after carefully weighing risk and return considerations in order to maximise profits while minimising losses. Behavioural Finance challenges traditional finance theory by claiming that individual investment decisions in the new normal are influenced by a variety of biases. The investor's mindset has radically changed during the Covid-19 Pandemic. They are focusing on little risk and high returns on their investments. The priority of behavioural finance in the new normal is to minimise psychological biases in investment decisions. The article also looks at the importance of behavioural finance in the new normal of Indian stock markets and to analyze the behaviour and psychology of investors. The paper concludes that before taking investing decisions, individual investors should carefully examine facts and consider external influences during covid-19. The goal of this research study is to present the new normal of behavioural finance in India.

1. Introduction

The area of finance is concerned about making investment, working capital, and dividend decisions, among other things [1]. Each investor's active investment factors are driven by their own interests and risk tolerances ([2], [3]). Behavioural finance is especially concerned with the complexities of decision-making. Behavioural finance combines the principles of finance, economics and psychology to better understand human behavior in financial markets and develop winning investment strategies, professionals, as well as the impact on the markets [4]. Behavioural finance is the study of how psychological influences on financial behavior, such as mental errors and emotions, can cause stocks or currencies to be overvalued or undervalued and develop investment techniques that give us a competitive advantage over other investors [5 - 8]. Behavioural finance focuses on identifying the mental mistakes that investors routinely make [9]. These techniques are not limited to examining the fundamentals of a company or the feelings of investors. Investors are more perplexed than ever as they attempt to lead (navigate) the perplexed market and choose which assets could offer them significant returns in times of economic crisis during the current Covid - 19 pandemic and the new normal situation [10]. Investor behaviour has aligned with behavioural finance theories and concepts at this time of economic crisis and uncertainty during the pandemic, because of rising market trading activity is associated with universal sentiments of anxiety and perplexity among investors [11].

2. History of Behavioural Finance

Researchers and academics assumed investors were rational and made decisions entirely based on specific calculations and other quantitative data before behavioural finance became popular. The expected utility theory held that utility was a measure of the level of satisfaction an individual felt when consuming a good or service. This traditional approach to finance, which dates back to the mid-18th century, described behavior based on the theory of utilitarian expectation. Mainstream theorists have argued that this utility calculation is one of the few reasons why investors behave this way (Kapoor and Prasad, 2017).

The notion of a rational economic man first appeared in 1844 and later became the fundamental basis of the standard financial framework of behavior. According to this theory, behavior is guided by obtaining maximum satisfaction given the constraints that may be encountered. This concept presupposes perfect rationality, personal interest and information. According to this idea, investors make rational decisions by updating their existing knowledge as new information becomes available and maximizing the usefulness of this comprehensive knowledge. While these theories can explain certain investor behaviours, they have difficulty describing market disruptions and anomalies (Kapoor and Prasad, 2017). Examples of such disruptions are stock bubbles, overreactions, sub-reactions, dynamics and reversals. When investors overvalue a stock and push its price above its real value in a given valuation model, a stock market bubble develops (Kenton, 2020). Over-reaction and under-reaction show the effects of emotional reactions to news on market participants. The pace of price changes is conveyed by the momentum or reversal of a stock, which can be used to identify trends in its performance, is called an overreaction (Dhir, 2020). The theme of behavioural finance was created in the 1970s and 1980s, thanks to psychologists who sought explanations for these anomalies.

3. Objectives

The following are the Objectives of the study.

- a) To present the new normal of Behavioural Finance in India
- b) To reduce psychological biases in investing decision-making by using behavioural finance in the new normal and studying investor behaviour and psychology.
- c) To examine the relevance of Behavioural Finance to Indian stock markets in covid-19 pandemic.

4. The Implications of Behavioural Finance Principles

Traditional financial theory assumes rational decision makers. Modern thinking, on the other hand, implies that financial decisions made by investors are not based on adequate considerations. They frequently err when making decisions. To put it another way, people's judgments are swayed by a variety of deceptive cognitive practises. Heuristic and prospect theory are the two subcategories of decision-making that they encompass.

4.1 Heuristic Decision Process

It is a system of rules that people use to make judgments in complex and uncertain situations. Although investors believe they make sensible decisions, the truth is that this isn't totally true. Investors believed they had gathered pertinent information and objectively appraised it, taking mental and emotional variables into consideration. It's quite difficult to be separated from someone. It could be advantageous, but the results are usually less than ideal. It incorporates the idea of representativeness. Cognitive biases include things like overconfidence, anchoring, the gambler's fallacy, and the availability bias.

Representativeness: It's a mental shortcut for swiftly sorting items into one of several categories. While representativeness is helpful in organizing and analyzing huge volumes of data, it is a short-cut that can lead to investors overreacting to out-of-date information. Let's say company A is a small family-run corporation with a modest budget. Investors would generally characterize A as sluggish to adapt to change, unprofessional, and opaque based on the information. Reality, on the other hand, may be quite the contrary. Investors can make mistakes in financial markets because of representativeness. If a firm has repeatedly delivered bad outcomes, investors can become disillusioned. According to them, the company exhibits all of the hallmarks of a bad company and, like most bad companies, will continue to deliver poor outcomes in the future. Sometimes, investors over react in the face of negative information and miss the real signs of improvement. Despite the fact that it appears to be in a strong position to offer positive results, the firm is undervalued because it is disregarded. This isn't to suggest that investors won't alter their minds in the future. Investors will ultimately overcome their representativeness mistake if the firm continues to improve over time. And the business will begin to appear like a potentially lucrative venture. As a result of this mental shortcut, investors find it more difficult to conduct a thorough analysis of newly acquired information. It enhances the brain's ability to quickly organize and analyze large volumes of data, but it may cause investors to react irrationally to out-of-date information. For example, if a company has been losing money for a long period, investors may become disillusioned with the previous data and overreact by ignoring valid signals of recovery. Undervaluation of the company shares is a result of prejudicial attitudes.

Overconfidence: A person's confidence can take many shapes. One's courage may be bolstered by it, and success is commonly equated with it. Self-assurance is often commended, yet it is not the only factor in being successful. The careful and analytical will have a better chance of success, while the rest will have to leave. Although self-assurance is often regarded as a positive attribute, confidence is not. Investors sometimes overestimate their ability to predict the market or assume they have more information than they actually have. The end outcome is frequently excessive trading.

Anchoring: It explains why people tend to rely too heavily on one trait or piece of information when making decisions. When presented with new information or the value scale is set or anchored by earlier observations, investors take their time adapting. They believe that the earnings trend

will follow historical patterns, which could lead to under reactions to changes in the trend. Investors' reactions to new, favourable information about a company can be skewed by mental mistakes.. For example, if a business reports significantly higher earnings than expected, the market may under react to the news. Despite the fact that the company is making more money, the value of its stock is diminishing. Anchoring is a brain function that helps solve difficult problems by selecting an initial reference point and progressively changing to the correct one when more information is obtained. An fantastic way to see anchoring in action is to use it when you're haggling. A well-trained car salesman starts conversations with prospective customers by suggesting a high price and progressively lowering it. His goal is to make the buyer feel good about the high price (regardless of the real value of the car) and that he got a good deal by receiving a lower price. Mispricing of securities can also be caused by anchoring. As a result, investors don't expect the stock to increase in value. As a result of their lack of reaction to the new, positive information, they continue to hold fast to their previous assessment of the company's prospective profitability. This does not rule out the possibility that investors will stray from their initial reference point, or anchor.

Gambler's fallacy: This occurs when investors incorrectly expect a trend's reversal. It could make you fearful of a positive or negative consequence.

Availability bias: The most publicly available information has more weight with investors when making investment selections. This is a fairly common occurrence. It yields poorer profits and, on occasion, disastrous effects. Everybody does not know the same amount of information. For business news, some people tune in to CNBC TV 18 or NDTV PROFIT. STAR PLUS's serials are an option for others who would rather watch them. The first one has a lot more details than the second.

4.2 Prospect theory

Prospect theory groups the second set of illusions that might influence the decision-making process. Kahneman and Tversky are the authors of this theory. They discussed a variety of mental states that might influence an investor's decision-making process. Prospect theory holds that people react differently to similar situations depending on whether they are presented from the perspective of gaining or losing something. Typically, investors are significantly more alarmed by the prospect of losses than they are by the possibility of equal profits. Prospect theory incorporates the concept of loss aversion as a central concept. an unwillingness to dwell on the past Reactions that are both excessive and insufficient The ability to restrain oneself, as well as the ability to keep mental accounts.

Loss Aversion: It's becoming more and more popular to study loss aversion as a psychological notion in the scientific community. When faced with the possibility of losses, investors are risk-seeking; but, when faced with the promise of gains, they are risk-averse. This behaviour is referred to as loss aversion.

Regret Aversion: Investors want to prevent the heartache of regretting a bad investment choice. In order to avoid realizing a loss and making a terrible investment, investors want to hold onto underperforming companies. Recognizing that investors can reduce their tax burden by suffering financial losses, regret aversion is a tax inefficient approach to investing. Buying a stock that has lost value or not buying one that has increased in value is an example of a mistake that would lead to regret, according to the regret hypothesis.

Investors may want to postpone selling equities that have lost value in order to prevent the disappointment of a bad investment and the embarrassment of having to declare the loss. They may also find it easier to follow the crowd and purchase a well-known stock: if its value declines, it can be justified by the fact that everyone else owns a piece of the action. Going against the grain is more difficult since it raises the possibility of regretting a bad decision.

Over or under reaction: When investors lay too much importance on recent news, the market can over react or under react. People exude an enormous amount of confidence. When the market rises, they become more optimistic, and when it falls, they become gloomier. When there is bad news, prices fall, and when there is good news, prices climb. In other situations, this can lead to very bad things happening. Behavioural Finance seeks to identify market scenarios where investors are more prone to over react or fail to respond to new information. Mispriced securities can be the result of these mistakes. Behavioural Finance methods aim to invest in these assets before most investors recognize they've made an error. And to profit from the increase in price that follows after they do. Behavioural Finance methods aim to invest in these assets before most investors recognize they've made an error. And to profit from the increase in price that follows after they do. A reaction from investors is most usually caused by a combination of the aforementioned factors. For example, stock market crashes can be explained by prospect theory and investor overreaction. One of the most appealing characteristics of behavioural finance investment strategies is their advantage over most traditional investment methods.

Mental Accounting: Investors use a set of cognitive operations technically called accounting to organize, assess, and track their investment activities. The most attention is paid to three aspects of mental accounting. This is the initial stage in documenting how people interpret and experience findings, as well as how decisions are made and evaluated. A second aspect of mental accounting is the assignment of actions to distinct accounts. The origins and destinations of money are clearly identified in both physical and conceptual accounting systems. The frequency with which accounts are analyzed and "choice bracketing" are both aspects of mental accounting. Accounts can be balanced daily, weekly, annually, or in any other way. They can also be defined narrowly or broadly. Mental accounting is incompatible with the economic principle of fundability on every level. As a result, mental accounting affects decision-making, i.e., it is important.

Self-control: Self-control is essential for all investors if they want to avoid losses and keep their assets safe. They hypothesize that investors are prone to temptation and are always looking

for new methods of self-control. Investors might restrict their desire to overspend by mentally dividing their financial resources into capital and expenditure pools.

Relevance to Indian stock Markets

A speculative bubble occurs when the actions of market players lead the price of a stock to diverge from its intrinsic value for an extended period of time. Speculative bubbles are difficult to explain rationally through trade, and behavioural finance theories have been offered to clarify market psychology. Their goal is for it to happen when a large share of the market's trading activity is characterised by positive feedback behaviour. It's possible that asset prices will diverge from their true worth as a result of this. This price disparity attracts rational investors, who trade in the same way.

Speculative trades are based on today's private information possessed by investors and are designed to offer higher returns in the future when this secret information is fully exposed to the market. As prices adjust to reflect the new information, there will be a positive correlation in returns. A portfolio rebalancing or hedging trade is one that is not done on the basis of information. Stock purchases and sales can result in an investor increasing (or decreasing) the size of their stock portfolio. His shareholdings will be increased or decreased to achieve this. This will be performed by increasing (or decreasing) the stock price on the other side of the agreement. When it comes to Indian markets, behavioural finance has clear signals and appears to be acceptable during the present IPO boom. The pursuit of stock indicates a herd mentality, of course. Excess subscriptions get more popular as the word gets out. The first thing everyone does when stock prices start to increase is to book profits by selling on the first day of trade. Is it really so simple to earn a living? Is it accurate to say that life and the financial markets are so predictable? As soon as investors receive their allotments, they'll start selling their stocks. People will want to beat their neighbours to the sale, which will cause stock values to fall quicker. As a result, greed is transformed into a cemetery. To succeed financially, one must realise that there are no short cuts; one must work diligently and patiently.

Investors in India may make fewer mistakes if they use behavioural finance effectively, according to this theory. While learning to recognise some of the most common psychological and cognitive mistakes even the most seasoned investment professionals make may be helpful, it may not be sufficient. Financial psychology can help investors understand why they hold onto declining stocks, sell rising ones recklessly, overvalue rising ones and enter the market late, all while never finding the right price to purchase and sell equities. In addition to gold ETFs and the ideal times to enter and exit the stock market, investors need be aware of mutual fund schemes. It also emphasises the necessity for mutual fund companies and politicians to initiate campaigns in smaller towns to increase financial literacy.

5. The COVID-19 Pandemic

After 2019, no one, not even the most astute academics or astute investors, could foresee what would happen in the coming few months. The COVID-19 Pandemic put the entire world on high alert, requiring us to adjust to a new normal that included mask use, working from home, social isolation, and more than simply hand washing. As the virus expanded throughout the globe and began to threaten the United States in early March, markets around the world saw significant selloffs and extreme volatility for several days in a row. We haven't seen this kind of decline in our country since the housing crisis, which lasted from 2006 to 2009. Circuit breakers were employed four times to temporarily shut down the market because of price movements that surpassed 5% at night or 7% during the day. When these circuit breakers prevented prices from going any lower for 15 minutes, investors were stunned. Fortunately, the circuit breaker for a 20% reduction in pricing in a single day never went off.

6. Suggestions to Investors

While it is impossible for investors to completely overcome their biases and have the inherent awareness that they exist, there are a few things to keep in mind to ensure rational decision-making that maximises profits and reduces risk. Well-informed investors who are aware of the biases that exist while making investments are better equipped to deal with them.

In the market, investors aren't alone. Finding sources that believe differently than they do and then correlating evidence and arguing with them to reach a conclusion is important.

Investment Goals: Before jumping on the investment bandwagon, it's important for people to understand and quantify their investment objectives. This provides clarity of thought and aids investors in avoiding behavioural biases while making short-term changes to achieve long-term objectives.

While past "winners" seem to be a smart investment, the rule of long-term averages suggests that last year's best-performing assets may not do as well this year. As a result, it's critical not to place undue emphasis on prior performance and to expect the same degree of success in the upcoming year.

Everybody makes errors at certain point. Traders and investors may find themselves in the bottom of the pit on the several times and believe that this is the end. However, it is critical to learn from such mistakes and get back on track while keeping the lessons in mind in order to prevent repeating them in the future.

7. Conclusion

Behavioural finance comes in handy in a variety of circumstances. You learn how to prevent prejudices as well as create short- and long-term tactics to take advantage of it. Investors in India may make fewer mistakes if they use behavioural finance effectively, according to this

theory. Behavioural finance can explain why investors hold onto stocks that are about to crash, sell stocks that are gaining unwisely, overvalue stocks excessively, rush in late, and never discover the optimum price to buy and sell equities in the stock market. Behavioural finance provides clear signals and appears to be appropriate in the present IPO boom in Indian markets.

The COVID-19 pandemic has had a significant negative economic impact. Lockdown and social isolation have become unwelcome due to the vast population and the economy's challenges, particularly in the banking industry. As a result of the government's efforts to contain the spread of COVID-19, individual investors' desire to invest in mutual funds and the stock market has suffered. Recently, it appears that investors have become more risk averse, opting for investments with low returns but high safety.

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Trends in Capital Structure - An Analysis of Indian Manufacturing Sector

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ABSTRACT

The study aims to understand the trends in capital structure of manufacturing sector in India. Manufacturing sector includes 10 industries viz., Chemical, Construction material, Consumer goods, Diversified, Machinery, Metal and Metal products, Miscellaneous, Textile, Transport equipment, and Food and Beverage are taken as sample. The relevant data pertaining to the study are collected for 27 years from 1990-91 to 2016-17 from PROWESS database. The study period is divided into two parts. The first part consists of 13 years from 1991-92 to 2003-04. The second part is the remaining period of 14 years from 2004-05 to 2017-18. The period up to 2003-04, since economic liberalization of the country, was marked by very low valuation of stocks. The Bombay stock exchange Sensex was ruling at a level of about 4000 till that period. From 2004-05 onwards, there has been rapid uptrend in the Sensex. To find out the significant difference of mean debt-equity ratio between two phases i.e from 1991-2003 and 2004 -2017 t-test has been applied. From the results of the test it can be concluded that during the study period the manufacturing sector witnessed a significant increase in the debt equity ratio during the second phase of the study period as compared to the first phase of the study period this was perhaps to take advantage of the subdued interest rates during the second phase of the study period, that the companies had gone in for more debt for expansion.

Keywords: Capital structure, Profitability, Debt-Equity ratio.

INTRODUCTION

Capital Structure is a proportion of debt and equity mix, a strategic financial decision plays an important role in increase of profitability of an organization and designing of optimal capital structure is the one of the many functions of a financial manager. The main objective of capital structure decision is to minimize the cost of capital and maximize the share holder wealth.

LETERATURE REVIEW

Sanjay Anandilal Hiran and Dr. Mahendra Sojatia (2015) studied the existing pattern or composition of capital structure and debt equity ratio of Metal and Pharma industry which is based on eleven companies engaged in such industry. After comparative analysis followed by

ratio analysis it is found and concluded that companies are using both debt and equity financing as a part of its capital structure. The average debt equity ratio in case of Pharma industry is lower as compared to Metal industry. The Pharma industry should pay more attention to debt financing to maximize the value of the share price. Both the industries advice to maintain a trade-off between debt and equity so as to achieve the objective of optimal capital structure.

Vincent Konadu Tawiah (2014) an attempt has been made to analyze the emerging trends in capital structure patterns of companies in Ghana and India, the existence of inter-country differences and identify the possible source of such variations in capital structure. To achieve this objective, 20 listed companies were selected from Ghana and India and 5years debt-percentage to total capital structure trend analysis was used. It was found out that companies in Ghana is less debt financing in its capital structure pattern as compared to companies in India. Indian companies are decreasing the debt finance over the period while Ghanaian companies are increasing at (1%) a marginal rate. The less debt financing in Ghana is due to the fact that there is high interest rate. The high performance and efficient capital market in India has boosted shareholders confidence thereby reducing company borrowings.

Amita (2014) aimed to study the Financing Pattern of Joint stock companies in India for the period 1991-2008. The Indian corporate sector is divided into nine broad industry groups so as to make industry-wise analysis of financing pattern. The results of the study indicate declining trend of Debt equity ratio and Debt to total assets ratio after the initiation of financial sector reforms in India. Also a significant variation is found across industry with respect to financing pattern.

Dr. Sukhdev Singh and Rajni Luthra (2013) an attempt has been made to study the emerging trends/practices in financing pattern of capital structure of metal and refinery industry in India. To achieve the objective of analyzing the trend in financing pattern of selected industries, the trend analysis of debt-equity mix as well as debt-equity ratio of 13 refinery companies and 11 metal companies has been chosen as sample size from top 100 manufacturing companies for 10 years. The analysis of the study concludes that the average ratio of debt and equity is in good proportion in Metal industry as compared to Refinery industry. It shows that metal industry is using more debt finance in its capital structure.

OBJECTIVE OF THE STUDY

1. To Study the Trends in Capital Structure of the Manufacturing Sector.
2. To Analyse the Consistency or inconsistency in the average debt equity ratios.

HYPOTHESIS

To test whether the differences in the average debt-equity ratios of the industries in manufacturing sector between the two time periods (phase I and phase II) are statistically significant, the following hypotheses are set:

HO₁: There is no significant difference in the mean debt equity ratio of chemical industry between the two phases of the study period.

H1₁: There is a significant difference in the mean debt equity ratio of chemical industry between the two phases of the study period.

HO₂: There is no significant difference in the mean debt equity ratio of construction industry between the two phases of the study period.

H1₂: There is a significant difference in the mean debt equity ratio of construction industry between the two phases of the study period.

HO₃: There is no significant difference in the mean debt equity ratio of capital goods industry between the two phases of the study period.

H1₃: There is a significant difference in the mean debt equity ratio of capital goods industry between the two phases of the study period.

HO₄: There is no significant difference in the mean debt equity ratio of diversified industry between the two phases of the study period.

H1₄: There is a significant difference in the mean debt equity ratio of diversified industry between the two phases of the study period.

HO₅: There is no significant difference in the mean debt equity ratio of machinery industry between the two phases of the study period.

H1₅: There is a significant difference in the mean debt equity ratio of machinery industry between the two phases of the study period.

HO₆: There is no significant difference in the mean debt equity ratio of metal and metal products industry between the two phases of the study period.

H1₆: There is a significant difference in the mean debt equity ratio of metal and metal products industry between the two phases of the study period.

HO₇: There is no significant difference in the mean debt equity ratio of miscellaneous industry between the two phases of the study period.

H1₇: There is a significant difference in the mean debt equity ratio of miscellaneous industry between the two phases of the study period.

HO₈: There is no significant difference in the mean debt equity ratio of textiles industry between the two phases of the study period.

H1₈: There is a significant difference in the mean debt equity ratio of textiles industry between the two phases of the study period.

HO₉: There is no significant difference in the mean debt equity ratio of transport equipment industry between the two phases of the study period.

H1₉: There is a significant difference in the mean debt equity ratio of transport equipment industry between the two phases of the study period.

HO₁₀: There is no significant difference in the mean debt equity ratio of food and beverages industry between the two phases of the study period.

H1₁₀: There is a significant difference in the mean debt equity ratio of food and beverages industry between the two phases of the study period.

The following hypothesis is set to test the statistical significance of the average debt equity ratio of the entire manufacturing sector between the two phases of the study period.

HO: There is no significant difference in the mean debt equity ratio of the manufacturing sector between the two phases of the study period.

H1: There is a significant difference in the mean debt equity ratio of the manufacturing sector between the two phases of the study period.

Methodology

Sources of data:

The study is based on the secondary data. The data required for the study taken from the Center for Monitoring Indian Economy (CMIE)-Prowess database, RBI annual reports <https://www.bseindia.com/> and Economic outlook.

Sample size: The sample includes NSE listed firms of manufacturing sectors for a period of 27 years (1991 to 2017).

RESULTS AND DISCUSSIONS

Table 1: Debt-Equity Ratio of Various Industries under Manufacturing Sector

Year	CHE	CON	CG	DIV	MI	M&M	MISC.	TEX	TNS	F&B
1991-92	3.53	14.81	2.14	5.67	3.53	0.66	2.82	4.26	14.94	3.40
1992-93	3.48	15.80	1.89	5.55	5.04	1.04	3.73	4.88	15.71	3.96
1993-94	4.39	16.28	2.66	7.69	5.35	1.61	4.13	5.52	15.90	4.65
1994-95	5.89	15.99	3.36	8.93	5.44	2.42	4.74	6.58	16.80	5.81
1995-96	6.24	12.51	4.76	8.64	6.30	2.75	4.51	8.62	19.20	6.36
1996-97	7.66	13.64	5.37	8.31	6.68	3.14	6.98	9.48	19.27	7.18
1997-98	9.59	14.77	6.56	8.58	7.26	3.67	7.83	9.30	21.54	6.97
1998-99	10.53	15.34	7.84	9.07	8.10	4.13	7.08	9.76	24.89	7.57
1999-2000	10.89	14.81	8.42	8.87	8.16	4.83	7.64	9.89	24.89	8.09
2000-01	11.38	13.21	8.64	6.41	8.47	4.49	7.46	9.49	25.64	9.06
2001-02	12.27	13.36	9.30	5.70	8.92	4.68	8.43	9.91	24.14	10.04
2002-03	15.14	13.74	9.94	6.51	9.53	5.11	8.28	9.62	23.58	10.55
2003-04	14.14	13.91	10.94	9.04	10.00	5.44	8.80	9.56	29.88	11.21
2004-05	14.95	14.90	11.99	9.34	10.65	5.69	9.18	10.21	31.79	12.42
2005-06	16.79	14.80	13.12	9.34	11.28	8.17	9.72	12.21	35.28	13.90
2006-07	20.92	15.43	14.03	12.33	12.75	10.51	10.54	13.55	39.97	17.06
2007-08	24.56	17.11	17.01	13.39	15.05	14.57	14.52	17.09	46.69	20.64
2008-09	29.64	20.31	18.79	15.11	18.07	20.29	14.45	20.88	50.95	24.19
2009-10	39.25	23.86	21.19	19.33	21.44	25.63	17.08	22.02	55.86	25.59
2010-11	32.23	19.31	22.72	20.49	21.30	38.52	16.82	18.56	62.72	21.70
2011-12	28.35	19.96	2.34	11.54	11.06	40.61	6.22	7.53	67.24	6.74
2012-13	9.85	8.03	6.19	11.01	10.12	44.47	7.70	7.94	71.40	6.84
2013-14	10.90	8.98	10.54	11.88	10.99	46.92	7.85	7.58	76.02	7.51
2014-15	13.98	9.22	11.45	13.51	11.13	55.03	8.00	7.94	75.05	7.91
2015-16	15.71	10.08	11.00	12.27	9.76	56.80	9.12	7.93	74.79	8.48
2016-17	16.66	9.50	9.89	13.52	7.64	67.92	10.04	8.63	76.75	8.38
2017-18	12.13	9.77	9.87	10.18	6.43	70.21	9.25	7.38	81.22	8.16
1991-2003	9.49	14.21	6.77	7.54	7.32	3.12	6.74	8.76	10.57	7.84
2004-2017	19.70	14.00	12.34	13.12	12.05	38.56	10.56	11.18	57.28	12.49
1991-2017	14.85	14.42	9.70	10.45	10.02	20.35	8.63	10.23	31.29	10.53
Range	3.48 - 39.25	8.033- 23.86	1.89 - 22.86	5.55 - 20.49	3.53- 21.44	0.66- 70.21	2.82- 17.08	4.26- 22.02	14.94 81.22	3.40 25.59
t-value	4.38	0.07	3.73	5.48	4.11	5.52	3.95	2.51	8.34	3.15
P – value	0.01	0.00	0.15	0.08	0.02	0.00	0.83	0.00	0.00	0.00

Source: CMIE database

CHE: Chemical, **CON:** Construction, **CG:** Consumer goods, **DIV:** Diversified, **MI:** Machinery industry, **M&M:** Metal and Metal product, **MISC:** Miscellaneous, **TEX:** Textile, **TNS:** Transport equipment, **F&B:** Food & Beverages.

It can be seen that among the 10 industries consisting of the manufacturing sector (except for two industries viz., construction and transport equipment) eight industries have shown a debt-equity ratio of less than ten for seven years from 1991-92 to 1997-98. Of these eight industries, six industries continued to show a debt-equity ratio of less than 10 during the next five years up to 2002-03, while two industries viz., chemicals, and food and beverages, increased their debt-equity ratio to greater than 10 during this period. There were only three industries viz., diversified, minerals and metals and miscellaneous industries kept their debt-equity ratio at less than 10 until 2005-06. Thus, the debt equity ratio was less than 10 for fifteen years between 1991-92 and 2005-06 for the three industries in manufacturing sector, perhaps due to less requirement of capital for expansion as compared to other industries. It may be of interest to note that the construction and transport equipment industries relied heavily on debt even before economic liberalization as their debt equity ratios were in two digits during 1991-92. This was in spite of the fact that high interest rates were prevailing in the country during pre-liberalization era.

The debt equity ratios crossed the two digit mark for all the ten industries of the manufacturing sector during 2006-07 and continued like that till 2010-11. However, four industries viz., capital goods, miscellaneous, textiles and food and beverages industries reduced their debt-equity ratios substantially during 2011-12. Among these four industries, the reduction in debt was very steep from 22.72 times to 2.34 times of equity in the case of capital goods industry and 21.7 times to 6.74 times of equity for food and beverages industry, in spite of the fact that interest rates were ruling at a lower level during that period. The debt-equity ratio continued to be less than 10 from 2011-12 to till the end of the study period i.e., 2017-18 for three industries viz., miscellaneous, textiles and food and beverages industries. In the case of miscellaneous industry, however, during 2016-17 the debt equity ratio was marginally higher than 10 at 10.04.

Capital structure of manufacturing sector during the two phases of the study period

Table 2 provides a summary of the average debt equity ratios of the various industries under the manufacturing sector during the two parts of the study period.

Table 2

Average Debt Equity Ratio of Industries under Manufacturing during the Two Phases

INDUSTRY	PHASE-I (1991-2003)	PHASE-II (2004-20017)	TOTAL (1991-2017)
Chemical	9.49	19.70	14.85
Construction	14.21	14.00	14.42
Consumer goods	6.77	12.34	9.70
Diversified	7.54	13.12	10.45
Machinery industry	7.32	12.05	10.02
Metal & Metal product	3.12	38.56	20.35
Miscellaneous	6.74	10.56	8.63
Textile	8.76	11.18	10.23
Transport equipment	10.57	57.28	31.29
Food & Beverages	7.84	12.49	10.5

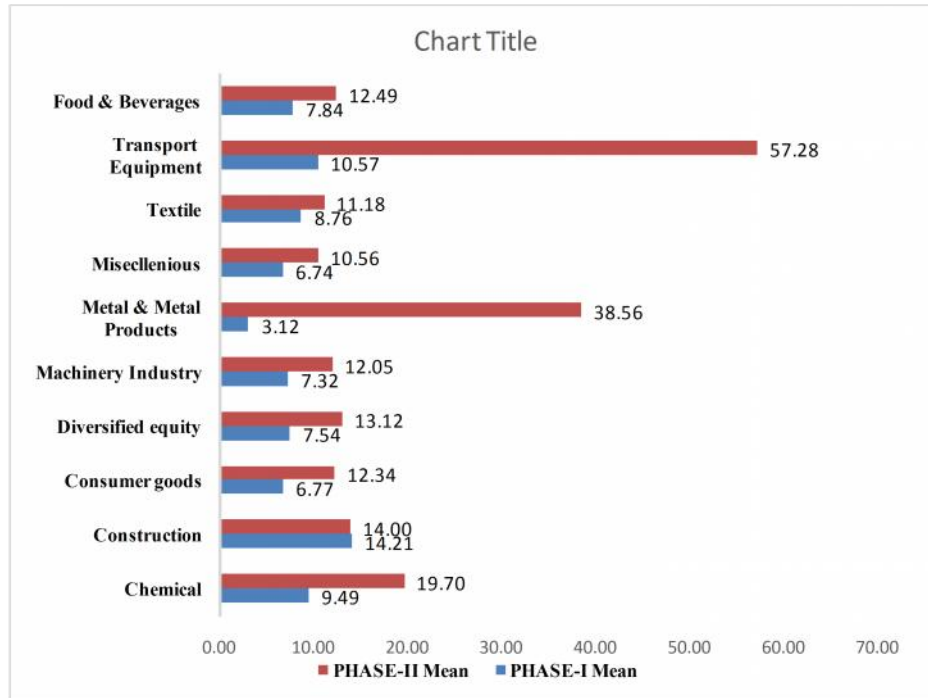
It can be seen that the average debt-equity ratio of the various industries of the manufacturing sector during the first part of the study period (1990-91 to 2003-04) ranged between 3.12 in the case of minerals and metals and 14.21 in the case of construction industry. Eight out ten industries comprising of manufacturing sector showed a debt equity ratio of less than 10 during this period. During the second phase of the study period (2004-05 to 2017-18), the average debt-equity ratio of all the industries under manufacturing sector ruled above 10. The debt equity ratios of the industries under manufacturing sector ranged between 10.56 in the case of miscellaneous industry and as high as 57.28 in the case of transport equipment. Among the individual industries, the increase in debt equity ratio during this period as compared to the previous period was very steep in transport equipment industry from 10.57 to 57.28 (an increase in debt by about 46 times of the equity). In the case of minerals and metals industry the hike in debt equity ratio was about 35. Thus, the period between 2004-05 and 2017-18 was marked by high debt equity ratios for all the industries under manufacturing sector. As already mentioned, this could be perhaps due to the availability of debt at a cheaper rate during this period due to reforms in the debt market and the banking sector.

On the whole, for the entire period of the study, the average debt equity ratios were less than 10 for two industries under manufacturing sector viz., miscellaneous industry (8.63) and capital goods industry (9.70). The average debt equity ratio was very high at 31.29 in the case of transport equipment industry during the study period. In the case of minerals and metals the average ratio was as high as 20.35. For four industries viz., machinery, textiles, diversified and food and beverages industries the average debt equity ratio was about 10. The average debt equity ratio was around 15 in the case of the remaining two industries viz., chemicals and construction.

To provide a lucid understanding of the debt equity ratios of various industries during the two phases of the study period a bar diagram is prepared and presented below. The diagram

depicts the summary of average debt equity ratio of the various industries under manufacturing sector during Phase -I (1991-2003) and phase -II (2004 -2017) of the study period.

Diagram 1: An overview of change in debt-equity ratio of industries in manufacturing sector between phase-I (1991-2003) and phase-II (2004-2017)



Consistency or inconsistency in the average debt equity ratios

In this section an attempt is made to find out the extent of variation and the consistency and inconsistency in the average debt equity ratios of various industries in the Manufacturing sector during the study period. To find out the variation in the average debt equity ratios of various industries in the manufacturing sector standard deviation is calculated. To find out the extent of consistency in the average debt equity ratios co-efficient of variation is calculated. The result is presented in the following table.

Table 3 Extent of variation and level of consistency in the average D/E ratios of various industries in the manufacturing sector between Phase-I and Phase -II of the study period.

Industry category	PHASE-I 1991-2003			PHASE -II 2004-2017		
	Mean	S.D.	C.V.	Mean	S.D.	C.V.
Chemical	8.85	3.95	44.50%	20.42 (130.73)	8.99 (127.59)	44%
Construction material	14.47	1.18	8.10%	14.37 (-0.69)	5.18 (338.98)	36%
Consumer goods	6.29	3.13	50.00%	12.86 (104.45)	5.58 (78.27)	43%
Diversified	7.61	1.42	18.7%	13.08 (71.88)	3.33 (134.51)	25%
Machinery	7.14	1.94	27%	12.69 (77.73)	4.63 (138.65)	36.5%
Metal & Metal products	3.38	1.58	47%	36.09 (967.75)	22.11 (1299.36)	61%
Miscellaneous	6.34	2.05	32.2%	10.74 (69.40)	3.50 (70.73)	33%
Textile	8.22	2.10	25.6%	12.10 (47.20)	5.37 (155.71)	44%
Transport equipment	10.11	3.30	32.60%	50.94 (403.85)	27.22 (724.85)	53%
Food & beverage	7.29	2.48	34.00%	13.53 (85.59)	6.96 (180.64)	51%
Total average	7.97	2.31	31.90%	19.68 (146.92)	9.29 (302.16)	48%

Source: CMIE PROWESS Database

The variations in the D/E ratios of various industries in the manufacturing sector increased substantially during the second phase of the study period along with the increase in the D/E ratio. However, in most cases, the percentage increase in SD is much higher than the percentage increase in D/E ratio. In the case of Metal and Metal Products industry, while the increase in D/E ratio was about 968 percent, the increase in S.D. was about 1299 percent. While in transport equipment industry the D/E ratio increased by about 404 percent, the S.D. increased by about 725 percent. In the case of Food and beverages industry the increase in D/E ratio and S.D. between the first and second phases of the study period was about 86 percent and about 181 percent respectively. Similarly, in Machinery and Diversified industries, while the D/E ratios increased by about 78 and 72 percent respectively, the S.Ds. increased by about 139 and 134 percent. In a few cases such as the miscellaneous industry, the percentage increase in D/E ratio and the S.D. is almost the same at about 69 and about 71 respectively. While in the case of the Consumer Goods industry the percentage increase in S.D. (about 78) was much less the percentage increase in D/E ratio (about 104), in the case of Chemical industry, the percentage increase in

S.D. (about 128) was slightly less than the percentage increase in D/E ratio (about 131). In the case of the Construction Material industry, however, the D/E ratio between first and second phases of the study period marginally declined by about one percent, the S.D. increased by about 339 percent. On the whole, the percentage increase of S.D. of manufacturing sector (about 147) was much higher than the percentage increase in D/E ratio (about 302). Thus, the variation in the D/E ratio in second phase was much higher than that of the first phase.

It can be seen that during phase-I of the study period, the Chemical industry showed the highest variation in the D/E ratio followed by the Transport Equipment industry as reflected by the Standard Deviation. The consumer goods industry also showed an S.D. of above three along with these two industries. While three industries viz., the Food and Beverages, the Textiles and the Miscellaneous showed a Standard Deviation of about two to 2.5, the remaining four industries viz., the Machinery, the Metals and Metal products, the Diversified and the Construction Materials showed an S.D. of between one and two during the first phase of the study period. On an average, the manufacturing sector showed a S.D. of about 2.3.

The Consumer goods industry showed the highest inconsistency in its D/E ratio with a C.V. of 50 percent during phase-I of the study period. It was followed by the Metals and Metal Products industry with a CV of 47 percent. The Chemical industry also showed higher inconsistency in its D/E ratio as compared to the other industries by showing a C.V. of above 40 percent. While three industries viz., the Food and Beverages, the Transport Equipment and the Miscellaneous scored a C.V. of about 32-34 percent during t Phase-I of the study period, two industries viz., the Machinery and the Textiles showed a C.V. of about 27 and 26 percent respectively. The diversified industry was the most consistent industry in terms of its D/E ratio in the Manufacturing sector as it scored the least C.V. of about 19 percent. On an average, the manufacturing sector showed a variation of about 32 percent in its D/E ratio during the first phase of the study period.

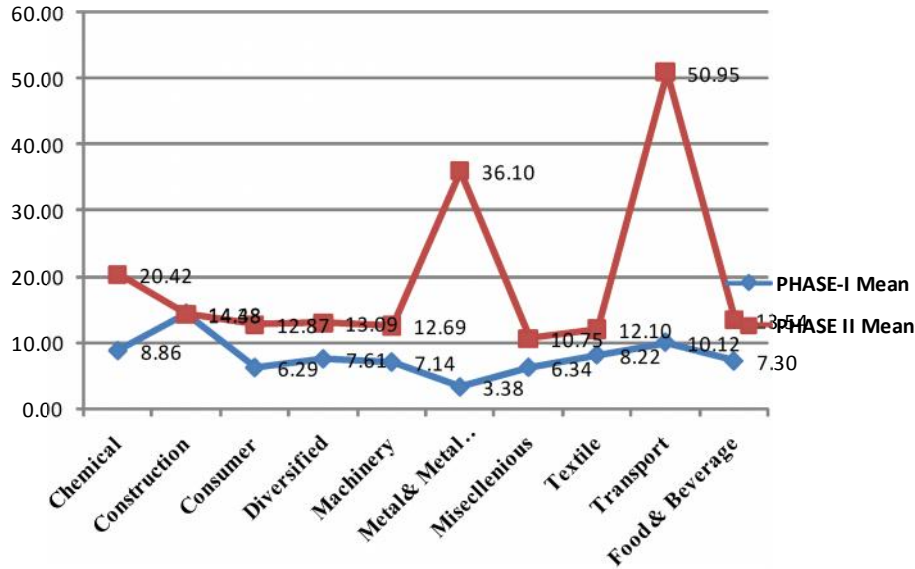
During the second phase of the study period the Transport Equipment industry showed the highest variation in the D/E ratio distantly followed by the Metals and Metal Products industry, by scoring a Standard Deviation of about 27 and 22 respectively. While the Chemical industry showed a S.D. of about nine, the Food and Beverages industry showed a S.D. of about seven. While three industries viz., the Consumer goods, the Textiles and the Construction Materials showed a Standard Deviation of about five to 5.5, the Machinery industry scored a S.D. of about 4.6. The remaining two industries viz., the Miscellaneous and the Diversified showed a S.D. of between three and 3.5 during the second phase of the study period. On an average, the manufacturing sector showed a S.D. of about nine percent during the second phase of the study period.

The Metal and Metal Products industry showed the highest inconsistency in its D/E ratio with a C.V. of 61 percent during the second phase of the study period. It was followed by the

Transport and Transport Equipment industry with a CV of about 53 percent. The Food and Beverages industry also showed higher inconsistency in its D/E ratio as compared to the other industries by showing a C.V. of above 50 percent. While three industries viz., the Chemicals, the Textiles and the Consumer Goods scored a C.V. of about 43-44 percent during the second phase of the study period, two industries viz., the Machinery, the Construction Materials and the Miscellaneous showed a C.V. 33-36.5percent. The diversified industry was the most consistent industry in terms of its D/E ratio in the Manufacturing sector as it scored the least C.V. of about 25 percent. On an average, the manufacturing sector showed a C.V. of 48 percent during the second phase of the study period.

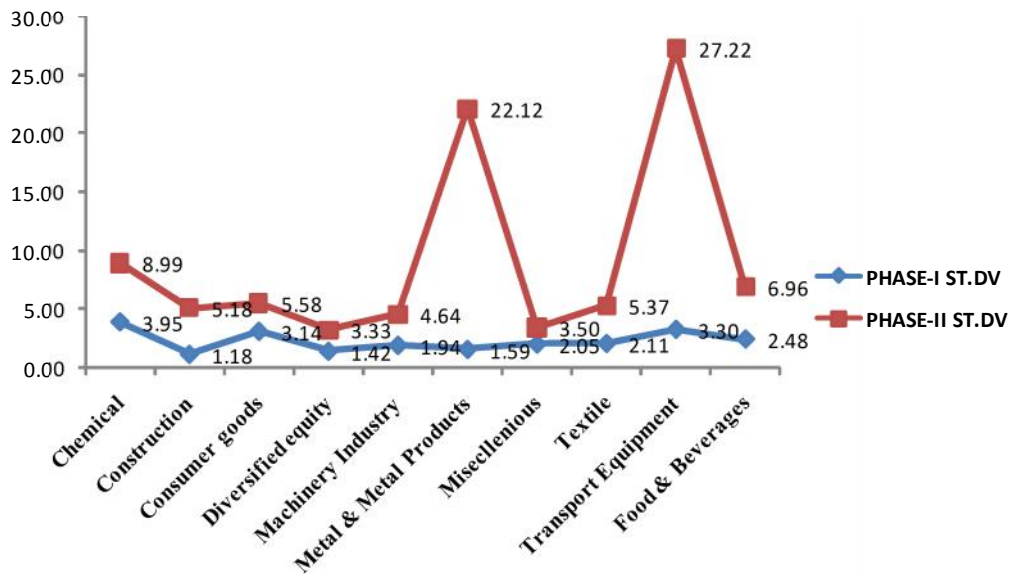
In most industries of the manufacturing sector, the inconsistency in D/E ratios increased considerably between the first and second phases of the study period. In the case of Consumer Goods industry the inconsistency (C.V. ratio) increased by more than 400 percent from about eight percent to 36 percent between the two phases of the study period. While the C.V. increased by about 20 percent from about 32 to 53 percent in the case of Transport Equipment industry, the increase was about 18 percent in Textile industry. The increase in the CV was 17 percent in the case of Food and Beverages industry, while it was 14 percent in Metal and Metal Products industry. In Machinery and Diversified industries, the increase in C.V. ratio between the two study periods was about nine percent and seven percent respectively. The C.V. ratio remained almost the same between the first and second phases of the study period in the case of Miscellaneous and Chemical industries. However, in the case of the consistency in D/E ratio improved in the second phase of the study period in the case of Consumer Goods industry as the C.V. ratio declined by seven percent. On the whole, the inconsistency in the D/E ratio of the manufacturing sector increased during the second phase of the study period as compared to the first phase as the C.V. ratio increased by about 16 percent.

Diagram2: Showing the comparison between phase -I and phase-II standard deviation in various industries of manufacturing sector.



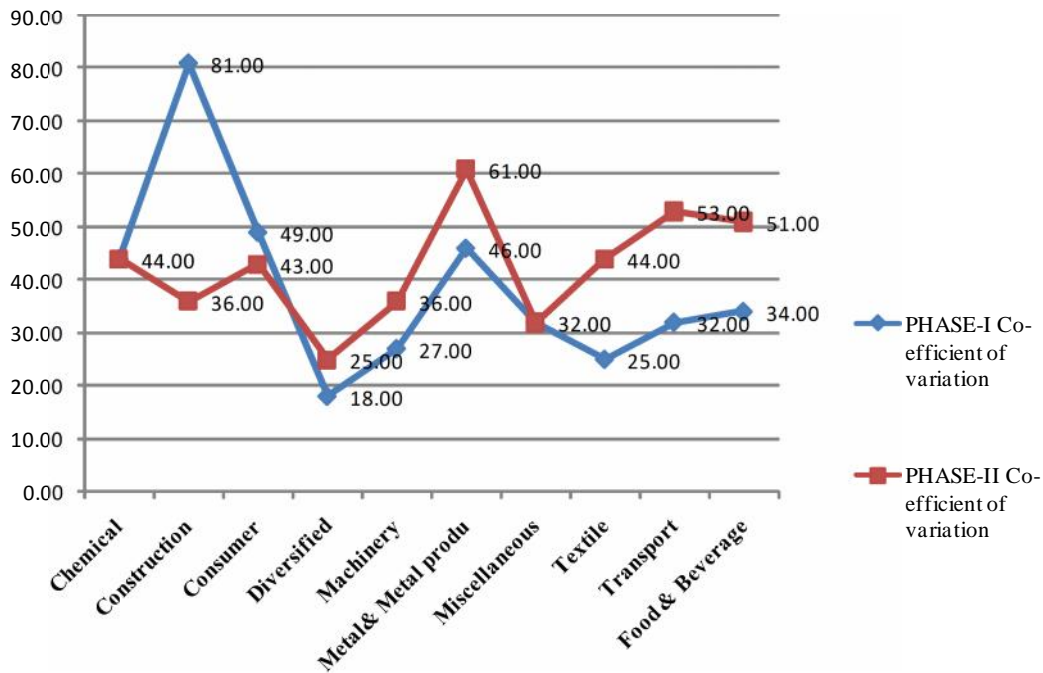
The above graph depicts that during phase-I of the study period high variations reported at about 14.2 in the construction industry and very low variations in metal and metal products industry at about 3.38 while in phase-II of the study period transport industry showed huge variations in debt equity ratio and low in miscellaneous industry.

Diagram 3: showing the comparison between phase -I and phase-II standard deviation in various industries of manufacturing sector.



From the above graph it can be observed that low standard deviation of debt equity ratio is reported in Construction industry at about 1.18 during phase-I of the study period. During phase-II of the study period high fluctuations are reported in Transport equipment industry at about 27.22 and thereafter metal and metal products industry at about 22.12 this can be reasoned that these industries in Manufacturing sector procured more funds through debt for expansion.

Daigram4: showing the comparison between phase -I and phase-II Co-efficient of variation in various industries of manufacturing sector



The above graph depicts that the inconsistency level was much high at about 81% in Construction industry during phase-I of the study period and low in Diversified industry at about 18%. During phase-II of the study period inconsistency was high in Metal and Metal products industry at about 61% and low at about 32% in Miscellaneous industry. It can also be observed that the inconsistency level is same in both the phases in Chemical industry it means that there is no difference in average debt equity ratio in both the phases of the study period.

Conclusion: It can be concluded that during the study period the Manufacturing sector witnessed a significant increase in the debt equity ratio during the second phase of the study period as compared to the first phase of the study period. As already mentioned, this was perhaps to take advantage of the subdued interest rates during the second phase of the study period, that the companies had gone in for more debt for expansion. Mining sector showed an increasing trend in the debt equity ratio during the phase two of the study period as compared to the phase one again perhaps due to the availability of debt at a cheaper price the companies under the

sector might have resorted for more debt for expansion activities during this period. There is a significant increase in the average debt equity ratio of the Construction industry during the second phase of the study period as compared to the first phase of the study period. The industry, perhaps, took advantage of low interest rates to use debt for expansion of its activities during the second phase of the study period. On the whole electricity sector witnessed moderately high variation and a high inconsistency in the d/e ratio during the first phase of the study period. Both the variations and inconsistency in the d/e ratio decreased during the second phase of the study period.

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Impact of Covid-19 on Non Performing Assets in India

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ABSTRACT

A bank's assets are the loans and advances it extends to customers. If these customers including corporate companies do not repay either interest or part of principal or both, the loan turns into a bad loan or Non Performing Assets (NPAs). Non Performing Assets became a big worry for every bank irrespective of their sector. In haste of earning profits from advances in the form of interest, banks are issuing loans and advances without proper credit recovery mechanism. This means, instead of earning returns on NPAs, banks are spending a lot of amount for recovery of loans. There are several reasons leading to an account becoming an NPA. One of the primary reasons for a bank to face NPA is wrong lending decision. A major portion of the advances given by banks are for industries and for trade, which majority of the time is not analyzed rightly by the bankers and therefore results in mounting NPAs or bad loans. The sudden outbreak of corona virus pandemic added fuel to the fire and severely damaged the Indian banking sector by declining the credit delivery to the various sectors. Through this paper an attempt is made to study the impact of Covid -19 on Indian banking sector specifically on Non Performing Assets in India. The paper covers the various post covid-19 challenges and solutions of the Indian banks like low profitability, policy and regulatory measures.

Introduction

A bank's assets are the loans and advances it extends to customers. If these customers including corporate companies do not repay either interest or part of principal or both, the loan turns into a bad loan or Non Performing Assets (NPAs). Generally, that specified period of time is 90 days in most of the countries and across the various lending institutions. However, it is not a thumb rule, banks are instructed to classify an account as NPA in different categories once they cross 90 days term period. The few possible reasons for NPAs in India could be (a) A non-transparent way of giving loans. (b) Due to natural reasons such as droughts, floods, disease outbreak, earthquakes etc. (c) Business losses due to changes in regulatory environment. (d) The unplanned expansion of corporate houses during the boom period and loan taken at low rates later being serviced at high rates, therefore, resulting in NPAs.

Review of Literature

Ambrish Kumar Mishra, Archana Patel and Sarika Jain (2021). They highlighted the affect of the Covid-19 in the performance of the Indian banking sector by evaluating the existing data in knowledge base called ontology (Covid19-IBO).

Amit Melkani, Prof. Rajnish Pande (2021). They attempt to assess the impact of the relief measures implemented by the country's major public and private sector banks and addresses the subject through a comparative analysis those banks. However, it concludes that there continues to be a significant disparity in the performance of public and private sector banks in the area of NPA management.

Objectives of the study

- 1) To study the Covid-19 impact on Indian Banking sectors.
- 2) To study the Covid-19 impact on Non Performing Assets.

Analysis

The Covid-19 pandemic has not spared any of the sector, all were affected with some of them to be mentioned for worst hit are banking, hospitality, travel and construction. Banking sector being deemed as one of the essential services, it was kept out of the purview of the nationwide lockdown imposed in March 2020. Compared to others sectors, banking sector resulted with relatively low revenues during the early period of the financial year 2020-21. The impact of covid-19 on banking has been very complex and unusual. The sudden outbreak of corona virus pandemic added fuel to the fire and severely affected the Indian banking sector in numerous ways. Firstly, by declining its credit delivery to the various sectors. Secondly, firms that have stopped working and faced loss in revenues, and were not able to repay loans. Thirdly, people who have lost their jobs have less income, and therefore they were not able to repay their loans. Therefore this not only resulted in revenue loss but also in capital loss of banks ultimately increase in NPAs. When we compare Pre Covid (2019) and Post Covid (2021) Gross Non Performing Assets (GNPA) ratio of Public Sector Banks (PSBs) [Table 1], we observe GNPA declined from 11.6 per cent March, 2019 to 9.1 percent in March, 2021. Similarly, GNPA ratio of Private Sector Banks (PVSBS) [Table 2] declined from 5.3 per cent by end the March 2019 to 4.9 percent ratio. This decline is the result of some of the policy measures taken by the RBI in response to the Covid-19.

Table 1: Gross NPAs of Public Sector Banks

Year	Gross NPAs	
	Amount (in crores)	Percentage
2021	616615.56	9.1
2020	678317.00	10.3
2019	739541.00	11.6

Source: rbi.org.in

Table 2: Gross NPAs of Private Sector Banks

Year	Gross NPAs	
	Amount (in crores)	Percentage
2021	202266.14	4.9
2020	205847.82	5.5
2019	180872.44	5.3

Source: rbi.org.in

The following section lists out the Covid-19 affect on banks:

- 1) Banks faced huge losses as businesses and individuals were unable to repay their loans resulting in the need for additional provisions, further undermining the profitability and capital position of banks.
- 2) Since, bonds and other traded financial instruments have lost value, banks were negatively affected.
- 3) There was huge demand for credit from firms as they require additional cash flow to meet their working capital requirements.
- 4) Due to complete lockdown there were fewer payments and transactions to be done which reduced the non-interest (fee) income of banks. Therefore, banks faced lower non-interest revenues.

Measures taken by RBI to counter the covid-19 impact on Non Performing Assets:

- 1) Immediately after nationwide lockdown, RBI has announced a moratorium period of three months which later extended to six months on term loans, outstanding as on 1 march , 2020. This was applicable to all commercial banks including regional rural banks, small finance banks, co-operative banks, all India financial institutions and NBFCs including housing finance companies and microfinance institutions.
- 2) As a part of Government Securities Acquisition Programme (G-SAP) RBI bought Rs 35,000 crores of bonds from the secondary market.
- 3) Since priority sector loans are exempted from maintaining cash reserve or statutory liquidity ratios RBI announced that Rs 50,000 crores emergency health services loans can be given by banks till March 31, 2022 and it will be classified as priority sector loans for three years or repayment, whichever is earlier.
- 4) The RBI also announced that the Cash Reserve Ratio would be reduced from 3% to 1%.
- 5) The RBI cut down repo rate from 0.75% to 4% and further announced that banks can avail of the funds at the current repo rate for providing fresh loans to a wide range of entities related to Covid care. Banks can lend this amount directly, or through intermediaries, and should create a 'Covid loan book' under the scheme.

6) The RBI also announced cut in the reverse repo rate from 4% to 0.90%.

To ease the Covid stress on banks, the RBI extended another round of restructuring for individual borrowers and small businesses.

- RBI announced that borrower with a loan outstanding of up to Rs 25 crores, and who did not avail of moratorium or restructuring relief during 2020, can avail for restructuring of their loans for up to two years period.
- Individual borrowers and small businesses that availed moratorium or restructuring relief during 2020 but allowed restructuring of less than two years were allowed to demand to stretch their repayment period up to two years.
- Banks were also allowed to use 100% of their floating provisions to cover their specific bad debts.

Conclusion

Though six month long loan moratorium and restructuring may have come as a boon for covid-19 hit borrowers. But it has raised questions on the likely build-up of new stress in the banking sector. To fight covid-19 aftermath, the Reserve Bank of India (RBI) has taken a lot of measures in doing business in the banking sector. The situation of Banks has deteriorated due to the lockdown. But now it will take longer to return to normally.

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A Study on Saving and Investment Habits in Urban Society (With Reference to Hyderabad City)

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ABSTRACT

Investment is a type of activity that is engaged in by the people who have to do savings i.e. investments are made from their savings, or in other words it is an activity in which the people invest their savings. A variety of different investment options are available that are bank, gold, real estate, post services, mutual funds & so on much more. Investors are always investing their money with the different types of purpose and objectives such as profit, security, appreciation, Income stability. Researcher has in this paper studied the different types and avenues of investments as well as the factors that are required while selecting the investment with the sample size of 105 respondents by conducting the survey through questionnaire in Hyderabad city of, India. Actually, here the present study identifies about the preferred investment avenues among individual investors using their own self-assessment test.

Saving is one of the crucial factors to speed up the process of Economic Development; it plays a significant role in the development of the Indian Economy. There are several factors which will influence the economic development of a country like Natural Resources, Capital formation, Human resources, and technical factors etc

In India, there are three imperative sectors namely; Public sector, Private Sector & Household sector which are contributing to Gross Domestic Saving. The Household saving contribution in domestic saving is more than 82% out of total share. In a general sense, any activity results like a person, or business activities savings termed as the excess of income (Inflow) over the expenditure (Outflow). In order to analyze the saving behavior of household among different income groups, this study was conducted in urban areas between Hyderabad and Secunderabad of the Telangana State. The main purpose of the present study is to get a realistic measure of the Patterns of consumption and savings behavior of the households in India, Other words, to attempt quantitative measures of short-run and long-run marginal Propensities to consume to enable estimation of the savings potential of the households.

The problem, though apparently very straightforward, has not been studied in detail for India. When the actual level of national income of the country is low and the rise is not sufficiently high (of the order of 4 percent annual over the last fifteen years) it becomes extremely important

to obtain reliable measures of marginal propensities to consume and to save. With a low absolute level of income, it is but normal that the rates of saving and investment would be low, average propensity to consume high and income elasticity of consumption perhaps greater than unity. Nowadays, the field of savings is even more vibrant than it was only a decade ago. The key to a successful financial plan is to preserve apart a greater amount of savings and invest it wisely, by using a longer period of time.

The researcher has analyzed and found that the urban society consider the safety while choosing their investment avenues.

DEMOGRAPHIC ATTRIBUTES

Table 1.1 Gender

S.No.	Options	Respondents	Percentages
1	Female	45	42.86%
2	Male	60	57.14%
	Grand Total	105	100.00%

Source: Primary Data

Interpretation: out of 105 respondents of this study, it is clear that 57% are male respondents and 43% are female respondents considered for this study.

Table 1.2 Age Group

S.No.	Row Labels	Count of Age	Percentages
1	20-30	27	25.71%
2	31-40	36	34.29%
3	41-50	19	18.10%
4	51-60	19	18.10%
5	60 above	4	3.81%
	Grand Total	105	100.00%

Figure 1.2- Age group

Source: Primary Data

Interpretation: out of 105 respondents of this study, we found that 34% of respondents are the age group between 31-40, 26% are the group between 20-30, 18% are the group between 41- 50, 18% are the group between 51-60 and 4% are senior citizen considered for this study.

Table 1.3 Family Size

S.No.	Row Labels	Count of Family size	Percentages
1	Large(more than 10)	4	3.81%
2	Medium(6-9)	17	16.19%
3	Small (3-5)	84	80.00%
	Grand Total	105	100.00%

Source: Primary Data

Interpretation: out of 105 respondents of this study, it is clear that 80% of the respondents belongs to small family, 16% are belongs to medium family and 4% respondents are from large family are considered for this study.

Table 1.4 Income Size

S.No.	Row Labels	Count of Income	Percentages
1	Below `1 lakh	11	10.48%
2	more than `10 Lakhs	13	12.38%
3	`1-3 Lakhs	19	18.10%
4	`3-5 Lakhs	36	34.29%
5	`5-10 Lakhs	26	24.76%
	Grand Total	105	100.00%

Source: Primary Data

Interpretation: out of 105 respondents of this study, we found that 34% of respondents annual income is between 3-5 lakhs, 25 % of respondents income is between 5-10 lakhs, 18 % of respondents income is between 1-3 lakhs, 12 % of respondents income is more than 10 lakhs and 11 % of respondents income is less than 1 lakh are considered for this study.

Table 1.5 Occupation status

S.No.	Row Labels	Count of Occupation	Percentages
1	Other	17	16.19%
2	Salaried	58	55.24%
3	Self Employed	21	20.00%
4	Student	9	8.57%
5	Grand Total	105	100.00%

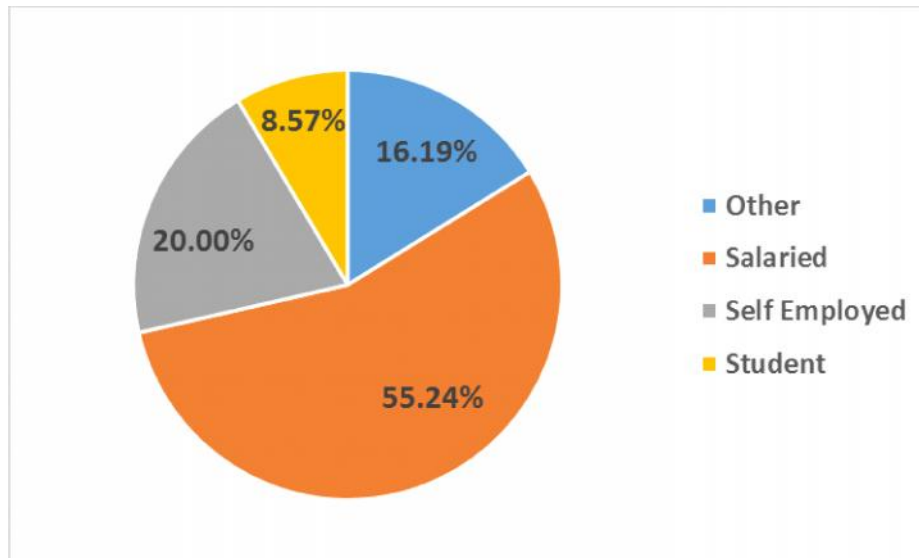


Figure 1.5- Occupation status

Source: Primary Data

Interpretation: out of 105 respondents of this study, it is clear that 55% of respondents are salaried class, 20% are self-employed, 16% are other category, and 9% are students are considered for this study.

Objective-1: To Study the Level Of awareness of saving and Investments in Urban Society.

Table 1.6 Sources to get information for investment

S.No.	Options	Respondents	Percentages
1	T.V. & Radio	43	40.95238095
2	Journals & Magazines	27	25.71428571
3	Organization Reports	14	13.33333333
4	Agents & Advisors	30	28.57142857
5	Family Members and Colleagues	62	59.04761905
	Total Respondents	105	100

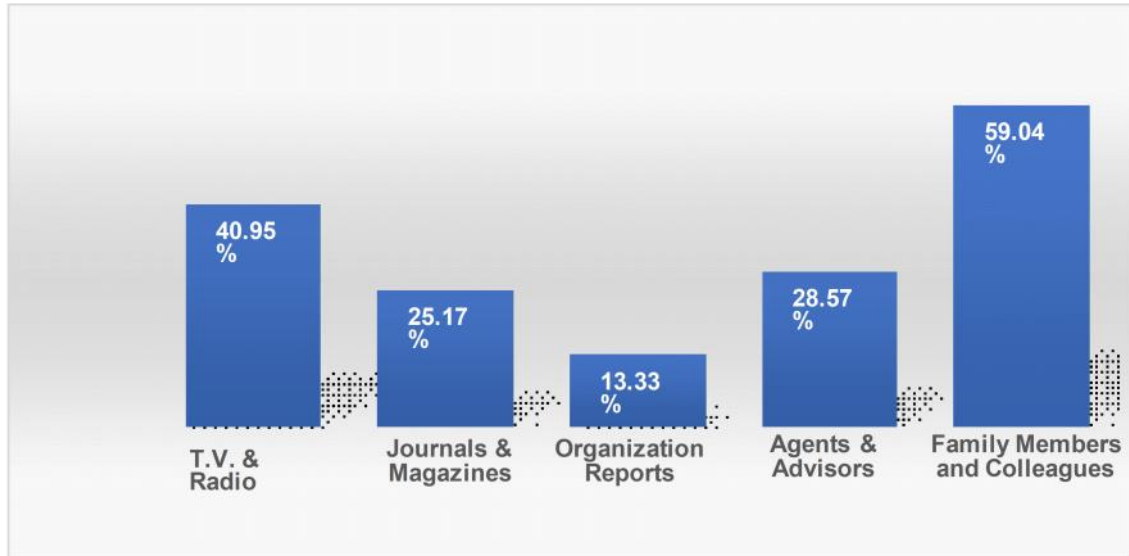


Figure 1.1- Sources to get information for investment

Source: Primary Data

Interpretation: From the above conducted research we can see that out of 105 respondents which is 100%, and respondent has option to select more than one options.

We have found that 62 responded going for family members and colleagues which constitutes 59% of the total respondents similarly T.V. & Radio have preferred by 43 respondents which constitutes 40.95% of the total respondents. And other sources are agent & advisor, Journals & Magazine and Organizational reports.

Table 1.7 Awareness of saving schemes among people.

S.No.	Options	Fully aware	Just aware	Not aware
1	Bank Deposits	88	15	2
2	Mutual Funds	43	52	10
3	Gold Bonds	35	50	20
4	HDFC(Housing plan)	20	40	45
5	S.B.I Life	35	45	25
6	Govt. Bonds	20	53	32
7	Bajaj Allianz Schemes	21	43	41
8	Share Market	27	43	35
9	ETF's	10	27	68

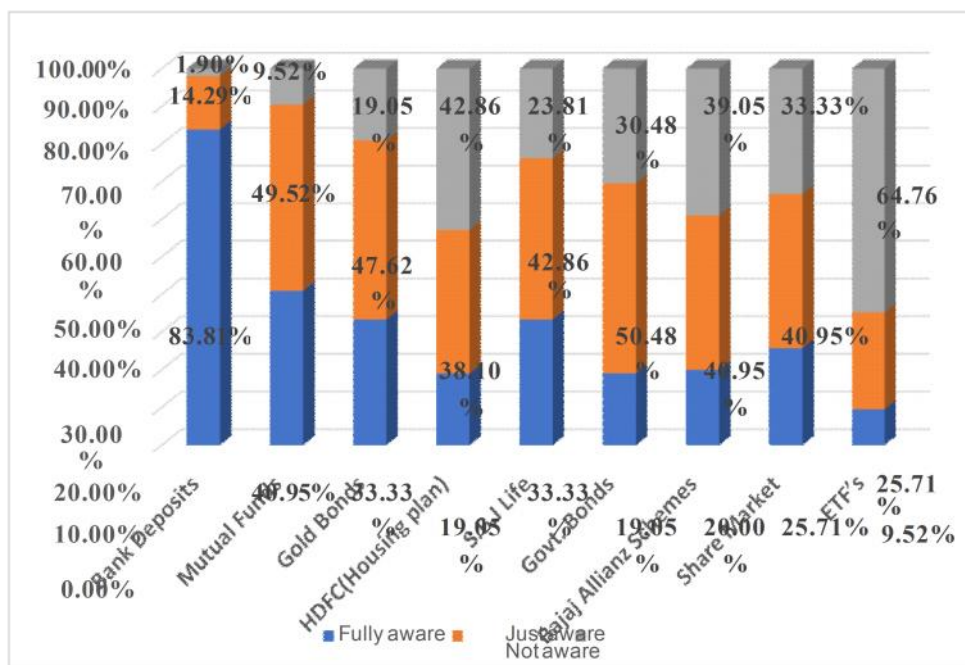


Figure 1.2- Awareness of saving schemes among people.

Source: Primary Data

Interpretation: In the above obtained tabular data we can interpret that 84% of the respondents are fully aware, 14% are just aware and 2% are not aware about bank deposits. 41% of the respondents are fully aware, 50% are just aware and 9% are not aware about Mutual Fund. 33% of the respondents are fully aware about gold bonds and SBI life. 19%, 20%, 25% and 10% are fully aware about govt. bonds, Bajaj Allianz.

Objective-2: To analyse the style of saving and investment behaviour of people in urban society.

Table 1.8 Type of investment plan prefer by individuals.

S.No.	Options	Respondents	Percentages
1	Regular return plan	52	49.52%
2	Medical plan	32	30.48%
3	Pension plan	46	43.81%
4	Specific purpose plan	23	21.90%
5	Multiple option plan	30	28.57%
	Total Respondents	105	100

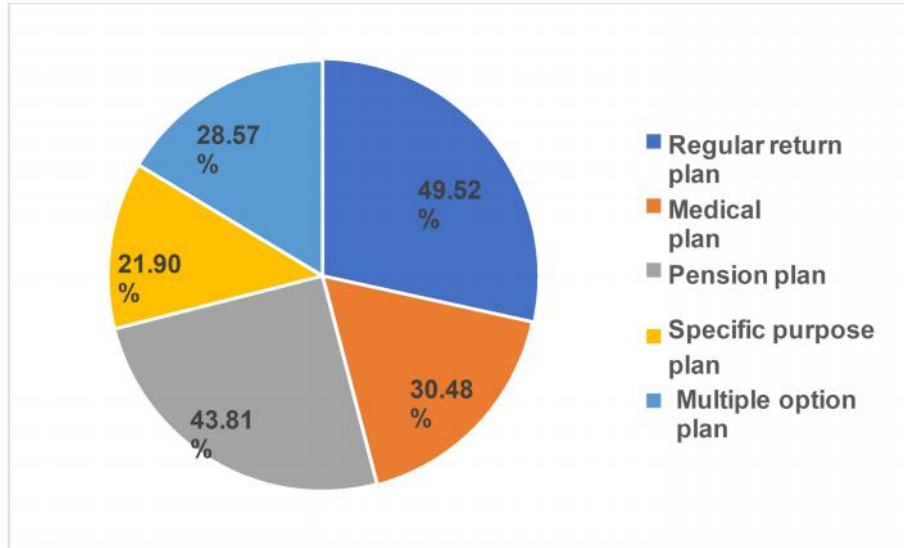


Figure 1.3- Type of investment plan prefer by individuals.

Source: Primary Data

Interpretation: In the above obtained pie chart we can interpret that 52 respondents prefer for Regular return plan which constitutes 49.52% of the total respondent similarly pension plan is chosen by 46 respondents which constitutes 43.81% of the total respondents. Most of the respondents are preferring Regular plans, pension plans and medical plans for their Investments.

Table 1.9 Annual Saving of People

S.No.	Options	Respondents	Percentages
1	Less than ` 50,000	34	32.38%
2	` 50,000-1,00,000	37	35.24%
3	` 1,00,000-3,00,000	25	23.81%
4	` 3,00,000-5,00,000	6	5.71%
5	More than ` 5,00,000	3	2.86%
	Total Respondents	105	100

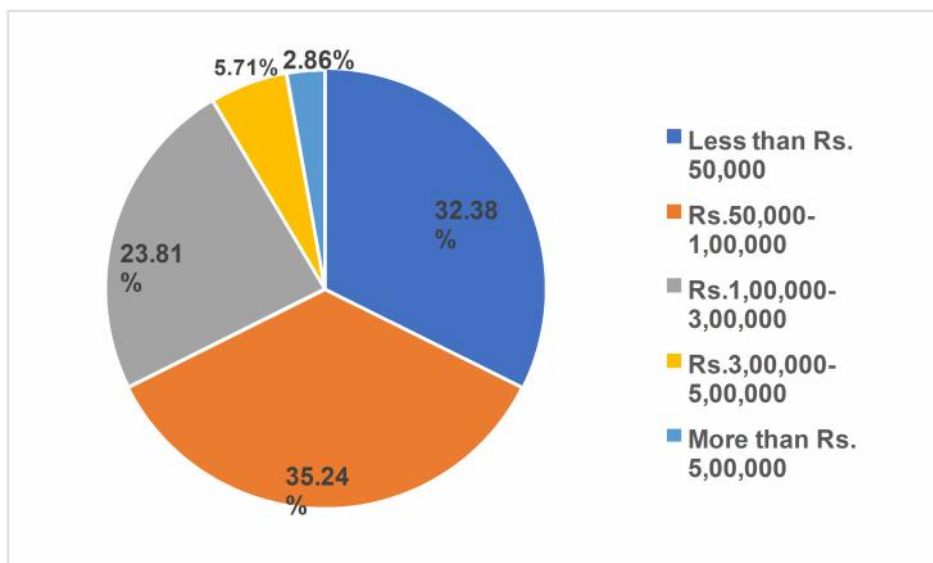


Figure 1.4 - Annual Saving of People.

Source: Primary Data

Interpretation: Annual saving of 34 respondents are below `50000 which constitutes 32.38% of the total share. The annual saving of 37 respondents are between `50000 and 100000 which constitutes 35.24% of the total share. The annual saving of 25 respondents are between `100000 and 300000 which constitutes 23.81% of the total share. More than 90% of the respondent's annual savings is below `300000. Because their expenses are too high.

Table 1.10 Percentage of income save by people

S.No.	Options	Respondents	Percentages
1	0-10%	29	27.62%
2	10-20%	48	45.71%
3	20-40%	21	20.00%
4	30-40%	4	3.81%
5	More than 40%	3	2.86%
	Total Respondents	105	100

Source: Primary Data

Interpretation: There are 29 respondents whose saving percentage is 0-10% of their income which constitutes 27.62% of the total share. There are 48 respondents whose saving percentage is 10-20% of their income which constitutes 45.71% of the total share. 21 respondents whose saving percentage is 20-30% of their income which constitutes 20.00% of the total share.

Table 1.11 Saving and investment avenues opted by People

S.No.	Options	Respondents	Percentages
1	Insurance	47	44.76%
2	Banks	81	77.14%
3	Post office	24	22.86%
4	Equities	19	18.10%
5	Real Estate	28	26.67%
6	Mutual Fund	42	40.00%
7	Government securities	10	9.52%
8	Gold	46	43.81%
9	Others	15	14.29%
	Total Respondents	105	100

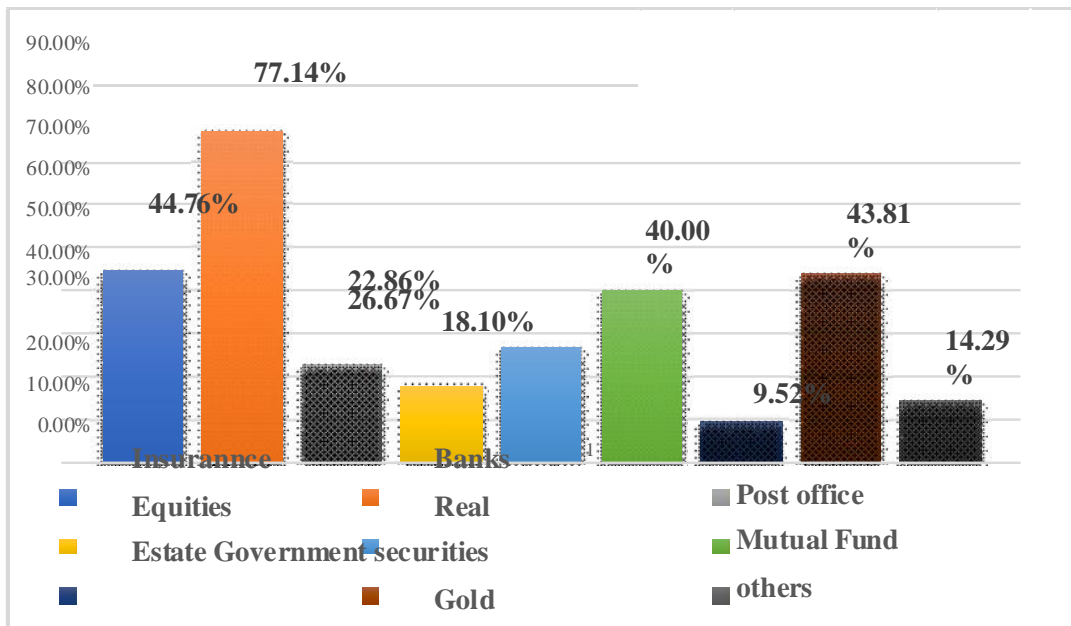


Figure 1.5- Saving and investment avenues opted by People.

Source: Primary Data

Interpretation: We have found that 44.76% respondents have opted for insurance, 77.14% respondents have opted for bank, 22.86% have opted for post office, 18.10% respondents opted for equities, 26.67% respondents opted for real Estate, 40% respondents opted for mutual fund, 9.52% respondents opted for government securities, 43.81% respondents opted for Gold and 14.29% respondents opted for other avenues for their saving. Banks, insurance, gold and mutual funds are the preferred saving avenues in urban population. Because they are accepted by large share of the population.

Table 1.12 Time Horizon of Investment.

S.No.	Options	Respondents	Percentages
1	Long-term (More than 10 yrs.)	45	42.86%
2	Medium-term (More than 5 yrs.)	33	31.43%
3	Short-term (More than 1 yrs.)	11	10.48%
4	Very short-term (Less than 1 yrs.)	6	5.71%
5	As per convenience	10	9.52%
	Total Respondents	105	100

Source: Primary Data

Interpretation: From the above Pie chart, this depicted the time horizon of 45 respondents are belongs to "long term" (more than 10 years) which constitutes 42.86% of the total share. Similarly 33 respondents are belongs to "medium term" (more than 5 years) which constitutes 31.43% of the total share. Similarly 11 respondents are belongs to "short term" (more than 1 years) which constitutes 10.48% of the total share. Similarly 6 respondents are belongs to "very short term" (more than 5 years) which constitutes 5.71% of the total share.

Objective-3: To identify the factors considered for suitable investments.

Table 1.13 analysis of number of people in different age groups with respect to different saving groups.

Saving	20-30	31-40	41-50	51-60	60 above	Grand Total
Less than Rs. 50,000	14	11	5	4		34
Rs.50,000-1,00,000	10	10	7	8	2	37
Rs.1,00,000-3,00,000	2	12	5	6		25
Rs.3,00,000-5,00,000		3	1	1	1	6
More than Rs. 5,00,000	1		1		1	3
Grand Total	27	36	19	19	4	105

Source: Primary Data

Interpretation: From the above obtained tabular data we can interpret that there are more than 50% of the people whose annual saving is less than Rs.50,000 belongs to age group of 20-30, there are 50% of the people whose annual saving is between 50000 and 100000 belongs to age group of 60 and above. there are people whose annual saving is between 300000- 500000 and more than 500000 which constitute 25% of population each belongs to age group of 60 and above.

Table 1.14 Analysis of number of people in different age groups with respect to time horizon

Row Labels	20-30	31-40	41-50	51-60	60 above	Grand Total
As per convenience	5	2	3			10
Long-term (More than 10 yrs.)	10	12	8	12	3	45
Medium-term (More than 5 yrs.)	6	17	4	5	1	33
Short-term (More than 1 yrs.)	3	3	4	1		11
Very short-term (Less than 1 yrs.)	3	2		1		6
Grand Total	27	36	19	19	4	105

Source: Primary Data

Interpretation: We have found that age group of 20-30 is preferring to save their money for medium term and long term and few are for very short term and as per their convenience, similarly age group of 31-40 is preferring to save their money for medium term and long term, age group of 41-50 is preferring to save their money for long term. In the age group of 51-60 more than 60% of people is preferring to save their money for long term. In the age group of 60 above 75% of people is preferring to save their money for long term.

SUMMARY

It can be clearly seen that there is no relation between the gender and the level of awareness of different avenues of investments. One cannot say that either only male or only female are more aware about the investment avenues.

Further it is observed that there is direct relationship between the income level and awareness of the different avenues of the investment. A person having a high level of income tends to have more knowledge about the different sources and avenues of investment that are available in the market. "a person having more income naturally look for investing more amount of money. Hence he has more awareness regarding it."

Further bank deposits and mutual funds are the most preferred sources of investments by the respondents in Hyderabad. Every respondent feels that there is high level of risk in investments that are made. So we can see that a person a salaried one who investment some or other money has to take some amount of risk while investing his money. So it can be seen that a salaried person who invest some money has to take some amount of risk while investing.

FINDINGS

After the analysis & interpretation of data by the researcher it is concluded that Investors are very well aware about investment avenues that are available, but still investors are preferring to invest in their money in bank deposit, insurance, mutual fund and real estate. The data analysis of research reveals that the safety is concerned as important factor while doing investment, so remaining avenues are less found less considerable while doing investment by investors.

Especially in a city like Hyderabad there are number of investment avenues are available but still people at the lower age group still found some difficulties in selecting investment avenues, and at the lower age group people are expecting high return but they hesitate to take risk their major investments are in bank deposits and insurance while they need to diversified their investments into equities and mutual funds to earn high return.

It is absolutely essential and needed to save what you earn, to have a plan for your own future, and to resist the spending funds that you do not already have.

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A Study on Savings and Investment Pattern of Senior Citizens

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ABSTRACT

Saving & Investment are two crucial elements of macro-economics. The term Saving & Investment sometimes make us confusing & we use these terms interchangeably. So concept of Saving & Investment should be cleared. Investment starts only after savings. To invest your money, you need to focus on factors like risk, return, tenure, tax, and liquidity. It is better to start investing at an early stage of life. Once you start investing, the compounding effect starts appreciating your infused capital, gradually growing it day by day. Investment requires great discipline and patience. You can make an investment for short term, medium term and long term and also select the appropriate instrument as per your planning. While investing taking care of tax implications. Investment requires periodical reviewing of the portfolio as per the prevailing macroeconomic conditions. You can switch from you preferred investment assets in the future, taking into account alterations in your risk capacity and return requirements. An investor with a higher risk appetite can invest in the stock market whereas moderate risk takers can opt for mutual funds. Low risk taker can invest in instruments like bank deposits, PPF etc. The selection of the investment instrument boils down to one's risk profile.

Graying population is one of the most 'significant characteristics' of the 21st century known as the "Age of Ageing". The global phenomenon has hit Indian shores as well. People are living longer. India is a vast country both in terms of area as well as population. It has a total area of 3,288,000 square kilometers. Its present population is estimated to be over 850 million. The total working population is estimated to be about one third of this number. Dependency ratio is therefore about 1:2. The minimum retirement age is set at age 62 for government employees and age 60 in most other professions. Increased life expectancy has contributed to an increase in the number of persons 60+ .

The numbers of senior citizens who are at risk of outliving their retirement savings has increased and their economic security has deteriorated as their retirement savings dwindle. Security in old age is dependent on three pillars an adequate retirement income, accessible quality health care and affordable housing. Income and expenditure pattern is influenced by several variables like perception of saving of those who save their assessment of its costs and benefits, their age, family size and structure, objectives or motivations for saving, environment etc. Different senior citizens perceive savings differently. For some, savings is money reserved for future needs, whereas

for some others, it is surplus of income over expenditure and for still others; it is purchase of land, construction of building, consumer durables or other household goods. When savings is perceived as money reserved for future needs it implies that a deliberate decision on the part of the households to save for meeting the future needs. It depends upon many factors namely the determinants of saving which includes the factor that affect both the ability to save and will to save.

The researcher has analyzed and found that various facilities regarding investments and savings for senior citizen helps to make a better and informed decision and plan their future after retirement.

DEMOGRAPHIC ATTRIBUTES

Table 1.1 Gender

S.No.	Options	Respondents	Percentages
1	Female	32	32%
2	Male	68	68%
	Grand Total	100	100.00%

Source: Primary Data

Interpretation: Out of 100 respondents of this study, it is clear that 68% are male respondents and 32% are female respondents considered for this study.

Table 1.2 Age Group

S.No.	Row Labels	Count of Age	Percentages
1	20-30	5	5%
2	30-40	10	10%
3	40-50	15	15%
4	50-60	20	20%
5	60- 70	50	50%
	Grand Total	100	100.00%

Figure 1.2- Age group

Source: Primary Data

Interpretation: Out of 100 respondents of this study, we found that 50% of respondents are the age group between 60-70, 20% are the group between 50-60, 15% are the group between 40- 50, 10% are the group between 30-40 and 5% are the age group between 20-30 considered for this study.

Table 1.3 Martial Status

S.No.	Row Labels	Count of Family Size	Percentages
1	Married	70	70%
2	Unmarried	10	10%
3	Divorced	8	8%
4	Widow	12	12%
	Grand Total	100	100.00%

Source: Primary Data

Interpretation: Out of 100 respondents of this study, it is clear that 70% of the respondents are married, 10% are unmarried, 8% respondents are divorced and 12% respondents are widow are considered for this study.

Table 1.4 Educational Qualification

S.No.	Row Labels	Count of Income	Percentages
1	HSE	55	55%
2	UG	15	15%
3	PG	5	5%
4	Profession	10	10%
5	Others	25	25%
	Grand Total	100	100.00%

Source: Primary Data

Interpretation: Out of 100 respondents of this study, we found that 55% of respondents are higher & secondary education, 15% have completed UG, 5% have completed PG course and 25% relates to others are considered for this study.

Table 1.5 Occupation status

S.No.	Row Labels	Count of Occupation	Percentages
1	Private employee	12	12%
2	Government employee	16	16%
3	Retired	47	47%
4	Not working	25	25%
5	Grand Total	100	100.00%

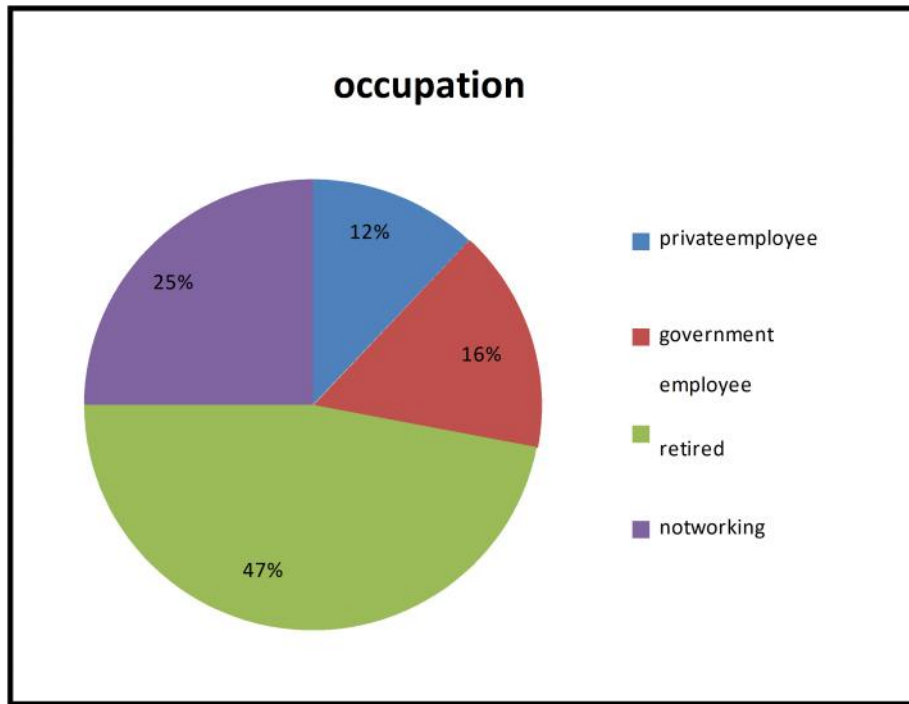


Figure 1.5- Occupation status

Source: Primary Data

Interpretation: Out of 100 respondents of this study, it is clear that 47% of respondents are retired, 25% are not working, 16% are government employee, and 12% are private employee are considered for this study.

Table 1.6 Type of Income

S.No.	Options	Respondents	Percentages
1	Regular salary	18	18%
2	Pensioner	34	34%
3	No income	40	40%
4	Other source	8	8%
	Total Respondents	100	100%

Source: Primary Data

Interpretation: From the above conducted research we can see that out of 100 respondents, the majority of the respondents does not have any income but 34% of the respondents are pensioners are considered for this study.

Table 1.7 No. of dependents in the family

S.No.	Options	Respondents	Percentages
1	Below 3	45	45%
2	3 – 5	50	50%
3	Above 5	5	5%
	Total Respondents	100	100%

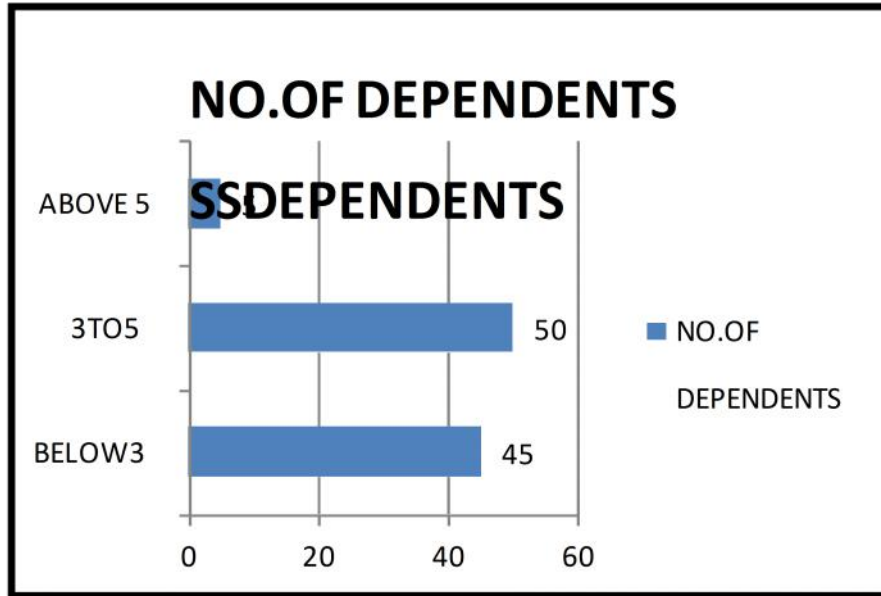


Figure 1.2- Awareness of saving schemes among people.

Source: Primary Data

Interpretation: In the above the majority has 3 to 5 dependents in the family of the respondents are considered for this study.

Objective-2: To identify sources of the income and the savings pattern of the respondents

Table 1.8 Where do you get investment information?

S.No.	Options	Respondents	Percentages
1	Friends	42	42%
2	Relatives	28	28%
3	Newspapers	10	10%
4	Consultants	10	10%
5	TV	7	7%
6	Internet	3	3%
	Total Respondents	100	100

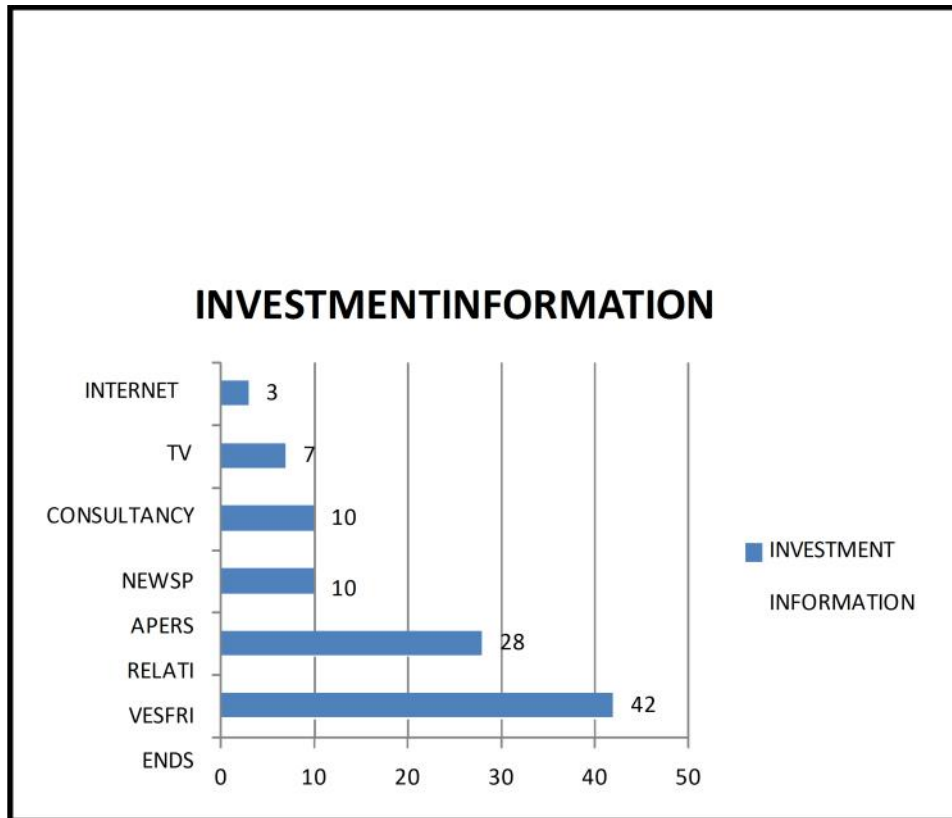


Figure 1.3- Investment information.

Source: Primary Data

Interpretation: In the above 42% of the respondents gets investments information from friends and only 3% of the total respondent gets information from internet are considered for this study.

Table 1.9 What is the proportion of savings and expenditure in your earnings? Savings: Expenditure

S.No.	Options	Respondents	Percentages
1	10:90	2	2%
2	20:80	7	7%
3	30:70	11	11%
4	60:40	56	56%
5	50:50	24	24%
Total Respondents		100	100

Source: Primary Data

Interpretation: 56% of the respondents has answered that the ratio of their savings and expenditure is 60:40 are considered for this study.

Table 1.10 Type of Investment

S.No.	Options	Respondents	Percentages
1	Long term(greater than 3years)	13	13%
2	Medium term(1 to 3 year)	20	20%
3	Short term(less than 1year).	67	67%
	Total Respondents	100	100

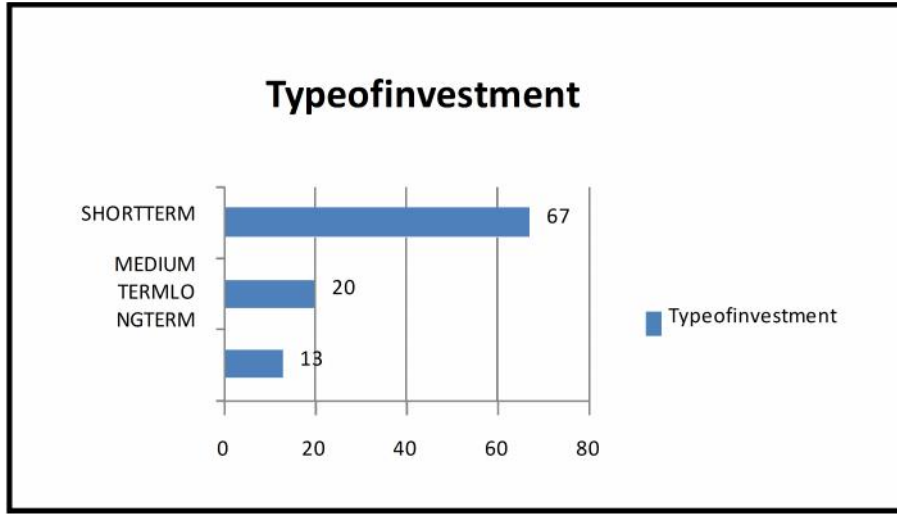


Figure 1.4- Type of Investment

Interpretation: 67% of the respondents are investing in short term investments where as only 13% are investing in long term investments are considered for this study.

Table 1.11 Choice of your investment

S.No.	Options	Respondents	Percentages
1	Safety	36	36%
2	Liquidity	12	12%
3	Return	32	32%
4	Reliability	12	12%
5	Lowrisk	8	8%
	Total Respondents	100	100

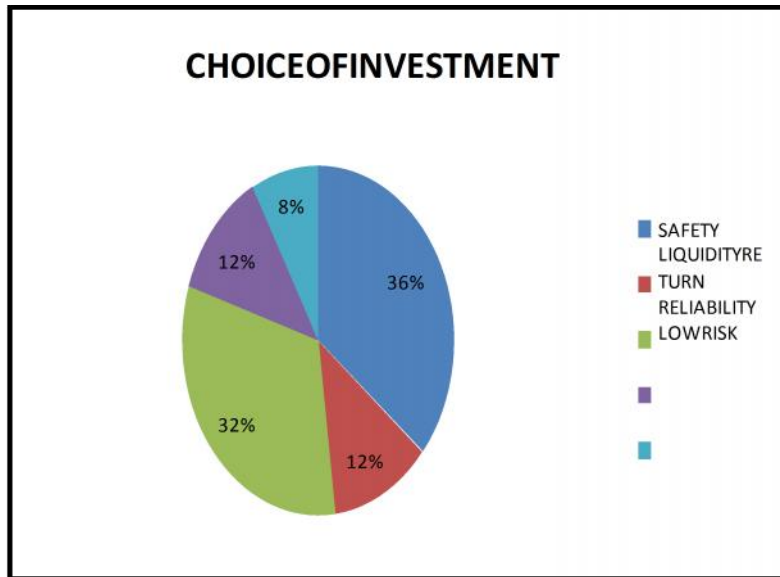


Figure 1.5- Choice of investment

Interpretation: 36% of the respondents are having the choice of safety while investing are considered for this study.

Table 1.12 Are you aware about various types of investment and the investments made.

Type of Investment	Awareness (please tick)	PERCENTAGE OF YES	PERCENTAGE OF NO
1.Real estate	1.Yes 2.No	35%	65%
2.Shares	1.Yes 2.No	24%	76%
3.Gold	1.Yes 2.No	56%	44%
4.Mutual funds	1.Yes 2.No	50%	50%
5.Post office	1.Yes 2.No	68%	32%
6.Bank fixed deposits	1.Yes 2.No	46%	54%
7.Debt securities (Bonds etc.)	1.Yes 2.No	20%	80%
8.Fixed deposits with company	1.Yes 2.No	30%	70%
9.Insurance policies	1.Yes 2.No	35%	65%
10.Futures/ options/ derivatives	1.Yes 2.No	17%	83%
11.Provident fund	1.Yes 2.No	35%	65%
12.Contributions to chits	1.Yes 2.No	58%	42%
13.Deposited with private parties	1.Yes 2.No	38%	62%

Interpretation: 68% of the respondents are aware about investing in post office and 17% are aware about future, options and derivatives are considered for this study.

OBJECTIVE 3- To measure the level of satisfaction of the respondents towards the savings schemes.

Table 1.13 Have you borrowed money for investment from banks etc. if yes,

From where	Bank	Financial Institution	Friends	Others (Please specify)
How much	Less than 10,000	10,000-50,000	50,000 to 1 lakh	Above 1 lakh
Term	Less than 1 year	1-3 years	Above 3 years	-
Investment	Less than 10% p.a	10 – 20 p.a	Above 20% p.a	-
Security given	Yes	No	-	-

Interpretation: The majority of the respondents had borrowed money from financial institutions and friends are considered for this study.

Table 1.14 How frequently you change your investment?

S.No.	Options	Respondents	Percentages
1	1 month	3	3%
2	1-6months	10	10%
3	1year	14	14%
4	Above 1 year.	16	16%
5	No Changes	69	69%
	Total Respondents	100	100

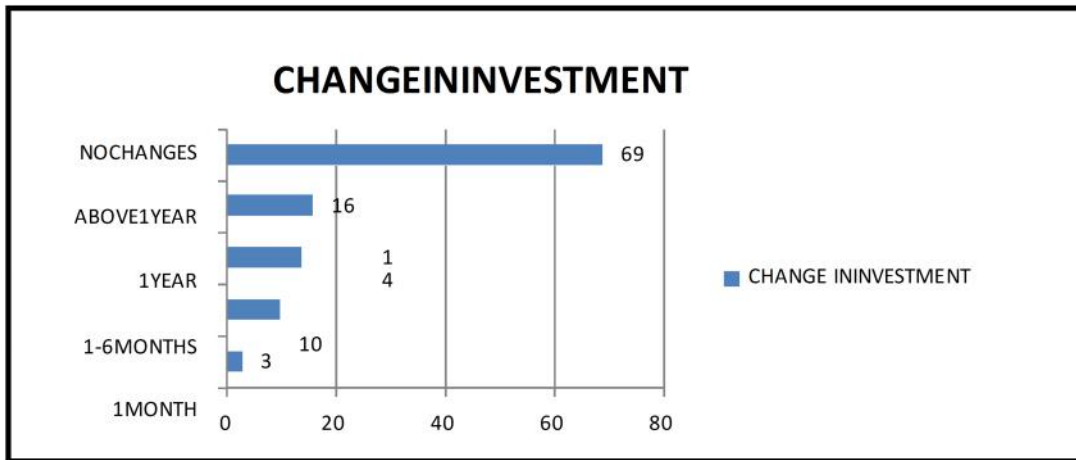


Figure 1.6- Change in investment

Interpretation: The pattern of changing investment is that 69% of the respondents are not changing the investment pattern whereas only 3% are changing the investments pattern are considered for this study.

Table 1.14 What rate of return on investment you expect and got?

S.No.	Options	Respondents	Percentages
1.	Expected Less than 20%	12	12%
2.	Above 20%	37	37%
3.	Received Less than 20%	18	18%
4.	Above 20%	33	33%
5.	Total Respondents	100	100

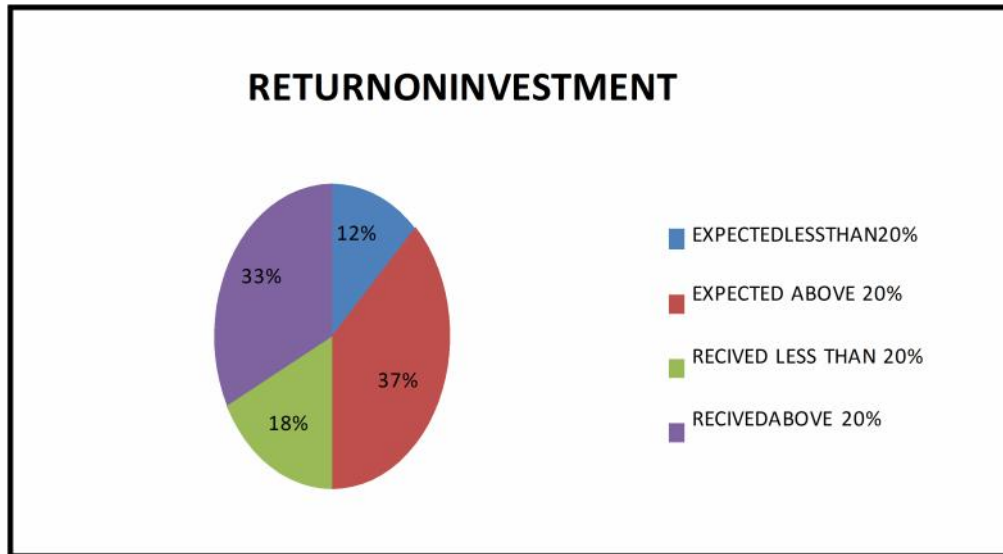


Figure 1.7- Return on investment

Interpretation: 37% of the respondents had expected returns above 20% but 33% of the respondent has received above 20% of returns on investment are considered for this study.

Table 1.15 The other sources of income do you have?

Sources of Income	YES	NO	Total
a) Spouse income	44%	56%	100
b) Income from children	30%	70%	100
c) Agriculture income	5%	95%	100
d) Rent from house	24%	76%	100
e) Other income (specify)	12%	88%	100

Interpretation: 44% of the respondents is getting income is from their spouse and 5% of the income is from agriculture are considered for this study.

Table 1.16 How much is your monthly commitment for expenses/investment?

a) Your family expenses per month	Rs.25000
b) Your education	Rs. Nil
c) Children's education	Rs.10000
d) Medical expenses including children and parents	Rs.3000
e) Installment payment for loan borrowed	Rs.1500
f) Payment to unorganized investment like chits	Rs.1000
g) Savings like(PORD, Bank RD, Insurance Premium)	Rs.20000-30000

Interpretation: The majority of the respondent are investing more money for savings i.e. upto Rs.20000-30000 and upto Rs25000 they are spending on family expenditure are considered for this study.

Table 1.17 What is the approx. total annual saving for the last three years? (including all kind of investments) Please specify the amount of investment

S.No.	Options	Respondents	Percentages
1.	Less than Rs.10000	9%	9%
2.	Rs.10000 - Rs.40000	12%	12%
3.	Rs.40000 - Rs.80000	20%	20%
4.	Rs.80000 - Rs.120000	8%	8%
5.	Rs.120000 – Rs.160000	30%	30%
6.	Rs.160000 – Rs.200000	8%	8%
7.	Rs.200000 – Rs.500000	7%	7%
8.	Above500000	6%	6%
9.	Total	100	100

Interpretation: The savings of the respondents are majorly between Rs.40000 to Rs.80000 are considered for this study.

Table 1.18 How many LIC policies do you have for your family?

S.No.	Options	Respondents	Percentages
1.	On your name	45	45%
2.	On your spouse	35	35%
3.	For children	20	20%
4.	Total	100	100

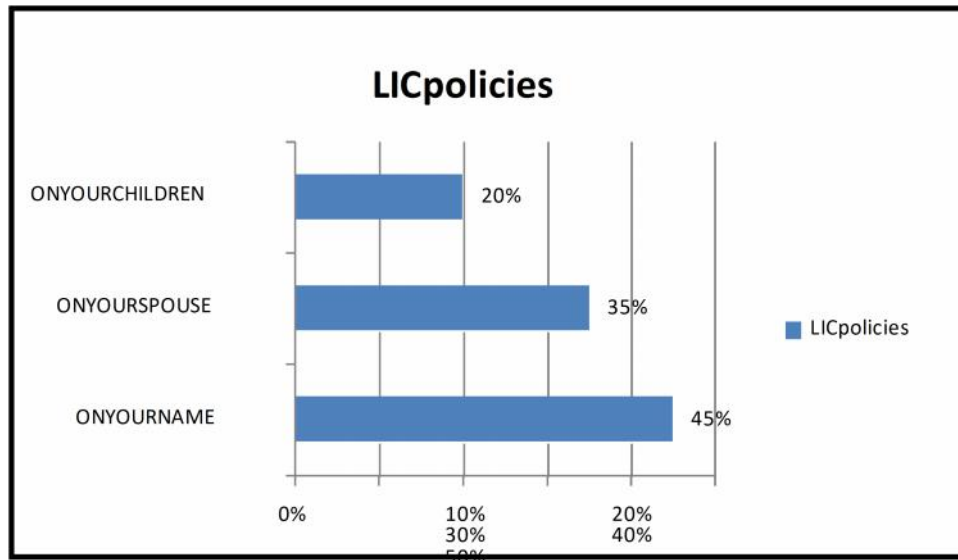


Figure 1.8- LIC Policies

Interpretation: The LIC polities are taken on the respective respondents are more (45%) and 20% is on their children name are considered for this study.

SUMMARY

It can be clearly seen that there is no relation between the education, occupation and the savings pattern. One cannot say that either only educated or only uneducated are more aware about the types of investments.

Further it is observed that most of the senior citizens are aware about investing in post office rather than futures, options and derivatives. The majority of the respondents does not have any income and some of the respondents are pensioners.

LIC policies are the most preferred source of investments by the respondents. Respondents have lack of awareness in different investment alternatives while investing money. When they take investment decision they have to pay more attention to safety, liquidity, returns, risks, tax benefits.

FINDINGS

After the analysis & interpretation of data by the researcher it is concluded that senior citizens need to be organized so that their role in nation's economy could be recognized as well as appreciated at various levels and on the other hand, their consumer interest could also be protected. Senior citizens were not much aware about the schemes provided by various financial institutions and banks but the returns and interest that various banks and financial institutions offers and the special consideration towards the senior citizens was appreciable. The data analysis of research

reveals that the savings is concerned as important factor the senior citizen and are more willing to know about the risk and returns related to various schemes and policies.

The investment avenues for senior citizens get limited due to restrictions like age, retirement etc. So the investment starts having some necessary requirements such as low risk, generation of periodic income etc. The ever increasing inflation and decreasing interest rates which makes the choice of investment even more difficult for this segment of investors. Savings area must for any category of the respondents which has to be planned and understood properly both by the husband and wife for their own future well being.

It is absolutely essential to understand what and how to do savings for better return, as savings kept idle, it do not give any benefit.

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Comparative Financial Performance Analysis & CSR Initiatives of ITC and HUL

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ABSTRACT

CSR is not a new concept in India. However, India is reported as the first country introduced statutory corporate statutory responsibility through the companies Act 2013. Corporate Social Responsibility is one of the platforms through which the corporate sector identifies the needs of the society, which will solve through the mandatory contribution in the form of CSR. The percentage of statutory spending of CSR, which has been prescribed by law, is 2% of the company's profit. In this paper, the researcher will discuss the various aspects of corporate social responsibility and future scope of work in the same regard.

Keywords: Companies acts 2013, Corporate Social Responsibility, Financial Performance

A corporate business is a regular business that works for Private Profit. They are separate legal entities, and shareholders of the company have the right to participate and decide its affairs. Social responsibility is the duty of every individual company towards society and the environment. Its moral as well as professional ethics to be followed by corporates. CSR is also popularly known as Corporate Citizenship or Corporate Sustainability.

FMCG SECTOR IN INDIA

Fast-moving consumer goods are those products that sell quickly and at a relatively lower cost. These are also known as consumer packaged goods. FMCGs have a short shelf- life as they have a high consumer demand and are perishable. Therefore, these commodities are frequently purchased and rapidly consumed, priced low, and sold in large quantities. The Fast-moving consumer goods (FMCG) sector is the fourth largest sector in India. The sector has large multinational corporations, organised and unorganised firms competing for market share, a well-established distribution network, and low operational costs.

MEANING OF SOCIAL RESPONSIBILITIES

The initiatives which need financial assistance to improve the lives of under-served and unprivileged sections of the society are called Social Responsibilities. The following list of social and environmental welfare initiatives is mentioned in Schedule VII of the Companies Act 2013:

- Women Empowerment
- Environment Sustainability
- Eradication of Hunger and Poverty
- Combating with diseases like HIV-AIDS
- Gender Equality
- Promoting Education
- No hunger, No Poverty
- Protection of Art, Culture and Heritage
- To improve sanitation.

CSR IN INDIA

India is the first country that has mandated CSR in all corporate companies. The Ministry of Corporate Affairs (MCA) of the Government of India govern all rules and regulates the companies under the Companies Act of 1956, 2013. Companies Act 1956 amended in 2013 includes Section 135 related to Corporate Social Responsibility Policy. This Act states the guidelines to be followed by corporations for conducting CSR.

ITC LIMITED ITC is one of India's leading private sector companies and a diversified conglomerate with businesses spanning Fast Moving Consumer Goods, Hotels, Paperboards and Packaging, Agri-Business and Information Technology. It is acknowledged as one of India's most valuable business corporations with a Gross sales value of ₹ 74,979 crores and a Net Profit of Rs. 13,032 crores (as of 31.03.2021). In a survey conducted by Fortune India, it was ranked as India's most admired company.

HINDUSTAN UNILEVER LIMITED (HUL) is India's largest fast-moving consumer goods company, with a history of over 85 years. It is a subsidiary of Unilever, a British company. HUL was formed in November 1956 by merging Unilever's three subsidiaries in India, namely, Vanaspati Manufacturing Company, Lever Brothers India Limited and United Traders Limited. The company is a part of the everyday lives of millions of consumers across India, with fifty-plus brands spanning different categories such as fabric solutions, home and hygiene, life essentials, skin cleansing, skincare, haircare, colour cosmetics, oral care, deodorants, tea, coffee, ice cream & frozen desserts, foods and health food drinks. Its portfolio includes leading household brands such as Lux, Lifebuoy, Surf Excel, Rin, Wheel, Glow & Lovely, Pond's, Vaseline, Lakmé, Dove, Clinic Plus, Sunsilk, Pepsodent, Closeup, Axe, Brooke Bond, Bru, Knorr, Kissan, Kwality Wall's, Horlicks and Pureit. HUL has about 21,000 employees and has sales of INR 45,311 crores.

LITERATURE REVIEW

Chakraborty (2006) made a comparative study on the financial performance of selected public sector petroleum companies in India during the post-liberalisation period. For this purpose, he had chosen four out of thirteen public sector petroleum companies in India, considering the nature of the companies' operation and capital structure. The selected four companies were Bharat Petroleum Corporation Ltd. (BPCL), Hindustan Petroleum Corporation Ltd. (HPCL), Indian Oil Corporation Ltd. (IOCL) and Oil India Ltd. (OIL). For making a comparative study of financial performances of four selected companies, he had mainly used the technique of ratio analysis, which is regarded as the time-tested method of appraising corporate enterprises' financial performance. However, the study has been able to bring out some path-breaking findings which can go a long way in improving the performance of public sector companies in general and petroleum companies in particular.

Izhar Ahmed (2016), the research paper is authored to entitle the "Analysis of the financial performance of Hindusthan Petroleum Corporation Limited". This study focuses on analysing profitability position, financial system, profit margin and expenses ratio. This study is based on secondary data for fifteen years, from 2000 to 2015. In this study duration, the researcher has used multiple regression analysis to test the hypotheses. To measure the impacts of liquidity, solvency and efficiency on return on investment. Furthermore, the researcher has taken return on capital employed as a dependent variable under return on investment. This study has suggested that HPCL is required good strategies for maintaining the profitability in future.

V. Sugumar&N. Prema (2019) carried out this study to identify a company's liquidity and financial position. The study was conducted using ratio analysis and statistical tools. As a result, profitability and long-term solvency were satisfactory. But the liquidity position was weak, and steps must be taken to solve its short-term solvency. Nevertheless, the author concluded that the overall financial situation of IOCL is feasible.

Deepika and Dhivya (2019) analyse financial statements to obtain a better understanding of the firm's position. The study's objective was to know the profitability and solvency of the business concern. The study covered 2012-16. The research methodology was based on secondary data. They found that sales were in fluctuating trend. Therefore, they concluded that profitability and solvency were up to a satisfactory level, and their growth was fluctuating.

OBJECTIVE OF THE STUDY

1. Comparative analysis of both the firm.
2. CSR initiatives by both the firm.

PERIOD OF STUDY

The study period is limited to five years, from 2016-17 to 2020-21.

DATA ANALYSIS

- 1) **CURRENT RATIO** It shows the short-term financial soundness of the firm. It indicates the availability of existing assets in rupees for every one rupee of current liability. It is calculated by dividing current assets by current liabilities; Current assets include cash and those assets that can convert into cash within a year, such as marketable securities, debtors and inventories. Current liabilities include creditors, bills payable, accrued expenses, short-term bank loans, income-tax liability and long-term debt maturing in the current year. The ideal current ratio is 2:1.

$$CR = \frac{\text{Current assets}}{\text{Current Liabilities}}$$

Table 1 -Current Ratio of ITC, HUL from 2016-17 to 2020-21

(Amount in Rs. Crore)

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	3.59	2.77	3.07	4.02	3.13
HUL	1.30	1.29	1.36	1.31	1.26

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: It is evident from the above table that ITC has had the highest current ratio over the years. It had the highest current ratio in FY 2019-20 but had a steep fall in FY 2020-21. The company (ITC) is adequately liquid, has a high margin of safety, and is very efficient in meeting its current obligations. However, a high current ratio can also mean excessive inventory due to low sales. On the other hand, HUL has a lower margin of safety and current assets, just enough to meet the current short-term obligations. The companies do not have excess working capital to meet unexpected obligations.

- 2) **DEBT-EQUITY RATIO** It is calculated to assess the long-term financial soundness of the enterprise. The ratio expresses the relationship between long-term external equities and, i.e., external debt and internal equities, i.e., shareholder's equity. This relationship describing the lender's contribution for each rupee of the owners' contribution is called the debt-equity ratio. Debt- equity (DE) ratio is directly computed by dividing total debt by net worth:

$$\text{Debt - Equity ratio} = \frac{\text{Total Debt}}{\text{Net Worth}}$$

Table 2 - Debt-Equity Ratio of ITC, HUL from 2016-17 to 2020-21

(Amount in Rs. Crore)

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	0.0004	0.0002	0.0001	0.0001	0.0001
HUL	-	-	-	-	-

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: As shown in the above table, HUL is a debt-free company, and ITC has significantly less debt and a negligent debt-equity ratio. Having a low amount of debt has its pros and cons. The companies with low debt have higher solvency and are more favoured by investors due to more excellent creditworthiness. Furthermore, a low debt-equity ratio indicates more use of equity capital than debt capital. Therefore, a debt-free company can provide superior returns.

3) Inventory Turnover Ratio

It shows the efficiency of the firm in producing and selling its product. It establishes the relationship between the Cost of Goods Sold and the Average Inventory and measures the number of times inventory was converted into sales.

$$\text{ITR} = \text{Cost of goods sold or Sales} / \text{Average Inventory}$$

The average inventory is the average of opening and closing balances of stock. The cost of goods sold may not be available in the published annual accounts.

Therefore, inventory turnover ratio is computed as sales divided by the average inventory or the year-end inventory.

Table 3- Inventory Turnover Ratio of ITC, HUL 2016-17 to 2020-21

(Amount in Rs. Crore)

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	6.92	5.87	6.18	5.99	5.54
HUL	14.11	14.92	15.99	15.34	15.28

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: As shown in the above table, HUL has the highest inventory turnover, whereas ITC has the lowest out of the four companies. There is a slight fall in the inventory turnover of ITC HUL in FY 2020- 21. A high inventory turnover ratio is generally considered suitable for and is indicative of good inventory management. In contrast, a low ratio indicates accumulation of inventory or a slow-moving inventory, leading to unnecessary tie-up of funds, increased costs, and reduced profits. A very high inventory ratio may not be as good as it can be due to a low level of stock and overtrading, which may result in a working capital shortage.

4) Days of Inventory Holding

It measures the average number of days a firm holds on to inventory before selling it to customers. It is calculated by dividing the number of days in a year (say, 360) by the inventory turnover ratio.

$$\text{Days of Inventory Holding} = 360/\text{ITR}$$

Table 4 - Days of Inventory Holding of ITC, HUL from 2016-17 to 2020-21

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITCLTD	52.02	61.33	58.28	60.09	64.95
HUL	25.52	24.13	22.51	23.47	23.55

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: The above table shows that ITC is holding its inventory for a more extended period than other companies, which indicates its inability to convert its stocks into sales. HUL maintains its inventories for a period shorter than the other companies, which can mean that the company is overtrading. There is an increase in the days in inventory holding of ITC indicating in FY 2020-21, which can be due to a fall in sales and increase in inventory.

5) Assets Turnover Ratio

It indicates the relationship between sales and assets and measures the firm's ability to generate sales from assets. Some of the asset turnover ratios are:

$$\text{NATR} = \text{Sales} / \text{Net Assets}$$

Table 5 Net Asset Turnover Ratio of ITC, HUL from 2016-17 to 2020-21

(Amount in Rs. Crore)

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	1.17	0.83	0.76	0.71	0.79
HUL	4.57	4.14	4.02	3.69	0.80

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: The above table reveals that HUL has had the highest net asset turnover over the years, which fell sharply in FY 2020-21, and ITC has the lowest. I had a fall in asset turnover in FY 2020-21. It may be noted there is an increase in the net assets of HUL in FY 2020-21 due to an increase in goodwill and other intangible assets according to its merger with GlaxoSmithKline Consumer. A higher ratio is considered good as it indicates a company's ability to use its assets efficiently, whereas a lower ratio means the company is inefficient in using its assets. Based on the average of five years, HUL has a better asset utilisation than the other four companies despite the fall in FY 2020-21.

6) Net Profit Ratio

Net profit reflects the overall efficiency of the business. We get Net Profit by subtracting operational expenditures, interest, and taxes from the gross profit. Net profit margin is calculated by dividing profit after tax by sales.

$$\text{NPM} = \text{Profit After Tax} / \text{Sales}$$

Net profit margin shows the management's efficiency in manufacturing, administering and selling the products. Therefore, a high net profit margin can help a firm survive adverse economic conditions.

Table 6- Net Profit Margin of ITC, HUL from 2016-17 to 2020-21

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	18.40%	25.32%	27.22%	32.34%	26.86%
HUL	13.02%	14.87%	15.79%	17.37%	17.29%

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: In the above table, ITC had the highest net profit margin in all the years except FY 2018-19. ITC had its highest NPM in FY 2019-20. HUL has had the lowest NPM among all the four companies in the last five years. Based on an average of five years, ITC is more efficient in converting its sales into a profit. Companies with a high NPM are considered better than those with a low NPM.

7) Return on Investment

It evaluates the efficiency with which the resources of the company are used. Investment may refer to total assets or net assets. ROI can be calculated by:

$$\text{ROI} = \text{Return on Net Assets (RONA)} = \text{EBIT} / \text{Net Assets}$$

The funds employed in net assets are known as capital employed. Therefore, return on net assets (RONA) is also called Return on Capital Employed (ROCE).

Table 7- Return on Net Assets of ITC, HUL from 2016-17 to 2020-21

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	32.76%	30.87%	30.71%	29.26%	28.03%
HUL	81.83%	86.54%	92.27%	89.49%	18.90%

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: The above table shows that HUL had the highest RONA, which sharply fell in FY 2020-21 because of an increase in shareholders' equity according to the merger of GSK CH. It can be seen that ITC's RONA has been falling over the years. All the companies had a fall in RONA in FY 2020-21. A high RONA is considered favourable as it shows that management is making the best use of its assets. Based on the average of five years, HUL has the highest asset turnover among the four companies.

8) Earnings Per Share

It shows the profitability of the firm on a per-share basis. It is measured by dividing profit after tax by the number of shares outstanding.

$$\text{EPS} = \text{Profit after Tax} / \text{Number of shares outstanding}$$

Table 8 - Earnings per Share of ITC, HUL from 2016-17 to 2020-21

COMPANY	2016-17	2017-18	2018-19	2019-20	2020-21
ITC	8.43	9.22	10.19	12.33	10.59
HUL	20.75	24.2	27.89	31.13	33.85

Source: Annual Reports of ITC, HUL from 2016 to 2021

Interpretation: The above table shows that HUL has the highest EPS. HUL's EPS has constantly increased over the past five years, the highest being 33.85 in FY 2020-21. I had an increasing EPS till FY 2019-20, which fell in FY 2020-21 by ?1.74 due to a fall in the company's profit after tax.

CSR ACTIVITIES AND SPENDING:

- **CSR Financial Details of HUL for last five years**

Year	2015-16	2016-17	2017-18	2018-19	2019-20
Prescribed CSR Amount (Rs. in Cr.)	91.94	101.71	112.20	124.19	142.20
Actual CSR Amount Spent (Rs. in Cr.)	92.12	103.88	116.09	126.45	143.74

Source: Company's CSR Reports

HUL is committed to operating and growing its business socially responsible. Their vision is to grow their business whilst reducing the environmental impact of their operations and increasing the positive social impact. The company has spent more than 500 crores on its CSR activities in the last five years and has consistently expended more than the amount mandated by the CSR law.

Hindustan Unilever Limited uses its CSR funds to work on issues that plague India's development. It has achieved considerable successes in the areas of water conservation as well as tackling health and hygiene issues at the grassroots level.

The company implements its CSR initiatives through the Hindustan Unilever Foundation (HUF). The non-profit acts as a vehicle to anchor water management related community development and sustainability initiatives of Hindustan Unilever Limited. HUF operates the 'Water for Public Good' programme, focusing on empowering local community institutions to govern water resources and enhance farm-based livelihoods by adopting reasonable water management

practices. Since 2010, HUF has supported grassroots interventions in 53 districts with 23 NGO partners across over 4,300 villages in India.

• **CSR financial Details of ITC Ltd. For Last Five Years**

Year	2015-16	2016-17	2017-18	2018-19	2019-20
Prescribed CSR Amount (Rs. in Cr.)	246.76	275.27	290.47	306.55	326.17
Actual CSR Amt Spent (Rs. in Cr.)	247.50	275.96	290.98	306.95	326.49

Source: Company's CSR Reports

ITC has been focusing its CSR energies on rural development in India. The company spent Rs. 326.49 crores on CSR initiatives in 2019-20, surpassing its spending for previous years. The conglomerate has active social projects in education, environmental conservation, sustainable agriculture, healthcare, digital literacy, sports and culture.

ITC's e-Choupal is a long-running flagship CSR programme by the company that has become the gold standard on community development in international circles. Its e-Choupal impacted lakhs of farmers through digital literacy and economic empowerment. Still, it has also been replicated by scores of other corporates for social welfare in their communities.

The company has reserved a total amount of Rs. 43.51 Cr. for the "Sustainable Agricultural Practices" project from 2019-20. Under this project, the company has covered 6.54 lakhs acres for sustainable agricultural practices. The company had entered into a partnership with NITI Aayog in April 2018 to improve agriculture and other allied services in 27 aspirational districts of 8 States (Assam, Bihar, Jharkhand, Rajasthan, Madhya Pradesh, Maharashtra, Odisha and Uttar Pradesh).

In line with its commitment to put Nation First and responding to the needs arising out of the lockdown implemented to contain the first wave of COVID-19 pandemic, ITC has spearheaded a CSR initiative to enable the creation of an eco-system that would lead to significant livelihood generation for farmers and daily wage earners under the ambit of the Government's MGNREG Scheme.

During the second wave, the company worked to mitigate the crisis by supplying cryogenic oxygen containers to oxygen concentrators and generators. In addition, to serve the national priority of easing the bottleneck of transporting medical oxygen, ITC tied up with Linde India to airfreight 24 cryogenic ISO containers of 20 tonnes each from Asian countries to transport medical oxygen across India. The CSR initiative comes in the wake of an acute shortage of medical oxygen, constraining the healthcare system's ability to treat coronavirus patients.

FINDINGS

After analysing the financial statements of both FMCG companies; ITC Limited, Hindustan Unilever Limited, with the help of Ratio Analysis using various liquidity, leverage, activity and profitability ratios and interpreting the results, it has found:

1. The analysis of liquidity ratios in the span of five years ranging from 2016-17 to 2020-21 shows that ITC is better than HUL in terms of liquidity. However, the company has a high current ratio than the quick ratio indicating a large amount of inventory holding.
2. The activity ratios reveal that HUL has the highest Inventory Turnover, indicating that it is efficient in inventory management and converting its inventories into sales. It shows that ITC has a high level of inventory holding and a merger Inventory Turnover Ratio as ITC. ITC has the lowest turnover in all five years from 2016-17 to 2020-21, indicating the company's low efficiency in using assets to generate revenue.
3. ITC has the highest Net Profit Margin, followed by HUL. ITC is the most efficient in generating profits out of sale. It revealed that HUL has a better return on net assets and return on total assets on an average of five years, but in the financial year 2020-21, it declined.
4. HUL has the highest Earnings per share, followed by ITC.
5. There has been a decline in the overall financial performance of both companies in the financial year 2021.
6. In the CSR context, both HUL and ITC Ltd. are tremendously contributing towards the benefit of the society through their various CSR projects/programmes. They are focusing mainly on education, women empowerment, health and hygiene and rural development.

CONCLUSION

The analysis of financial statements is a critical process for evaluating a company's financial performance. The study of a single accounting year may not reveal much about the company's financial health, and hence the version should measure for two or more accounting periods. A company's performance can be compared with other companies in the same industry to get a better insight into a company's financial performance. After the analysis of the financial statements of the selected FMCG companies; ITC and HUL, for five financial years from 2016 to 2021, it can conclude that HUL has a better Financial Performance over the span five years from 2016-17 to 2020-21 despite the fall in its return on assets and return on equity in the financial year 2020-21 after its merger with GSK CH. ITC has a better liquidity and profit margin but has low efficiency of asset usage and return on equity.

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Blockchain Technology: An Overview of Bitcoin and Ethereum

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ABSTRACT

Blockchain technology is a fairly new approach in the field of information technology. As one of its first implementations, bitcoin as a cryptocurrency has gained a lot of reflection. Along with Ethereum, blockchain implementation with focus on smart contracts, represent the core of recent cryptocurrency development. This paper gives an insight to blockchain, bitcoin and Ethereum.

Keywords: Bitcoin, blockchain, cryptocurrency, Ethereum.

I. Introduction

Bitcoin and blockchain technology have commenced to form and outline new aspects in computer science and information technology. The necessity for a redistributed money has been subjugated more as a theoretical concept, however in the past decade, it has become viable. While there are controversies about Nakamoto's true identity, it is for sure that he brought something revolutionary to the globe, and it is up to the users to decide what they want to do with it. Some take this opportunity to develop their own application for solving various problems in the society, others invest money in those concepts or just trade with ups and downs of the cryptocurrencies' values at the market. In this paper, we start with a quick retrospective of a few famous solutions for decentralized digital money before Bitcoin, and then we go into the core of its function, together with Ethereum. These two cryptocurrencies hold majority of the cryptocurrency market capitalization.

II. Some early ideas on decentralized digital currencies

The idea of digital currency is not a relatively new one, but not until recently has it been with success enforced. Chaum, in his paper conferred a thought of untraceable electronic mail, return addresses, and digital pseudonyms, based on public key cryptography. His technique did not need a trusty authority and the correspondents could be anonymous. Dwork and Naor planned a system for usage in combat against junk mail, by demanding the user to offer a computation of a relatively hard pricing function. This was one of the primary ideas of providing a proof-of-work as a system for exchanging digital commodities. In comparable manners, authors of b-money, reusable proof-of-work, and bit gold signified ideas of using computational power as an asset with actual and usable value, comparing it with a precious metal or a minted coin. Vishnumurthy

et al. planned a system for secure peer-to-peer (P2P) resource sharing, KARMA. A set of nodes is accountable for keeping records of each node's karma. However, these methods either required a trusted party in the form of banks or didn't quite solve the double-spending problem. In the centralized solution, banks or other reliable authorities can prevent the attempt of parallel issuance of two transactions, but in decentralized system, as in cryptocurrency, this problem carries great importance. Also, since the central authority doesn't exist, the users have to maintain a consistent state of the P2P network, thus disabling the possible attackers to compromise the system with false data.

III. Bitcoin and blockchain technology

A. Bitcoin essentials: In his currently illustrious work, Satoshi Nakamoto showed a solution to the issues that the execution and usability of digital currency faced, particularly the double-spending problem. While the true individuality of Nakamoto could be a purpose of assumptions, what is known is that until 2010 he remained active on the Bitcoin mission, and then he stepped back and gave the project to the community for further progress. He planned a system with P2P distributed timestamp server that acts as a generator of the computational proof of the sequential orders of transactions. An electronic coin is defined as a chain of digital signatures. Each transaction is well-defined as a set of digitally signed hash of the previous transaction and the public key of the next owner. The private key is used for signing the transaction, and therefore the public key is used for authentication of the transaction, as shown in Fig.1 .

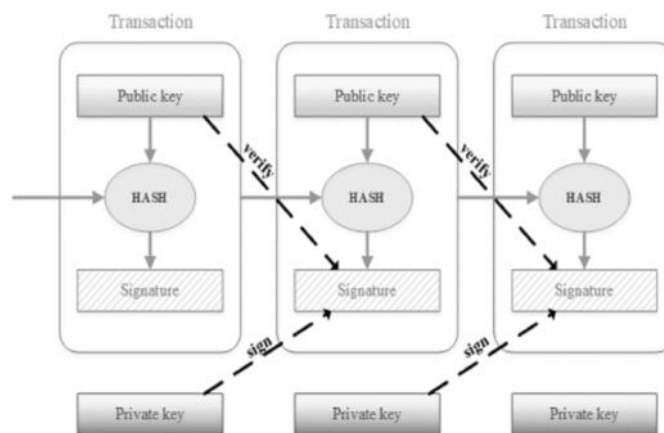


Fig1: The structure of a transaction in a Bitcoin blockchain

The public key is kept in the wallet, which can be enforced in software, hardware, or online. The Bitcoin ledger is defined as a state transition system, involving a state that shows ownership status of all current bitcoins and a state transition function, in the form of transaction. The output of the state transition function is a new state. The results of this process are state changes of the sender and recipient if the sender has enough bitcoins to make a transaction, or an error, otherwise.

B. Bitcoin transactions: Each transaction is determined with its hash value representing a transaction identifier and a set of inputs and outputs. Each output of the transaction can only be used once as an input in the entire blockchain. The attempt of referencing the same output twice leads to the double-spending problem and is prohibited in the network. If the output of the transaction has not been referenced before, it is called an unspent transaction output (UTXO), and if it has been referenced, it is called a spent transaction output (STXO). A transaction can have multiple inputs and only up to two outputs. Multiple inputs can be used to combine smaller amounts of coins being transferred, and outputs can be either an amount sent to the other party or the change that is sent back to the sender. Bitcoin distributed ledger describes all transactions and ownerships in the network. If one user wants to send few amount of coins to another, he can do it by publicly declaring this transaction and it is up to the network to verify its correctness. However, a user can try to deploy the network and issue more than one transaction of the same coin to the different users (double-spending problem).

C. Proof-of-work and blockchain: These conditions are prevented (or at least minimized) in Bitcoin network by asking a proof-of-work from every node that verifies the transaction. The nodes have to do some serious computations to prove that they are valid members of the network. As long as the total computational power of the honest nodes is bigger than the computational power of the attacker, the system will stay consistent and all legit transactions will occur. A collection of transactions, along with the hash of the previous block and a nonce, declares a block. A timestamp server makes a hash of a block and publicly announces it, thus proving that the data inside the block must have existed at the time of hashing. The timestamp server has to verify that the timestamp of the block is greater than the timestamp of the previous block in chain and less than two hours into the future. These hashes are coupled in a chain and this is often called a blockchain, as shown in Fig. 2 .

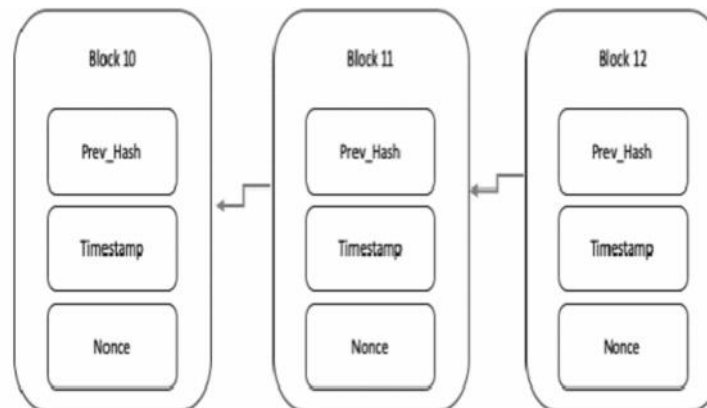


Fig 2: The blockchain scheme

The necessary property of the blockchain is that the transactions can be traced back at any time in history. Figure 2. The blockchain scheme The proof-of-work hashing scheme Bitcoin uses is comparable to Hashcash and built on SHA-256 hash function. The proof-of-work is done by incrementing a node in the block until the value is produced that has the required number of zero bits at the beginning of the block hash. Once done, it cannot be undone without repeating the calculations. If it is somehow changed by a malicious attacker, then all the following blocks would have invalid hashes. The rule is that the lengthiest chain that has the majority consensus in the network is the correct one, if the attacker wishes to change a block, he needs to have sufficient computational power to overcome the voting of the majority of honest nodes, thus incoming the race problem. The transactions within a block are hashed in a Merkle tree. A Merkle tree is a type of binary tree with many leaf nodes, and the root of the leaf nodes is a hash of its children.

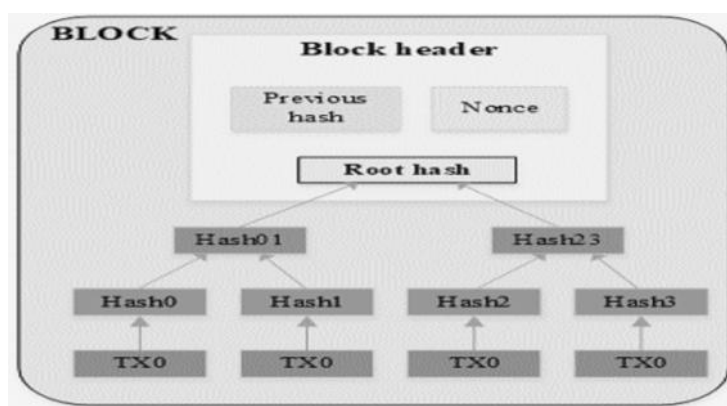


Fig 3: A bitcoin block with linked transactions in a Merkle tree

The Fig.3 shows a Bitcoin block consisting of a Merkle tree of transaction hashes. Any inconsistency in the tree will reflect anywhere in the chain, so the Merkle tree is vital for longterm maintainability. This is done to free up the storing space needed to store the blockchain on the nodes. The current size of the Bitcoin blockchain is about 144.8 GB. After the transactions are incorporated in a block and this block is verified, the network rejects all hashes in a tree except the root hash involved in the block header. Bitcoin introduced a Simplified Payment Verification (SPV), which doesn't need the nodes to keep a full record of transactions, only the copy of the block headers of the lengthiest chain. Figure 3. A Bitcoin block with hashed transactions into a Merkle tree

D. Bitcoin network and mining: The primary transaction in a block creates a brand new coin which is owned by the creator of the block. This gives impetus to nodes to verify transactions, and puts coins into circulation, since there is not a central authority that issues them. This transaction is called a coinbase transaction. With this approach, the nodes are incentive to stay honest. The Bitcoin network is meant to yield one block in approximately ten minutes. Since the procedural

power increases in time, the block time is remains somewhat constant by gradually increasing the difficulty of generating new blocks. The Bitcoin network starts with new transactions being disseminated to all nodes. Each node gathers transactions into a block and works on finding proof-of-work, after which it broadcast its block to the network. The nodes within the network admit the block as valid only if all transactions within it are correct and not already spent. If the block is accepted by the network, the chain is being continued by generating the next block and adding the hash of the previously added block to it ..

E. Bitcoin scalability problem: With a block size of 1MB, Bitcoin has unadorned scalability issues. The amount of transactions that can be maintained with this block size is less than seven transactions per second (tps). In comparison, the payment network Visa achieved 47,000 tps during the 2013 holidays, and presently averages with hundreds of millions per day. This would highly centralize the Bitcoin network to support only those nodes with such storage capacities, and this is the very opposite of what Bitcoin and blockchain are intended for. Several solutions were suggested in order to tackle this problem efficiently. As a result, number of soft and hard forks of Bitcoin occurred. A soft fork is any change that is backward compatible, i.e. enabling the old software to recognize newly created blocks as valid. A hard fork, on the other hand, is a software update introducing a new rule to the network, thus rendering the old software unable to recognize new blocks .

F. Bitcoin Cache and Bitcoin Gold: With Bitcoin becoming more and more popular, the network was unable to handle so many transactions, so the confirmations took even days. The hard fork of Bitcoin Cache (BCH) occurred on the block 478,558 on the 1st of August, 2017. The owners of Bitcoin at the time of the fork became also the owners of the Bitcoin Cache. The block size was upgraded to 8MB, leading to faster confirmation times. Bitcoin Gold (BTG) is a hard fork of Bitcoin which happened on the block 491,407, on the 24th of October, 2017. Like with Bitcoin Cache, any holders of Bitcoin before the fork became also the holders of Bitcoin Gold. The reason behind this fork is that instead of CPUs, the Bitcoin was primarily mined with ASIC machines. The creators of Bitcoin Gold sought to change that by changing the proof-of-work algorithm from SHA-256 to Equihash. This algorithm is memory heavy and mostly suitable for mining on graphic processors.

IV. Ethereum

A. Overcoming Bitcoin's limitations: Ethereum was introduced in Vitalik Buterin's paper and addressed several limitations of the Bitcoin's scripting language. The main contributions are full Turing-completeness, meaning that Ethereum supports all types of computations, including loops. Then Ethereum supports the state of the transaction, as well as several other improvements over the blockchain structure. Ethereum represents a blockchain with a built-in Turingcomplete programming language. It provides an abstract layer permitting anyone to create their own protocols for ownership, formats of transactions, and state transition functions. This is done by

involving smart contracts, a set of cryptographic rules that are executed only if certain conditions are satisfied. The consensus in the Ethereum network is based on modified GHOST protocol (Greedy Heaviest Observed Subtree). It is created to tackle the issue of stale blocks in the network. The stale blocks can occur if one group of miners combined in a mining pool has more computing power than the others, meaning that the blocks from the first pool will contribute more to the network, thus creating the centralization issue. GHOST protocol includes those stale blocks into calculations of the longest chain.

B. Ethereum accounts: The Ethereum state is consisted of accounts, where each account has a 20-byte address and state transitions. The world state is a mapping between addresses and account states. Ethereum supports two types of accounts: externally owned (controlled by private keys) and contract accounts (controlled by their contract code). An Ethereum account is made of four fields: nonce, ether balance, contract code hash, and storage root. Nonce represents the number of transactions sent from particular address or the number of contract creations made by an account and is used as a guarantee that each transaction can only be processed once. Ether balance is the number of Wei owned by this address. Merkle Patricia trees are used for storage of all bindings in Ethereum ecosystem. The block header contains three roots from three tries representing state, transactions, and receipts.

C. Ethereum transactions and messages: A transaction is a single instruction that is cryptographically signed. There are two types of transactions based on their products (ones that result in message calls and ones that create new accounts). The transaction is defined as a signed data package dispatched from an externally owned account. Each transaction is consisted of the recipient of the message, a signature identifying the sender, amount of Ether to be sent, an optional data field, STARTGAS, and GASPRICE values. STARTGAS and GASPRICE fields are vital in the combat with attackers on the network. "Gas" is a fundamental unit of computation. Each transaction requires certain amount of computations, and the STARTGAS field denotes the maximum number of computational steps the transaction is allowed to consume. Usual price is 1 gas per 1 computational step plus fixed additional price of 5 gas for every byte in the data area, but this value can be greater and is defined in GASPRICE field.

D. Ethereum blockchain : An Ethereum blockchain is similar to the Bitcoin blockchain. The main variance is that Ethereum blocks consist not only the block number, difficulty, nonce, etc. but also the transaction list and the most fresh state. For every transaction in the transaction list, the new state is created by smearing the previous state. The block header in the Ethereum blockchain consists of the Keccak 256-bit hash of the parent block's header, the address of the mining fee recipient, hashes of the roots of state, transaction, and receipts tries, the difficulty, the current gas limit of the block, a number representing total gas consumed in the block transactions, timestamp, nonce, and several extra hashes for verification purposes. One of the biggest problems of the Bitcoin's network is the eligibility for ASIC mining. Ethereum uses Ethash as the proof-of-work algorithm which is memory heavy and thus less suitable for ASIC mining. Ethash represents

the alteration of the Dagger-Hashimoto algorithm. Every node in the Ethereum network runs under EVM and performs its instructions. The smart contracts are translated into EVM code and then executed by the nodes. Ethereum block time is around 15 seconds, with several peaks up to 30 seconds for a period of time. Using Geth blockchain client with fast sync, the Ethereum blockchain size is 47.43GB as of the 29th of January 2018.

V. Conclusion

Bitcoin and Ethereum at present are the most known and valuable cryptocurrencies. They are based on blockchain technology that is envisioned to promote a trust mechanism in a peer-to-peer network based on the agreement of the majority of the nodes. A short chronological survey of the early stages of the digital money implementation, as well as the foundations of blockchain technology, and its most promising implementations, Bitcoin and Ethereum have been discussed. In the past few years, there has been a rapid growth of numerous cryptocurrencies, hashing algorithms, and consensus agreements in the networks. Some of the cryptocurrencies worth mentioning are Ripple, Cardano, NEO, Stellar, Litecoin, EOS, IOTA, Dash, Monero, TRON, Lisk, Tether, Stratis, Zcash, Electroneum, Nxt, Dogecoin etc.

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Sustainable Finance & Sustainable Technology Via Artificial Intelligence

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Technology moves fast and evolves exponentially, the term artificial intelligence was coined in 1956, but it has become more popular today.

Unlike a decade ago when its use was relatively unknown, Today Artificial Intelligence is widely considered a general-purpose technology. And it is pervasive across industries such as healthcare, education, retail, governance, agriculture, and manufacturing.

Even the pandemic did not deter India's upward curve in AI adoption and innovation. Last year, India outpaced countries such as Japan, the US, and the UK to become the largest adopter of AI, exacerbated by the pandemic with applications seen in drug discovery, telemedicine, and vaccine development.

According to the reports, Artificial Intelligence will be better than human beings in translating languages by 2024, promoting items by 2031, and conducting surgical procedures by 2053. Businesses are using AI to enhance the productiveness of their employees.

An Overview

The pandemic situation has changed the way laymen look toward Science and inventions. Science and technology have been the only hope against the virus that is almost halting the world from the time to time. Digital transactions kept things moving at a faster pace and reduced the scope of the infection spreading through the physical transaction of currency. Limited travels along with the opening up of markets and public places were made possible with affordable RT PCR tests. PPE Kits, sanitizers, and of course the vaccines. Technology is helping organizations and customers with faster decision-making and a more dimensional view of things. Predictive analytics and machine learning, have opened new possibilities in the detection of fraudulent activity and financial crime. Key potential for artificial intelligence comes from Sentiment analysis algorithms & Natural Language processing. Artificial intelligence is defined as "computer devices and systems designed to work in a way that can be considered intelligent. It includes technological patterns that simulate human performance through learning and reaching their own conclusions, by understanding complex contents, engaging in dialogues with humans, enhancing human cognitive performance. AI allows investors to collect and analyze more information than ever before when accounting for environmental, social, and governance risks and opportunities. Financial Stability Board defined financial technology as: "Financial innovations using technology that can create

new business models, applications, processes or products that have a tangible material impact on financial markets and institutions, and on the provision of financial services". Global banking sector has undergone a radical transformation as a result of the implications of the rapid digital development imposed by the twenty-first century. The financial sector is working hard to provide easy-to-use processes and services for its users. This includes many payment services and financial products that could be processed with a touch of a button. Transition to smart cities and sustainable economies is associated with the process of holistic transformation of the economic and socio-technological systems intended to increase its environmental sustainability and social equality. Estimates indicate that at least 30% of all companies around the world will start integrating some form of artificial intelligence into their business in the next few years, for example, 85% of interactions customers with companies that they do business through artificial intelligence tools instead of the human element.

Quick Summary about AI

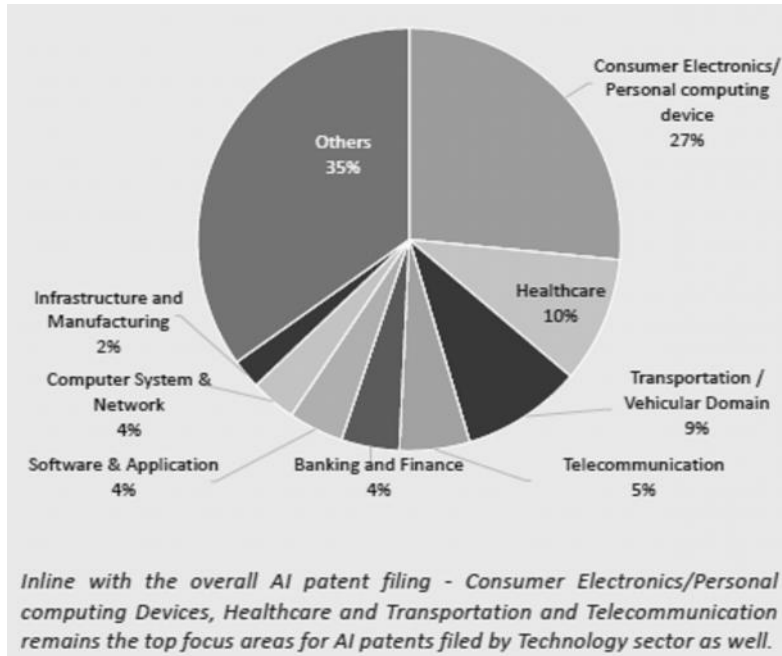
AI makes it possible for machines to learn from experience, adjust to new inputs and perform human-like tasks. It is the theory and development of computer systems able to perform tasks normally requiring human intelligence, such as visual perception, speech recognition, decision-making, and translation between languages.

AI Techniques	Logic Programming	Logic programming makes Decisions without using any intermediate steps. It is the first AI technique substantially addressed in the scientific literature.
	Fuzzy Logic	Fuzzy logic is an AI Technique that acts similar to a human reasoning. The fuzzy logic makes decision based on degrees of truth or false, rather than usual truth or false. The degrees can be certainly yes, possibly yes, certainly no, possibly no, etc. Fuzzy logic relies on the human principle to make decision based on imprecise and non-numerical information.
	Probabilistic Reasoning	Probabilistic reasoning is an AI Technique is a way of deal with uncertainty data using a probability theory and logics for generating required output.
	Machine Learning	Machine Learning is an AI Technique that uses multiple algorithms and statistical models to allow computers to make decisions without having to explicitly program it to perform the task. Machine learning helps in building a model using a sample information in order to make self-decisions.

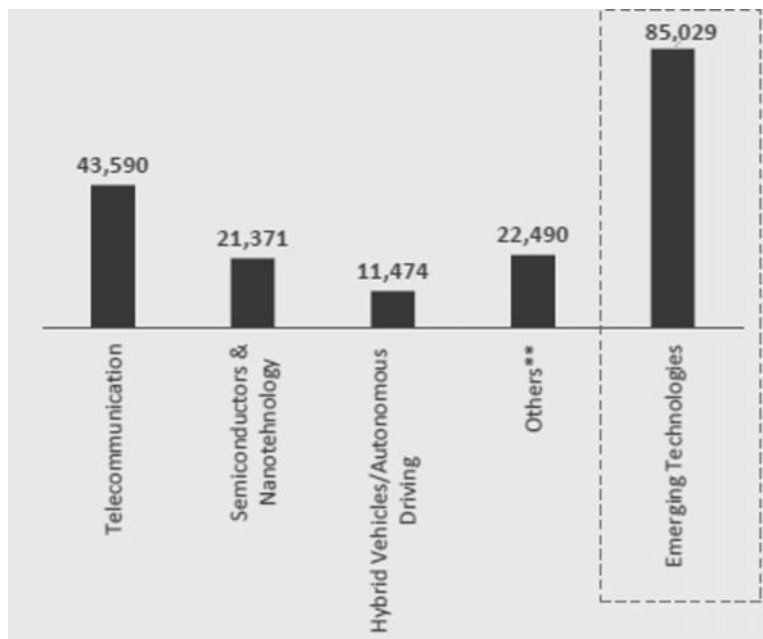
AI Functional Applications	Speech Processing	Speech Processing is a function performed by AI Techniques that involves analysis of speech signals, speech recognition, natural language processing and speech synthesis. The speech processing helps in converting voice signals/audio signals to a text or some other required format.
	Computer Vision	Computer vision is a function performed by AI Technique that especially deals with technology to make computers see and understand digital images and videos. Computer vision perform all the tasks performed by a human vision such as seeing understanding data that has been seen and extracting appropriate information from the images to make decisions
	Natural Language Processing	Natural Language processing is a function performed by AI Technique that utilizes algorithms to analyze human (natural) language data so that computers can understand information written and spoken by humans. Based on the analyzed information, the computers can interact with humans in efficient way
	Intelligent Control	Intelligent control is a technique that deals with applications of artificial intelligence, knowledge base, expert systems, fuzzy logic, etc. for controlling complex physical processes that are difficult to control.
	Distributed AI	Distributed AI is a AI technique that comprises of multiple distributed autonomous learning agents who process the data individually and generates partial solutions. All the generated partial solutions are further integrated through intermediate nodes connecting the agents. Distributed AI is helpful in scenarios where high computational tasks and processing of large data is required.
AI Application Fields	Healthcare	Automatic diagnostic systems are a very promising application of new machine learning techniques. Recent results have shown that it is possible to surpass human expert accuracy for several narrow tasks, such as detection of melanoma or risks of atherosclerosis in arteries.
	Pharmaceutical Research	Drug personalization is also frequently cited as a key marker of progress driven by AI. The availability of large amounts of clinical data mean AI is predicted to improve drug discovery and reduce development costs by helping select the most promising hypotheses and focus on more targeted research.
	Biotechnology	AI applications in biotech include drug target identification, drug screening, image screening, and predictive modeling (This will include various domains like Genetic Engineering, Synthetic Biology, Environmental Biotech, etc.)

Current Situation

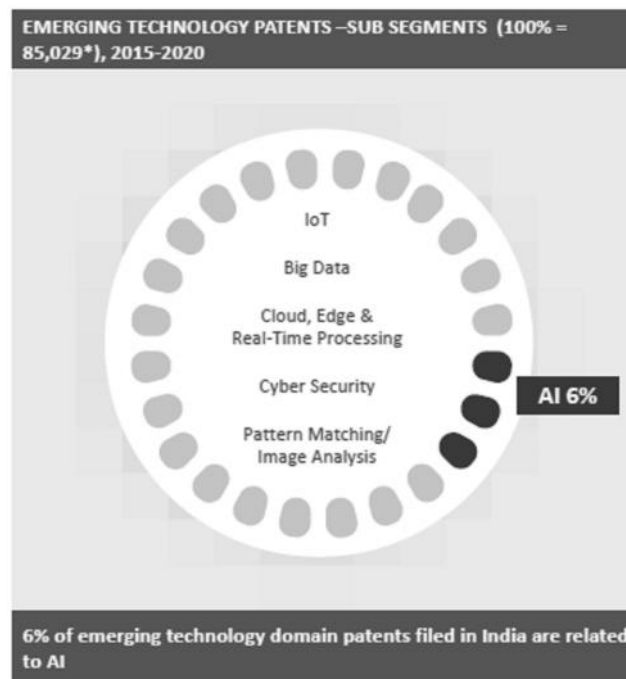
Technology is changing our life, business, job and everything in very rapid pace, Below Patents data shows the growth in INDIAN market. 70+ % of Patents are on emerging technologies and 6 to 7 % of this volum is in AI.



NUMBER OF TECHNOLOGY PATENTS FILED IN INDIA, 2015-2020*

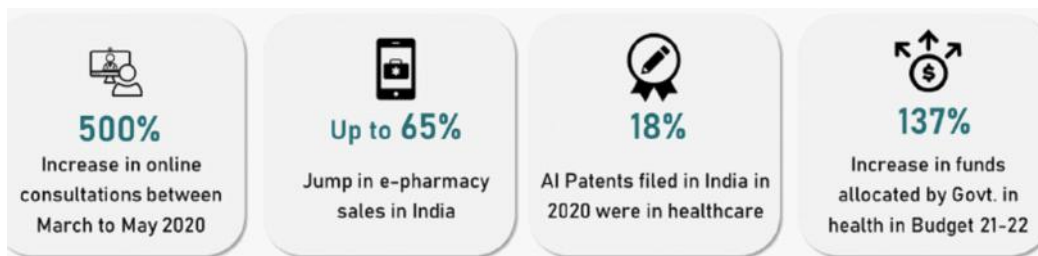


And AI is a major player in this field.



AI in Healthcare

Healthcare is one of the India's largest sector, both in terms of revenue and employment



Data and AI has the potential to contribute \$450-\$500 billion to India's GDP by 2025, representing ~10% of the \$5 trillion aspiration pre-COVID-19. Healthcare sector is a significant beneficiary of the potential value add with a contribution of \$25-\$30 billion. Some of the areas that will drive this potential comprise - Timely epidemic outbreak prediction, Remote diagnostics and treatment, Optimized health resource allocation. From a functional perspective for the pharmaceuticals and medical products specifically - Operations (e.g. manufacturing, supply chain) & Marketing and sales (e.g. channel, pricing, and promotions) are the top functions that show significant promise.

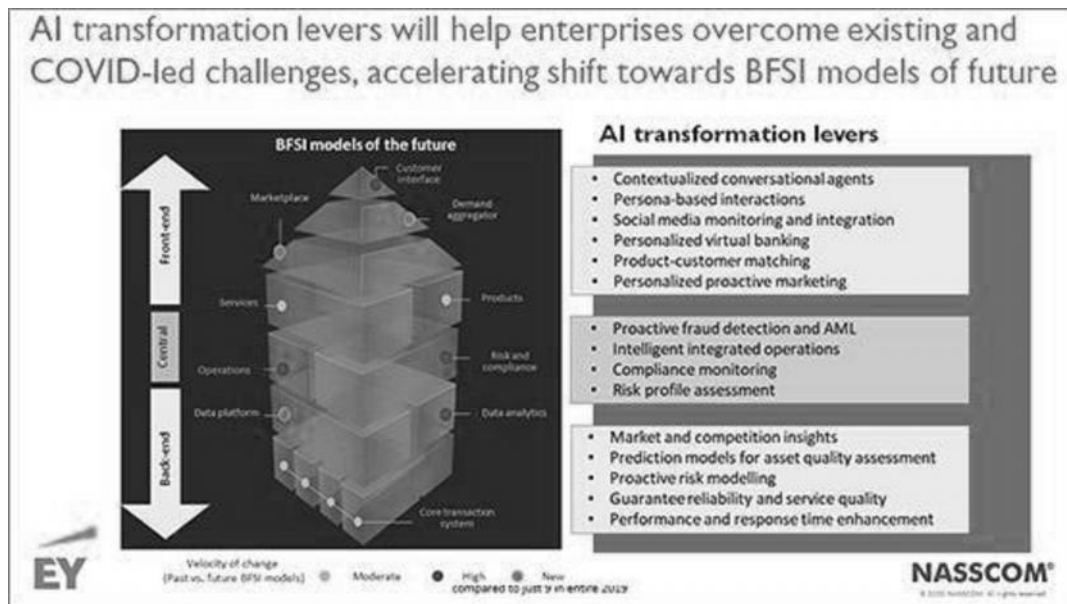
The active role of AI in the healthcare sector is prominent at every step of the healthcare value chain and across the key pillars. However, delivering quality services in a diverse market

like India at scale and at affordable price is immensely complex, especially with the large underserved population, rising disease burden and variation in quality of care across different public and private players. Therefore, it is critical for healthcare organizations to be aware of the AI opportunities across the healthcare value chain to be able to scale the benefits, having a far-reaching impact. The below listed AI solutions are focused towards assisting the healthcare ecosystem in improving the efficiency, accuracy and access of healthcare services.

AI Solutions helping our healthcare industry

Using AI we have now pre-classified genomes, personalized patient care, and advice, Drug discovery, and Automated patient feedback analyser, Smart POS, Virtual assistant, availability of doctors, Remote delivery. Patient assistant Chabot. Robotic-assisted surgery. Telemedicine. The smart way to manage the documents in AI-based applications.

AI in BFSI



Artificial intelligence in education

Here are some statistics to throw light on artificial intelligence in education.

- The AI in education market size exceeded 1 billion USD in 2020. It is expected to grow at a CAGR of over 40% between 2021 and 2027. (Global Market Insights)
- The artificial intelligence in education market is expected to post a revenue of 25.7 billion USD by 2030. (Prescient and Strategic Intelligence)
- The global AI in education market is expected to reach 3.68 billion USD by 2023. (Markets and Markets)

Role of artificial intelligence in education

Here are some of the real-world applications of AI in education.

Automation of basic administrative activities

- A lot of time is spent by teachers in administrative activities like grading and assessment of worksheets.
- The use of AI in education can help automate the grading and assessment of activities like multiple choice questions, fill in the blanks, etc.
- Another tedious and cumbersome activity for teachers is preparing the report cards of students. The use of artificial intelligence in education can help automate this as well.
- Automation of administrative activities means teachers can spend more time with the students, thus making the learning process more efficient.

Personalized learning

- The purpose behind application of AI in education is not to replace teachers, but give them a helping hand in understanding the potential and limitations of each student.
- The use of AI in schools makes things easy and convenient for the teachers and students as well.
- By understanding the needs of every student, teachers can come up with a tailor-made study plan for every student.

Constructive feedback

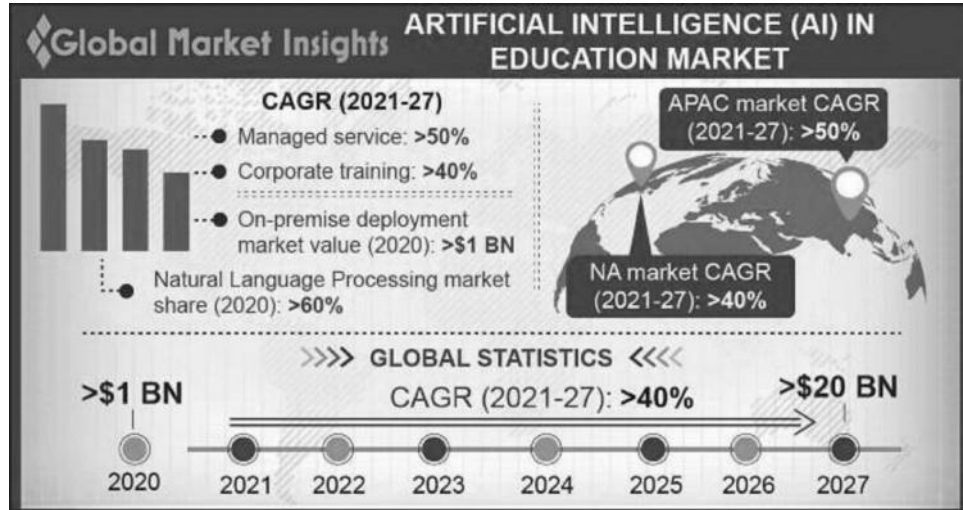
- Programs powered by artificial intelligence can provide valuable feedback, both to the students as well as teachers.
- Use of AI in classrooms can point out to teachers how to improve the instructions provided to the learners, and also how to make learning more fun and interesting.
- Instant feedback to students helps them understand where they are going wrong and how they can do it better.

Accessible by all students

- The use of AI in classrooms makes learning universally accessible for all students.
- Whether a student is slow learning or unable to attend school due to an illness or injury, and even students located in remote areas, AI in education is a blessing for them.
- The use of artificial intelligence in education helps to overcome the geographical barriers in learning.
- Students located anywhere around the world can learn from the best teachers through the use of AI in education.

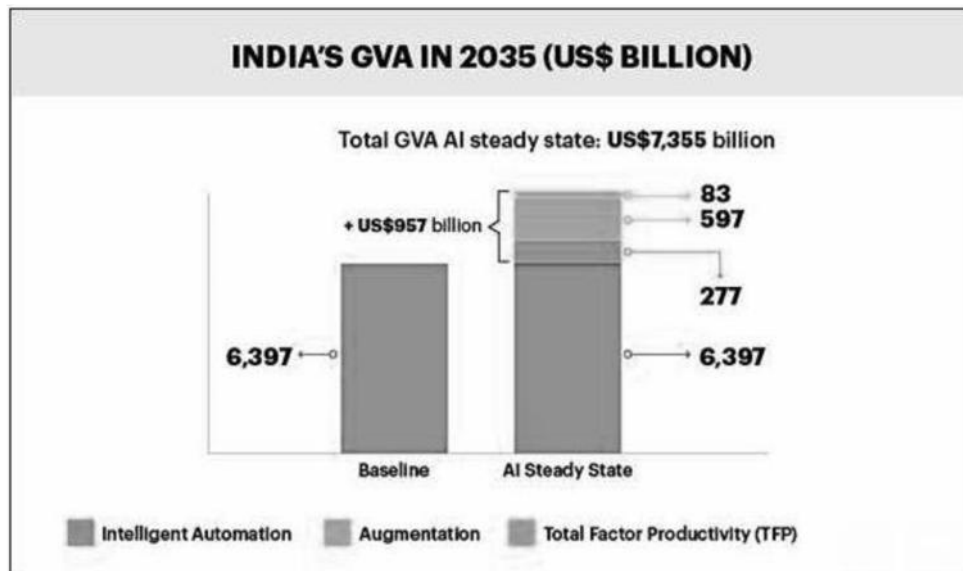
- The use of AI in education has still not been embraced by all the schools completely.

However, in the future, AI and education will go hand in hand. The application of AI in education has transformed the education industry, but is yet to unleash its real potential.

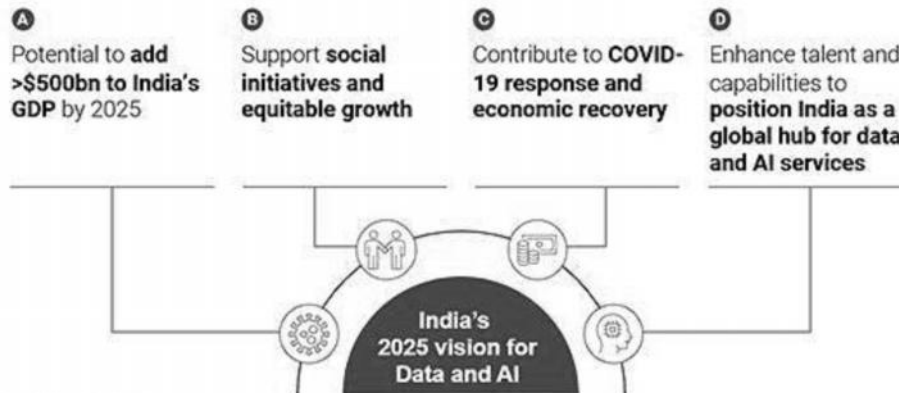


Several AI-powered chatbots are specifically built for education as a sector. They work as students' assistants round the clock to provide answers to their queries at any time. So, they don't have to wait to see the prof in their office or the classroom.

Way forward in AI



Data and AI can help drive economic growth as well as inclusive development



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Artificial Intelligence (AI) is among the most exciting emerging technologies around, with great potential to leave a lasting impact on society. The utility of AI has proven its worth in the fight against COVID-19, in taking tele-education, tele-health, tele-law and tele-banking to masses and even to the last person in the row. AI is not only providing immense value to businesses but equally importantly, is addressing social good effectively

Some of the Real time AI solutions helping us:

- Haptik is a Conversational AI company that built the MyGov Corona Helpdesk in record time. This Intelligent Virtual Assistant (IVA) is essentially an AI-powered WhatsApp chatbot that brings accurate information at the fingertips of the users. The chatbot has the following functionalities:









- The Tamil Nadu e-Governance Agency (TNeGA) has developed an AI-based mobile app, known as ePaarwai, to address the resource constraints in screening a large number of people for cataract. By simply clicking a picture, the app can be used for preliminary screening of the eye. The app has been designed to detect macular disintegration as well. Any volunteer can join the mission of eradicating preventable blindness. India has about 4.7 million blind people, and about 66 percent of them lose their eyesight due to cataract. Undiagnosed

cataract remains a huge problem especially in rural areas and among low- income settlements in urban areas, owing to the lack of trained professionals and other resources. Therefore, cataract is a major public health problem in India.

- Telangana state government has implemented the Real-time Digital Authentication of Identity (RTDAI) in authenticating pensioners. A smartphone is the only hardware requirement on the user end as fingerp rints or iris images are not required. The beneficiaries have to take a photo and upload it to the exclusive app, which is offered as a part of the T App Folio - the umbrella app for Telangana's e-governance initiatives. The Pensioners Life Certificate Authentication through Selfie (PLCS) method deploys three levels of authentication: demographics (name, father's name and address), photo and liveness. PLCS uses AI based liveness check solution, big data and machine learning based demographic check solution, and deep learning based image comparison solution. The AI, ML and deep learning solutions quickly check the details submitted by the user with the information piled up in public data systems
- TCAIR, DRDO has developed an AI-based intelligent, secure, web based, COVID detection application software ATMAN using Chest X-rays which can classify the images into normal, COVID-19 and pneumonia classes using limited number of sample images. The secure web-based solution was developed on the premise of optimizing chest X-rays for rapid detection of COVID-19 triggered lung abnormalities. For this, the DRDO has also roped in HCG Academics and Bangalore-based deep tech startup 5C Network.



 <p>WIPRO LIMITED</p> <p>AI-assisted drug repurposing AI model that advances drug repurposing process by increasing the success rate of drug approval through ML based therapeutic pairing</p>	 <p>ONWARD ASSIST</p> <p>AI-assisted Telepathology AI-powered platform helps pathologists to complete slide reporting process faster, assisting oncologists in early diagnosis and treatment</p>	 <p>MITRABIOTECH MITRA BIOTECH</p> <p>Personalization of Cancer Care AI identifies most optimal drug combination against multiple samples with simulated human tumor environment for cancer care</p>
 <p>QURE.AI</p> <p>AI-assisted Chest X-ray Solution AI solution identifies and detects abnormalities on chest X-ray, interprets patient's lung scans quantifying how much of their lungs are affected</p>	 <p>PROGNOSTICS IN-MED</p> <p>Volumetric Analysis of the Brain AI based algorithm which uses image processing and deep learning to automate the segmentation of brain structures and calculate their volumes</p>	 <p>TAMIL NADU E-GOVERNANCE AGENCY</p> <p>AI-based Cataract Detection System An intelligent mobile application (e-Paarvai) leveraging AI to identify the presence of cataract in the eye of the person being screened</p>

Conclusion

Anyone who's informed about global trends across different industries will know that personalization is top of the list. This is due to the advent of artificial intelligence, which is an advantage for the education sector. AI helps teachers up their game, providing them all the information that they need. It also allows teachers to create content that suits their students best while ensuring personalized learning. It automates tasks, so teachers have more time to do more teaching and impact the students better.

References

1. Analyst and IT sites
2. Magazines and competitive magazines
3. Google topic based search results
4. Datamatics AI product info.

A Study on "Comparative Study of Dr.Reddy's Laboratories with Lupin

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ABSTRACT

The pharmaceutical industry's steady growth curve is beginning to taper in 2017, thanks to a few unique challenges that have unfolded recently. Pharma R&D productivity has also diminished and the pharma landscape is changing. In these times of rapid changes, it is not enough for pharma companies to focus solely on selling drugs and medications. Today, the industry aims for more holistic approach with integrated services. There are upcoming trends in the industry to which pharma companies have to respond to. One such innovative trend is 'reverse innovation or reverse engineering. Major factors attributed to this large market size include growing disease prevalence, increasing affordability, changing consumer attitude, changing government policies with respect to insurance and reimbursements and availability of an appropriate treatment alternative.

It can be observed that the role of pharma industries is not just limited to producing medicines but has widespread functions and roles to play than this. Lupin has an upper hand in terms of total assets and share capital whereas Dr. Reddy's debts are not more than Lupin. It can be concluded that both the companies have growth in some areas whereas they lack in the other areas. This paper is useful for the study related to the various aspects in which one is better than the other and the strategies used by them to compete.

INTRODUCTION

Financial analysis is the study of a company's performance and helps in determining the suitability of the business. This is done by assessing various business-related projects and other financial transactions of the company. Characteristically, it is used to analyze whether a firm is stout, in debt, liquid, or successful enough to permit financial speculation.

Financial analysis is used to regulate the economic expansion and growth, form financial policy, build long-term future for business activity, and identify projects or companies for investment. This is undertaken through the union of numerical and theoretical information.

The most ordinary way to analyze financial data is to compare ratios from the data in the statements to compare against those of various existing companies or against the company's own historical performance.

One of the most effective ratios which can be used to determine a firm's efficiency of the usage of its assets against the profitability of the company is ROI. It is possible to calculate this ratio for all the companies in the same industry and internally they can be compared with each other.

A significant area for the analysis of the financial statements involves gathering a company's past performance, measuring its earning percentages, into an estimate of the company's future performance. The trend analysis is beneficial in analyzing the seasonal trends. For example, during Christmas retailers may observe that their sales have been increased at a considerable rate.

FDI sanctioned more or less 304 drugs of pharmaceutical companies in India. The expected AGR in total is 30% from the Indian biotechnology industry and aims to achieve \$100bn by 2025.

Generic drugs have played a significant role in the pharmaceutical market and has contributed to a great extent to the profit of the Indian companies. The government is trying its best to cut down the costs so that the expenses of these industries can come down little.

OBJECTIVES OF THE STUDY

1. To conduct strategic analysis of various operations undertaken by the companies.
2. To study and compare various sources of funds and their applications.
3. To comprehend and collate earning capacities.

1.2 SCOPE OF THE STUDY

This study was focused on two major global pharmaceutical companies, namely Dr.Reddy's and Lupin. The various factors considered for the analysis of the two companies were ratios, financial position, sources and applications of funds, strengths, weaknesses, threats and opportunities, earning capacities.

1.3 RESEARCH METHODOLOGY

The methodology of collecting primary or secondary data includes interviews, surveys, internet sources, previous data collected etc.

There are mainly 2 types in research methodology,

1. Qualitative method
2. Quantitative method

This study mainly follows the Descriptive method with Quantitative data

Descriptive research

Descriptive research is conclusive in nature, a quantifiable information is gathered that is used for drawing statistical reference. However, if used properly, it can aid an organization to better determine and evaluate the significance of something about a group of respondents and the population they represent.

We can extract numerical data or information from descriptive data, that can be further converted into numbers for analysis.

Secondary Data:

Secondary data is the published data. It is already available for using and it saves time. The main source of secondary data is published market surveys, government publications, advertising research reports and internal sources such as sales, sales record orders, customers complaints and other business records etc.

Sources of secondary data:

Operations and applications of finance.

- Internet
- Magazines
- Newspaper

In this research the following tools and techniques were used to analyze the data:

- Comparative analytics
- Ratio analysis
- Strategic analysis

1.4 PERIOD OF STUDY

The project has been completed during December to March in a time period of four months which included data collection and analysis.

1.5 LIMITATION

Various methods of monetary and comparative inspection methods are fund flow study, common size statement, cost-volume-profit analysis, profitability of capital and leverage analysis. But the study done only focuses on the recent innovative changes of the trend of different ratios and their analysis. Only secondary data is being used in this study for the comparison and analysis of both the companies even when there are a lot of important factors which have a great effect on the financial performance of any company like political affairs, inflation and economy was not taken in this study and only secondary data is used.

2.1 COMPANY INTRODUCTION

2.1.1 DRL

Dr.Reddy's Laboratories Ltd. is an incorporated pharmaceutical company, dedicated to accelerating approach for economical and innovative medicines. The major the rapeutic field of focus are gastro in testinal, cardiovascular, diabetology, oncology, pain management and dermatology. Dr. Reddy's operates globally.

2.1.1 LUPIN

Lupin Ltd is leading Indian pharma industry and also listed in top 10 generic organization in the world. They operate indrug formulations, APIs, drug delivery systems and biotechnology. In FY 2018, Lupin added 38% of overall revenue in the marketshare. During the same year it generated its highest revenue from North America, followed by India with 26% and APAC with 17%. In FY19, the revenue generated from total sales was Rs 16,369.4 crore and in H1FY 20 reached Rs 8,652.7crore.

2.2 COMPANYDETAILS

2.2.1 DRL

The research department of DRL is focused on cancer, diabetes, bacterial infections and pain.

Units:

Strategic Business Units Bulk has 6 units:

- 1 unit at Bollaram
- 1 unit at Jeedimetla
- 1 unit at Miryalaguda
- 1 unit at Pydi Bhimavaram Strategic BU Formulation has 8 units:
 - 1 unit at Bollaram (INJ)
 - 2 units at Bachupally (OSD)
 - 1 unit at Visakhapatnam (INJ, OSD)

2.3 REVIEW OF LITERATURE

Harrison and Mason (1992): There are three aspects which make angel financing suitable for the startups. First, angel financing is active for many startup and seed enterprises closing the so-called 'equity gap' by forming a 'bridge' between internal and external financing sources.

Eliehausen and Wolken(1993): discussed about transaction motive and financing motive. The transaction motive recommends better quality for both buyers and sellers so that they can predict their cash needs in the short term.

Babu Prabhakara C and Sharma Aradhana (1996): Capital budgeting Practices in Indian Industry, ASCI Journal of Management, Volume 25, 1996, did an empirical study on capital budgeting process in various Indian Industry. A survey with 73 companies which are located in and throughout Delhi and Chandigarh was carried out. For collecting information, they opted personal interview methodology.

Mistry Dharmendra S. (2012): has taken a study to analyze the effect of various dimensions on the profitability of the selected company. It has shown that debt equity ratio, inventory ratio and total assets were important attributes which have a negative or positive effect on profitability.

3.1 OBJECTIVE 1: STRATEGIC ANALYSIS OF DRL AND LUPIN

Pharmaceutical industries play an important role in manufacturing, healthcare and in research and development of medicine.

Dr. Reddy's, Lupin are leading pharmaceutical companies and possess competitive advantages in different aspects.

3.1.1 Profile Analysis

Table 1: Profile Analysis of DRL and LUPIN

Company	Dr.Reddy's	Lupin
Established	1984	1968
Area served	Worldwide	worldwide
Headquarters	Hyderabad,Telangana,India	Mumbai, Maharashtra, India
Turnover	10625.50Crores	11356.32 Crores
Employees	21,966	50000
Brands	<ol style="list-style-type: none"> 1. Omez 2. Nise 3. Stamlo 4. Clamp 5. Econorm 6. Razo 7. Senquel-F 8. Ketorol 9. Atocor 10. Mintop 11. Venusia 	<ol style="list-style-type: none"> 1. Cephalixin 2. Cefadroxil 3. Rifaximin 4. Ethambutol 5. Pyrazi nami de 6. Rifabutin 7. Lisinopril 8. Prasugrel 9. Lacosamide 10. Flupirtine 11. Maleate

3.1.2 Vision and Mission Statement

Vision statement explains organization's core values and describes what it wishes to become in future. It is a kind of an idealistic dream of the organization.

A mission statement specifies about an organization and its existence. It reflects the indispensable aim of the organization.

3.1.3 Internal analysis by value chain analysis

Table 3: Value Chain Analysis of DRL and LUPIN

Value chain components	Dr.Reddy's	Lupin
Firm Infrastructure	<ul style="list-style-type: none"> Corporate office Manufacturing units 	<ul style="list-style-type: none"> corporate office Biotechnology R&D centers. Manufacturing Units
Human Resource Management	<ul style="list-style-type: none"> Recruitment, training, Employee benefit, job training and tuition, diversity program. 	<ul style="list-style-type: none"> Recruitment, training, Employee benefit
Research and Development	<ul style="list-style-type: none"> Over 170 AND As, over 500 DMFs and 86 patents filed in the last five years. Advanced laboratories and scientists around the globe. 	<ul style="list-style-type: none"> Process Research, Advanced Drug Delivery Systems (ADDS) Research,
Operation	<ul style="list-style-type: none"> Major markets include the USA, India, Russia and CIS, Germany, the UK, Venezuela, Romania and South Africa. Serves patients in other markets such as Brazil, Mexico, Chile, the Philippines. 	<ul style="list-style-type: none"> Lupin's manufacturing operations are spread globally across India and Japan. Supplying and manufacturing APIs and formulations.
Sales and Marketing	<ul style="list-style-type: none"> The Company has instituted standard operating procedures for the sourcing of inputs in relation to products for promotional material and in-licensing. 	<ul style="list-style-type: none"> Large Dynamic Sales Force.
Services	<ul style="list-style-type: none"> Advanced service portal for customer help. 	<ul style="list-style-type: none"> Patient Education, Medical help, Customer help

3.1.4 External analysis by Porter's Five force model

1. Threat of new entrants

The established firms as known Incumbents, possess a competitive threat from the new entrants as they add in new strategy which would eventually wear away the market shares of established firms.

2. Bargaining power of suppliers

Suppliers' power is affected depending on their ability to negotiate price and delivery terms. When suppliers have an edge, they are able to get higher prices for their supplies

3. Bargaining power of buyers

It is also described as the market of outputs. The bargaining power of buyers refers to the ability of them to bargain in such a way that the company is forced to charge lower prices and provide better product quality and services

4. Rivalry from competitors

In most scenarios, firms operating within an industry are mutually dependent. Actions taken by one firm usually result in an action from another firm in the form of price-cutting, product launches or modifications.

5. Threat of substitute products

The presence of strong substitutes is a strong competitive threat for the companies because it allows them the freedom to set up their own prices for their products. Comparing products with features that consumers value like price, quality, after-sale service, location etc. reduces a substitute's attractiveness.

SWOT analysis

Table 5: SWOT Analysis of DRL and LUPIN

Company	Dr.Reddy's	Lupin
Strengths	<ol style="list-style-type: none"> 1. The company launched an injection (peg-gra feel), used to fight chemotherapy and has sold 1.5 million units of the same. 2. Dr. Reddy's has a solid workforce of more than 21,000 employees. 	<ol style="list-style-type: none"> 1. Lupin is the market leader in major markets of the world. 2. One of the largest players in production of generic drugs.
Weaknesses	<ol style="list-style-type: none"> 1. The operations of the company are highly affected by the policies and regulations of the government. 2. The company is over-dependent on its partners 	<ol style="list-style-type: none"> 1. Dependence of Lupin on global formulation business is extreme. 2. In low growth segments made by the industry such- CNS, respiratory diseases.
Opportunities	<ol style="list-style-type: none"> 1. Dr. Reddy's has the end-to-end capabilities in biologics. 2. Opportunity to develop partnership with Bio similar business. 	<ol style="list-style-type: none"> 1. Exercising its global position in potential markets. 2. Increased health awareness.
Threats	<ol style="list-style-type: none"> 1. Intense competition in the generic market from the rivals. 2. laws and long gestational period for development of new products/drugs 	<ol style="list-style-type: none"> 1. Huge investments costs that occur with the discovery of new products. 2. Competition from growing pharma companies.

Marketing mix analysis

DRL

1. **Product:** Reddy's more than 200 generic medicines of supreme quality are sold in their marketing mix which include capsules, tablets, injectable, and topical creams which emerges as an important portion in their portfolio.
2. **Price:** In Dr.Reddy's, the cost of the generic drugs is kept in a way that it is accessible to everyone in the society.
3. **Place:** The head quarters of DRL in India is based in Telangana and it serves in all major markets of the country with 18 manufacturing units, 2 Technology Development Centers and 4R & D in the country.
4. **Promotion:** The marketing team of DRL is highly skilled and trained to communicate with its customers and deliver their needs effectively.

LUPIN

1. **Product:** Lupin is regarded as the strongest producers of medicines that cure tuberculosis and Lupin also has market shares in other segments.
2. **Price:** The price range of Lupin Company is very dynamic due to the dynamic range of products that the company offers to its customers.
3. **Place:** Presence of Lupin is felt all over the world - be it developed or developing markets. The major markets of Lupin in the world include-India, USA, Japan, Europe, Mexico & Latin America, South Africa, Philippines and Australia.
4. **Promotion:** Collaborations that Lupin makes with other strong players in the market, majorly for its co-promotional activities, is one of its major competitive advantages.

a. OBJECTIVE 2: SOURCES AND APPLICATIONS OF FUNDS ANALYSIS OF DR LAND LUPIN

The Sources include the funds which can be originated or obtained from others.

SOURCES

The different sources of Dr.Reddy's and Lupin Labs are:

1. Share Capital

Share capital means the amount of capital generated by the issue of shares by the company.

Table 7: Share Capital of DRL and LUPIN

Particulars	Dr.Reddy's		Lupin Labs	
	2017-18	2018-19	2017-18	2018-19
Authorized share capital	120Cr	120Cr	200Cr	200Cr
Issued subscribed Capital	82.96cr	83cr	90.42cr	90.50cr
Subscribed Shares	16,59,10,907	16,60,65,948	45,20,82,850	45,24,93,697
Face Value	5	5	2	2

2. Reserves

Reserves are the part of the company's profits which are kept aside for using and strengthening the business.

Table 8: Reserves of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Capital Reserve	263.9	263.9	267	267
Capital Redemption Reserve	126.5	126.5	173	173
Securities Premium	8,129.50	8,644.30	5,211	5,631
Employees Stock Options Outstanding	2,113.80	2,184.20	826	795
Retained Earning	1,29,610.60	1,42,273.40	96,247	1,12,000
General Reserve	16,600.50	16,668.70	20,374	20,374
Amalgamation Reserve	317.9	317.9	Nil	Nil
Cash Flow Hedge Reserve	60.6	77.5	45	156

3. Secured Loans

A secured loan is a loan in which the borrower promises an asset or any property as a collateral for the loan which secures the credit or by making the property as a security for the given loan.

Table 9: Secured Loans of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Long term loans from banks (non-current)	4478.8	3587.7	NIL	NIL
Long term maturities of finance lease obligations (non-current)	1.5	0.5	NIL	NIL
Current Borrowings	2484.6	873.6	NIL	NIL

4. Unsecured Loans

Unsecured loans are also known as personal loans are an issued loan and is supported only by the borrower's credit worthiness without any collateral or any assets

Table 10: Unsecured Loans of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Non-Current Borrowings	59764.7	62,829	4,880	3,454
Current Borrowings	2,033	14,928.50	21,008	5,463

Applications

The applications include

a. Gross Block

A gross block is used to describe the total worth of the assets that are in possession of the company.

Table 11: Gross Block of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Land	4,451.20	4,567.80	1,670	1,670
Buildings	16,466.80	17,356.20	17,208	18,433
Furniture, Fixtures & Office equipment	4,467.10	4,968.50	4,097	4,382
Plant and Equipment	36,576.30	40,715.70	56,981	60,440
Vehicles	341.6	361.3	128	154
Intangible Assets	45,588.20	50,426.70	11,829	12,339

b. Net Block

Net Block includes the values of assets where depreciation is excluded and will be taken under the balance sheet.

Table 12: Net Block of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Land	4,426.60	4,532.30	1,670	1,670
Buildings	14,987.70	15,209.90	13,075	13,598
Furniture, Fixtures & Office equipment	2,582	2,314.10	859	890
Plant and Equipment	25,960.70	25,850.70	24,143	23,297
Vehicles	203.1	197.4	43	49
Intangible Assets	30,060.80	37,948.60	7,060	7,000

c. Capital Work-in-Progress

This account includes the expenses and losses which occur when the asset is in progress and not yet completed at the time of preparing the balance sheet.

Table 13: Capital Work-in-Progress of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Capital work in progress	9,563.10	10,185.90	6,750	4,001

Investments

An investment is an asset or any other thing which is bought for earning any income.

Table 14: Investment of DRL and LUPIN (Amt in Rs. Millions)

Particulars	LupinLabs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Current	2,348.60	21,098.60	16,828	21,144
Non-current	55.7	1,604.50	19,537	18,191

d. Current Assets

Current assets represent the worth of all assets which can be changed into the cash and are used to fund the day-to-day operations of the company and pay current expenses

Table 15: Current Assets of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Inventories	36,624.90	38,367.70	18,568	20,156
Cash and Cash equivalent	13,941.10	5,722.10	1,207	1,132

e. Current Liabilities and Provisions

These liabilities payable by the organization within one accounting period (short term Liabilities) not more than 12 months

Table 16: Current Liabilities and Provisions of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Current Liabilities	15,171.60	12,798.20	13,762	12,122
Provisions	4,651.60	7,274.50	1,734	1,847

f. Deferred Tax Asset/Liabilities (Net)

A deferred tax asset occurs when the Company has paid more tax. Such taxes are treated as an asset in the balance sheet and are paid back to the company.

Table 17: Net Deferred Tax of DRL and LUPIN (Amt in Rs. Millions)

Particulars	Lupin Labs		Dr.Reddy's	
	2017-18	2018-19	2017-18	2018-19
Deferred tax asset	146.95	140.72	346.5	214.1
Deferred tax liability	405.28	406.94	253.4	269.6
Net Deferred Tax	-258.33	-266.22	93.1	-55.5

OBJECTIVE 3: TO COMPREHEND AND COLLATE EARNING CAPACITIES

i. Balance Sheet Analysis

Equity which is also known as net assets, net worth or capital can be calculated by subtracting liabilities with assets

Liability is the loan taken from the bank, and since it has to be paid back to the bank, it is an asset also, as we have the cash to spend.

3.3.1.1 DRL Balance Sheet

Table 19: DRL Balance Sheet

PARTICULARS	As at 31 March 2019	As at 31 March 2018
Assets		
Non-current assets		
Property, plant and equipment	49,127	49,733
Capital work-in-progress	4,725	7,678
Goodwill	4,659	5,331
Other in tangible assets	18,124	14,616
Intangible assets under development	24,610	27,027
Investment inequity accounted investees	2,529	2,104
Financial assets		
Investments	813	2,549
Trade receivables	113	169
Other financial assets	731	756
Deferred tax assets,(net)	4,317	5,405
Tax assets,(net)	3,400	4,567
Other non-current assets	407	524
	113,555	120,459
Current assets		
Inventories	33,579	29,089
Financial assets		
Investments	22,529	18,330
Trade receivables	39,869	40,527
Derivative instruments	360	105
Cash and cash equivalents	2,228	2,638
Other financial assets	2,112	1,533
Other current assets	10,424	12,762
	111,101	104,984
Total assets	224,656	225,443
Equity and liabilities		
Equity		
Equity share capital	830	830
Other equity	139,406	124,886
	140,236	125,716
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	22,000	25,089
Other financial liabilities	102	144
Provisions	793	817
Deferred tax liabilities	473	1,950

PARTICULARS	As at 31 March 2019	As at 31 March 2018
Other non-current liabilities	2,079	2,789
	25,447	30,789
Current liabilities		
Financial liabilities		
Borrowings	12,125	25,562
Trade payables		
Total outstanding dues of micro and small enterprises	77	93
Total outstanding dues of creditors other than micro and small enterprises	13,594	13,252
Derivative instruments	68	85
Other financial liabilities	22,670	19,497
Liabilities for current tax, net	181	1,530
Provisions	4,789	4,387
Other current liabilities	5,469	4,532
	58,973	68,938
Total equity and liabilities	224,656	225,443

Table 20: Lupin Balance Sheet

PARTICULARS	As at 31 March 2019	As at 31 March 2018
Assets		
Non-current assets		
Property, plant and equipment	49,115.3	49,074.2
Capital work-in-progress	10,185.9	9,563.1
Goodwill on consolidation	23,803.2	24,484.9
Other intangible assets	37,948.6	30,060.8
Intangible assets under development	6,211.2	16,418.9
Investment accounted for using equity method	251.8	211.4
Financial assets		
Non-current investments	1,604.5	55.7
Non-current loans	814.6	829.2
Other non-current financial assets	433.5	41.9
Deferred tax assets (net)	7,340	7,165.6
Non-current tax assets (net)	1,424.1	1,464.3
Other non-current assets	1,825.2	1,588.4
	140,957.9	140,958.4
Current assets		
Inventories	38,367.7	36,624.9

PARTICULARS	As at 31 March 2019	As at 31 March 2018
Current investments	21,098.6	2,348.6
Trade receivables	51,498	51,922.1
Cash and cash equivalents	5,722.1	13,941.1
Other bank balances	4,149.9	139.2
Current loans	248.4	199
Other current financial assets	6,393.4	4,364.9
Current tax assets (net)	296.8	8
Other current assets	10,760.9	12,461.6
Assets classified as held for sale		86
	138,535.8	122,095.4
Total	279,493.7	263,053.8
Equity and liabilities		
Equity		
Equity share capital	905	904.2
Other equity	136,517.3	134,866.4
Equity attributable to owners of the company	137,422.3	135,770
Non-controlling interest	468.6	400.8
	137,890.9	136,171.4
Liabilities		
Non-current liabilities		
Financial liabilities		
Non-current borrowings	66,417.2	64,245
Trade payables	22.8	37.1

Other non-current financial liabilities	4,128.6	3,476.7
Non-current provisions	3,707.9	3,568.5
Deferred tax liabilities(net)	2,882.8	2,855.3
Other non-current liabilities	3,144.8	1,744.3
	80,304.1	75,926.9
Current liabilities		
Financial liabilities		
Current borrowings	15,802.1	4,517.6
Trade payables		
Total outstanding dues of micro and small enterprises	1,046.1	1,063.8
Total outstanding dues of other than micro and small enterprises	23,935.7	24,690.2
Other current financial liabilities	10,885.3	12,827.2
Other current liabilities	1,912.9	2,344.4
Current provisions	7,274.5	4,651.6
Current tax liabilities(net)	442.1	860.7
	61,298.7	50,955.5
Total	279,493.7	263,053.8

4.1 SUMMARY

It can be observed that the companies have a strong national and global presence and are aligned with their vision and mission, in order to achieve their goals and objectives. Additionally, an analysis of the companies' profile and development has been made through tools like value chain analysis and Porter's five force model in order to conclude where the companies stand in the competitive environment. Lastly, SWOT analysis has been used to derive at concluding results about the various strengths, opportunities, weaknesses and threats that the companies possess.

The comparison made between Dr. Reddy's and Lupin laboratories is based on the analysis of balance sheet and ratio analysis to know about the profitability and the various financial positions of both the companies in order to know which is excelling in which field and where do these companies lack. Ratios have been considered an important tool to measure the efficiencies of the companies which in turns help the companies to take up the significant decisions.

Bitcoin: Investors Reliability and Public Cognizance

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ABSTRACT

Due to the advancement in technology, Digital currency came into existence and most of the people have changed the method of making money transactions through digital currency. It includes online credit card use, digital bill payments that use electronic means to make payments, machines withdrawals. Bitcoin is a peer to peer electronic cash system, which was published in 2008 and released as an open source software in 2009. It is developed by an anonymous person known as "Satoshi Nakamoto". Bitcoin like normal currency notes can be exchanged from one person to another, and it is said to be the first decentralized digital currency, where it works without any Central authority and Government regulation.

The objective of this research study is to understand the general position of Bitcoin around the round, to ascertain the factors that lead investors to buy or sell Bitcoin and to study the perception of public toward Bitcoin.

The main findings of the study ascertain whether factors such as security, profit, ease, acceptability, purchase of goods effect the investors in making investments in bitcoin. Moreover, the study was also extended to find out the awareness of bitcoin in general public. This paper is based on primary data collected from investors and secondary data from Internet, E-journals, E-magazines etc. The sample was selected through judgemental and convenient sampling method and chi-square-test of independent of attributes was used as a statistical tour.

Key words: Digital Currency, Bitcoin, Factor, Investment, Awareness.

INTRODUCTION

Money is really anything that people use to pay for goods and services and to pay people for their work. Historically, money has taken different forms in different cultures-everything from salt, stones, and beads to gold, silver, and copper coins and, more recently, virtual currency has been used. Regardless of the form it takes, money needs to be widely accepted by both buyers and sellers in order to be useful.

Money is categorized worldwide as under:

- Commodity Money
- Representative Money

- Fiat money
- Commercial Bank Money
- Digital Currency
- Crypto currency

Crypto currency:

The global economy is inevitably moving towards a digital eco-system. From investment to money transfer, everything is going paperless. The newest and most promising addition to the digital payment sector is cryptocurrency. The prefix crypto- stands for "cryptography," which is a technology that keeps information safe and hidden from attackers. It was originally used to send and receive secret messages by the Allied Forces in World War II. In present day, computer technicians put cryptography to use in many different ways among which is cryptocurrency. Cryptocurrency is defined as "an electronic money created with technology controlling its creation and protecting transactions, while hiding the identities of its users. Since it is not issued by a central authority, governments can't take it away from you. Over the last couple of years, digital currency has been rapidly gaining the public eye. Here are some good reasons behind it.

Fraud-proof

Identity Theft

Instant Settlement

Accessible

You are the owner

Types of Crypto currencies:

1.  Bitcoin (BTC)

2.  Litecoin (LTC)

3.  Ethereum (ETH)

4.  Zcash
5.  Dash
6.  Ripple (XRP)
7.  Monero (XMR)

Introduction to Bitcoin

Meaning: Bitcoin is a cryptocurrency, a form of electronic cash. It is a decentralized digital currency without a central bank or single administrator that can be sent from user to user on the peer-to-peer Bitcoin blockchain network without the need for intermediaries.

Introduction:

Bitcoin is the most widely used peer to peer distribution, decentralized digital currency in the world, it was published in the year 2008 and was released as an open software in 2009 by an anonymous developer Satoshi Nakamoto. As it uses cryptography to transact and control money, this type of digital currency it is called crypto currency. Bitcoin being a digital currency has been widely accepted and has made its way into the market to buy real world goods and services without virtual world limitation. It is also used as cash to make regular transfers between people. It is also traded online, like fiat currencies, in an online currency exchange, known as MT. Gox, where most of the Bitcoin transactions are handled. Bitcoin can be sent digitally to anyone who is having a Bitcoin address, anywhere in the world. A person can have multiple addresses for various purposes such as personal, business or for any other reason. Bitcoin, when received by the buyers will be spent within few minutes of receiving the coins. Once sent away as currency, the sender cannot get it back, unless the receiver decides to give them.

The various transactions which take place in Bitcoin are verified by network nodes and recorded in public distribution ledger called the block chain. Bitcoin are generated from payment processing work done by user i.e., when users offer their computing power to verify and record payments into a public ledger, they acquire Bitcoins. This is called mining and miners are awarded with fees for transaction and newly created Bitcoins. Besides mining, Bitcoins are exchanged for products, services and other currencies. A Bitcoin can also be created when a person or a business uses software power to solve a puzzle that secures the block chain. The level of difficulty in solving the problem is high enough to ensure that it take time to do it. Before Bitcoin, online transactions required a trusted third party intermediary. For example, if a person x wanted to send \$10 to y over the internet, he will depend on third party services, which keep the ledger balances of amount from x's account and crediting it in y's account. The digital money can be spent more than once without such intermediaries, and this problem is known as "double spending".

Bitcoin provides a solution to the double spending problem without involving any trusted third party intermediary. It does by distributing the transaction information among all the users on the network. As there is a block chain process happening in the transaction where, every transaction is contained in a block which also contains the information about the previous block, therefore this block chain will be available over the Bitcoin network for users to verify that whether the Bitcoin being transacted has been previously spent or not.

Factors that determine Bitcoin's price

- Supply and Demand
- Media Influence
- Political events
- Regulatory Changes Decided By Governments
- Drivers of Interest
- Banking Blockades
- Fiat Currency Crises
- Market Manipulation
- Major Downside Risks
- Price Oddities

Important Terms

Bitcoin is one of the most desired crypto currencies today. Beginners and experts encounter the same terms, and without knowing them, it would be difficult for someone to understand the currency. Below are the frequently used terms for Bitcoin:

Block chain:

A block chain is a digital, public ledger that records online transactions. Block chain is the core technology for crypto currencies like Bitcoin. A block chain ensures the integrity of a cryptocurrency by encrypting, validating, and permanently recording transactions. A blockchain is similar to a bank's ledger, but open and accessible to everyone who utilizes the crypto currency is supports.

Block:

Blocks are files where data pertaining to the Bitcoin network are permanently recorded. A block records some or all of the most recent Bitcoin transactions that have not yet entered any prior blocks. Thus, a block is like a page of a ledger or record book. Each time a block is 'completed', it gives way to the next block in the block chain. A block is thus a permanent store of records which, once written, cannot be altered or removed.

Cryptography:

Cryptography is a method of protecting information and communications through the use of codes so that only those for whom the information is intended can read and process it. The prefix "crypt" means "hidden" or "vault" and the suffix "graphy" stands for "writing."

Satoshi:

Satoshi Nakamoto is the founder and creator of bitcoin, the most popular cryptocurrency. The smallest amount of Bitcoin (0.00000001) was also named after him, it is called a Satoshi. This tiny amount of Bitcoin is one hundred-millionth of a Bitcoin. That's 7 zeros before the number 1. Satoshi Nakamoto is an unknown person or group of people who created Bitcoin in 2009. Very little is known about Satoshi. In an online profile he claims to be a Japanese man born in 1975, but all of his software and online conversations are in perfect English.

Mining:

Mining is an integral part of a crypto currency network that performs two important functions. First, it is used to generate and release new crypto currency tokens for circulation via the crypto currency network, and secondly, it is used to verify, authenticate and then add the ongoing network transactions to a public ledger.

Change:

This is simple mathematics. Say you head to a store to buy something and pay an amount greater than the price of the object. You will be returned extra money which is called change. Bitcoin follows the same concept. When the unspent output of a transaction is used as the input in a new transaction, 'change' is returned if the amount is higher than required.

Private key:

A private key is a tiny bit of code that is paired with a public key to set off algorithms for text encryption and decryption. It is created as part of public key cryptography during asymmetric-key encryption and used to decrypt and transform a message to a readable format. Public and private keys are paired for secure communication, such as email. A private key is also known as a secret key.

Cold storage:

Cold storage is an offline wallet used for storing Bitcoins. With cold storage, the digital wallet is stored on a platform that is not connected to the internet, thereby protecting the wallet from unauthorized access, cyber hacks and other vulnerabilities to which a system that is connected to the internet is susceptible.

Double-spending:

Double-spending is the risk that a digital currency can be spent twice. It is a potential problem unique to digital currencies because digital information can be reproduced relatively easily by savvy individuals who understand the block chain network and the computing power necessary to manipulate it.

OBJECTIVES OF THE STUDY

1. To understand the concept of Bitcoin
2. To Study the general position of Bitcoin and view around the world.
3. To ascertain the factors that lead investors to buy or sell Bitcoin.
4. To ascertain whether Bitcoin can be used as medium of exchange or money.
5. To study the perception of public toward Bitcoin.

RESEARCH METHODOLOGY

Null Hypothesis (h0) and Alternative Hypothesis (h1):

H0: there is no significant relationship between two variable viz., level of education and awareness.

H1: there is significant relationship between two variable viz., level of education and awareness.

H0: there is no significant relationship between monthly income and usage of digital currency.

H1: there is significant relationship between monthly income and usage of digital currency.

STATISTICAL TOOLS:

For analyzing the collected data efficiently and effectively, and to draw conclusions, a number of statistical tools have been used ,such a pie charts and bar charts and chi-square test.

SOURCES OF DATA:

The data for the study has been collected through primary source. Th primary data has been collected through a well-structured questionnaire. The data is collected in order to study bitcoin.

SCOPE OF THE STUDY:

1. The study is confined to two different groups they are investors and general public.
2. The study aims to evaluate the factor which are influencing investors to buy bit coin, such as security, ease, acceptability as a mode of currency and its usage in purchase of goods.
3. The study also targets to analyze the awareness of Bitcoin among the general public.
4. The data which is collected from those respondents residing in the twin cities.

SAMPLE DESIGN AND METHODOLOGY:

POPULATION: it includes the investors and general public from the twin cities of Secunderabad and Hyderabad.

SIMPLE FRAME: the sample frame is based on the individual who invest in bitcoin, and the general public for the study of awareness on bitcoin .

SAMPLING TECHNIQUE: the sampling technique used are 'purpose or judgmental' to gather the responses from investors. 'random or accidental sampling' is used for general public.

SAMPLE SIZE: the sample size is limited to 40 respondents and 50 respondents of investors and general public respectively.

LIMITATIONS OF THE STUDY:

1. The study relating to the factors affecting investors to buy Bitcoin is limited to only 40 respondents.
2. The study relating to awareness was limited to 50 respondents.
3. The study area is limited to twin city of Hyderabad and Secunderabad.
4. The interpretation of study is based on the information given by the respondents, such information cannot be assured as the correct information and respondents may be biased.
5. The study has the limitation of time.

REVIEW OF LITERATURE

Satoshi Nakamoto (2008), Bitcoin: A Peer-to-peer Electronic Cash System-"digital signatures provide part of the solution, but the main benefits are lost if a trusted third party still required to prevent double-spending. We process a solution to the double-spending problem using a Peer-to-peer network. The network timestamps transactions by hashing them into a ongoing change of hash-based proof-of-work, forming a record that cannot be changed without redoing the proof- of -work."

Dibyoyoti Muakherjee, Jaswant Katragadda and YashwanthGazula(2015)- Security Analysis of bitcoin "bitcoins full potential has not been completely analyzed yet. But, the true future of Bitcoin is evident: The technology of the distributed asset ledger combined with an incentive-producing currency is ascertain to remain with us for all time".

In this research paper the authors explore the security analysis of bitcoin. Also enlightens that bitcoin relies on cryptography for functioning as it is referred as crypto currency. The hash functions and digital signatures are used for authorising transaction. There are certain vulnerabilities that bitcoin has encountersuch as double Spending, brute Focus attack and finney attack but bit coin can overcome those vulnerabilities through its security protocols.

Aleksei Churilov(2015).-Practical aspects of Bitcoin usage in business "Bitcoin's existence have been full of events - from spike of prices to hacked exchange markets. In fact, Bitcoins cannot perform functions of a currency more efficiently than government-backed money, but can enact as complimentary currency with a certain success. Bitcoin is a high volatile and immature currency with security threats, lack of regulation and uncertainty in its legal status. Its future is unclear - if Bitcoin does not catch on or become less popular than other crypto currency which may come onto the market, it could eventually become useless and -Bitcoin bubble could eventually pop."

Author of this paper states about worst effects that bitcoin may pose and the owners of the bitcoins may fall in to trouble due to its threats such as lack of regulation, security threats and uncertainty in its legal status.

Vigna and Casey (2015), The Age of Crypto currency-

"Bitcoin became a buzzword overnight. A cyber-enigma with an enthusiastic following, it pops up in headlines and fuels endless media debate. You can apparently use it to buy anything from coffee to cars, yet few people seem to truly understand what it is. This raises the question: Why should anyone care about bitcoin?"

DATA ANALYSIS

Data analysis is activity of evaluating and analyzing acquired data using logical and statistical method of analysis. This process helps in solving the research questions and acquiring the objective

of research. In order to analyze the data its very much essential to identify the type of data. In general, there are two types of data

There are:

1. Quantitative data - data that can be expressed in numbers

Example No of units bought

2. Qualitative data - Data that cannot be expressed in numbers

Example level of satisfaction of product

After identifying the type of the data, the data is analyzed using various statistical tools and methods of logical reasoning. Finally, the results are acquired from the analysis

DATA INTERPRETATION

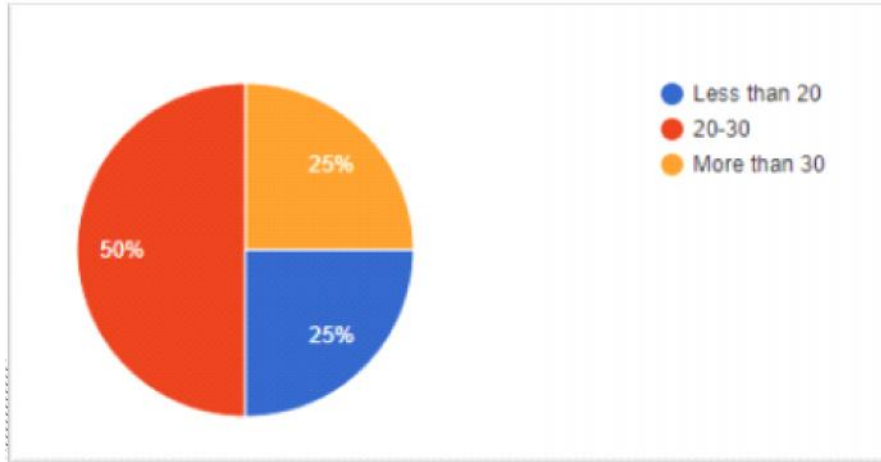
After the data is analyzed using logical reasoning and various statistical tools analysis date must be interpreted. Therefore, data interpretation refers to way of interpreting an explaining the analyzed numerical data. It is summarizing the entire finding obtain from analyses data an express it in simple text

In this study the data was analysis by preparing questions related to Bitcoin. Questions were prepared based on the factors which are satisfying the objectives.

VARIED AGE GROUPS OF EACH OF THE RESPONDENTS

- Less than 20
- 20-30
- More than 30

	Respondents	Percentage
Less than 20	14	25%
20-30	28	50%
More than 30	14	25%
Total	56	100%

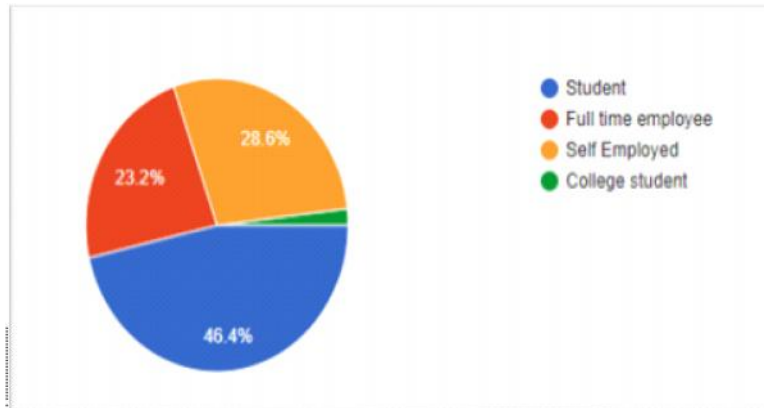


The above figure indicates the age group of the respondents. 50% of the respondents are in between the age of 20-30, 25% of the respondents are less than of 20, and the remaining 25% of the respondents are more than 30.

CURRENT EMPLOYMENT STATUS OF EACH OF THE RESPONDENTS

- Student
- Full time employee
- Self Employed
- Other:

	Respondents	Percentage
Student	26	46.4%
Full time employee	13	23.2%
Self employed	16	28.6%
Other	1	1.8%
Total	56	100%

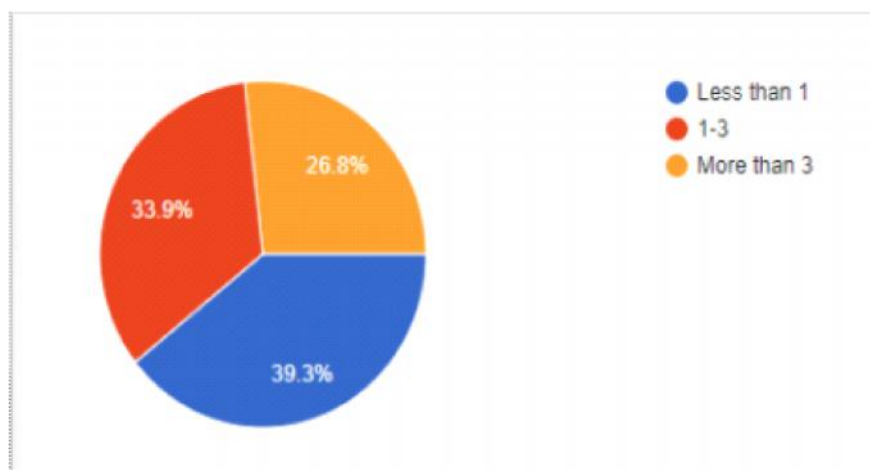


The above figure indicates the current employment situation of the respondents. 46.6% of the respondents are students, 28.6% of the respondents are self-employed, 23.2% of the respondents are full time employee, and the remaining 1.8% of the respondents are college students.

NUMBER OF YEARS OF INVESTMENT EXPERIENCE

- Less than 1
- 1-3
- More than 3

	Respondents	Percentage
Less than 1	22	39.3%
1-3	19	33.9%
More than 3	15	26.8%
Total	56	100%

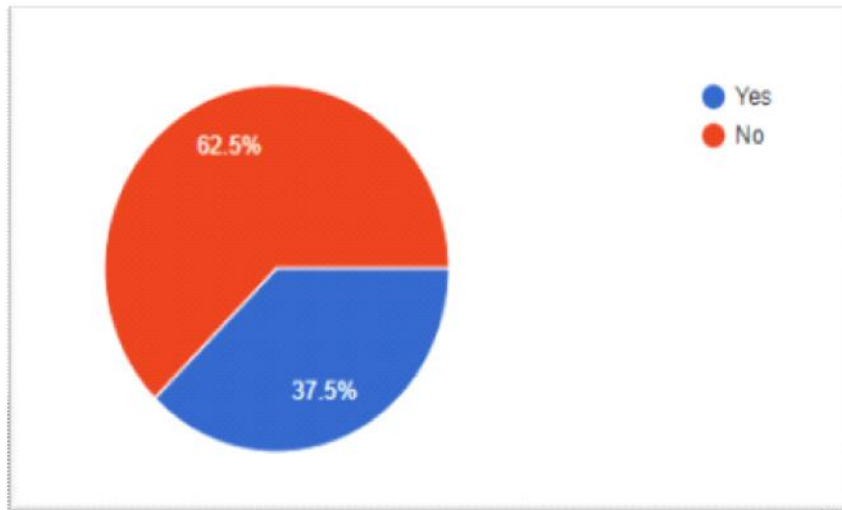


The above figure indicates how many years of experience does the respondent has. 39.3% of the respondents have less than 1 year of experience, 33.9% of the respondents have 1-3 years of experience, and the remaining 26.6% of the respondents have more than 3 years of experience.

BITCOIN BASED INVESTMENT

- Yes
- No

	Respondents	Percentage
Yes	35	62.5%
No	21	37.5%
Total	56	100%

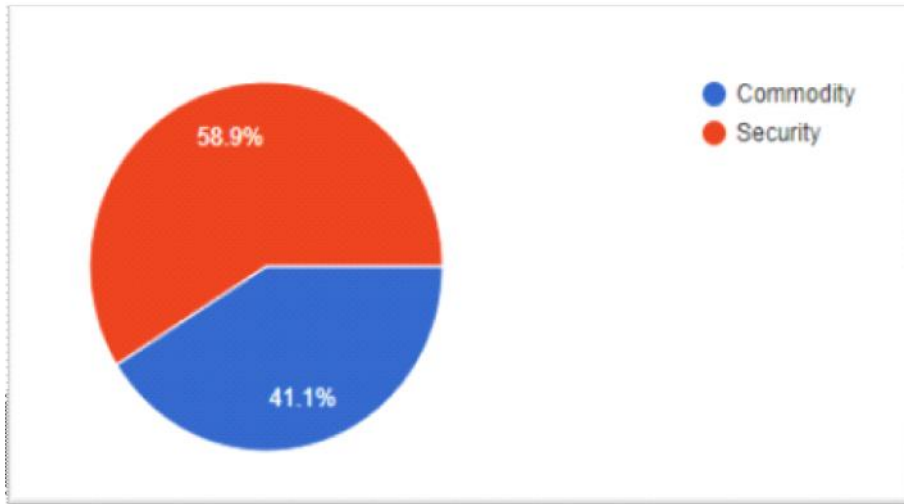


The above figure indicates whether the respondents had ever made a bitcoin based investments or not. 62.5% of the respondents said yes and the remaining 37.5% of the respondents said no.

BITCOIN A COMMODITY OR A SECURITY

- Commodity
- Security

	Respondents	Percentage
Commodity	33	58.9
Security	23	41.1
Total	56	100%

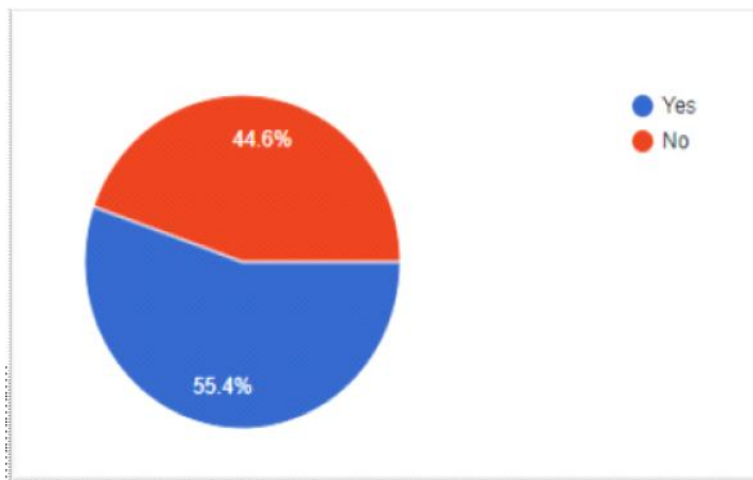


The above figure indicates whether the respondents believe that Bitcoin should be classified as a commodity or a security. Out of which 58.9% of the respondents said it's a commodity and the remaining 41.1% of the respondents said it's a security.

UNDERSTANDING THE RISKS INVOLVED IN BITCOIN'S INVESTMENT

- Yes
- No

	Respondents	Percentage
Yes	31	55.4
No	25	44.6
Total	56	100%

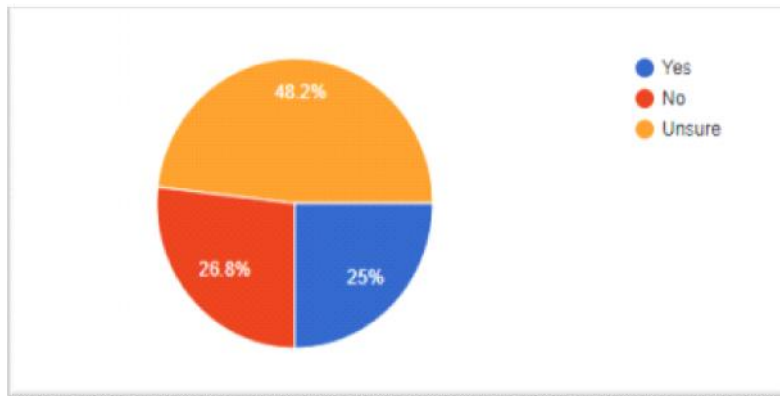


The above figure indicates that the respondents have clear understanding of the risks involved with a Bitcoin investment. 55.4% of the respondents said yes, and the remaining 44.6% of the respondents said no.

THE EFFECT OF INCREASED PESENCE AND PARTICIPATION FROM FINANCIAL INSTITUTIONS ON BITCOINS

- Yes
- No
- Unsure

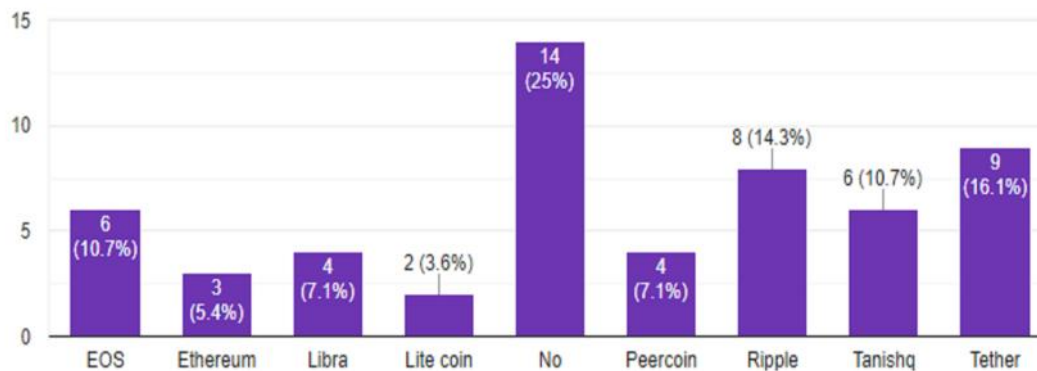
	Respondents	Percentage
Yes	14	25%
No	15	26.8%
Unsure	27	48.2%
Total	56	100%



The above figure indicates whether the increase presence and participation from financial institutions would have a positive impact on the price of Bitcoin. 48.2% of the respondents have said unsure, 26.8% of the respondents said no, and the remaining 25% of the respondents said yes.

INVESTMENT IN CRYPTOCURRENCIES BESIDES BITCOIN

	Respondents	Percentage
EOS	6	10.7%
Ethereum	3	5.4%
Libra	4	7.1%
Lite coin	2	3.6%
No	14	25%
Peercoin	4	7.1%
Ripple	8	14.3%
Tanishq	6	10.7%
Tether	9	16.1%
Total	56	100%

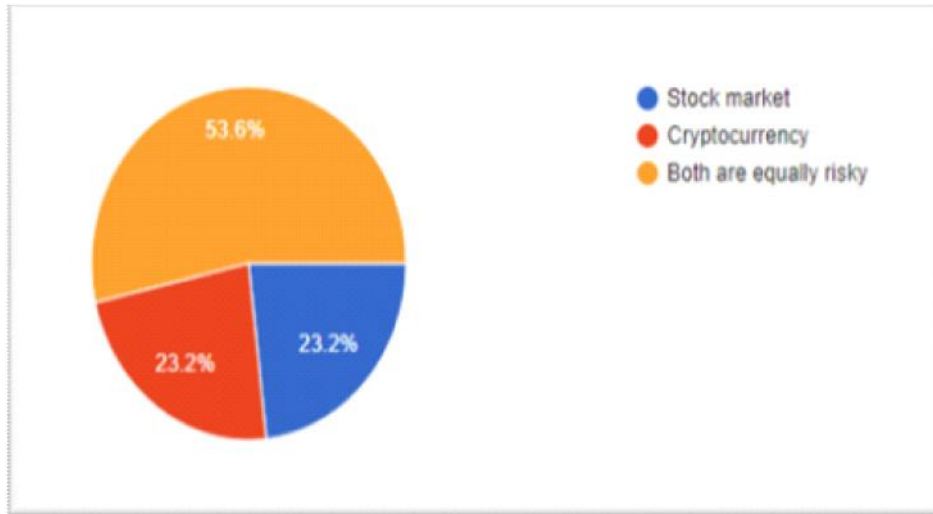


The above figure indicates whether the respondents have invested in other cryptocurrencies besides Bitcoin. 13 respondents have not yet invested, and each 2-3 respondents have invested in Ethereum, Ripple, Litecoin, Tether, Bitcoin Cash, Libra, Monero, EOS, Bitcoin SV, and Binance Coin.

RISK INVOLVED IN THE FOLLOWING

- Stock market
- Cryptocurrency
- Both are equally risky

	Respondents	Percentage
Stock market	13	23.2%
Cryptocurrency	13	23.2%
Both are equally risky	30	53.6%
Total	56	100%

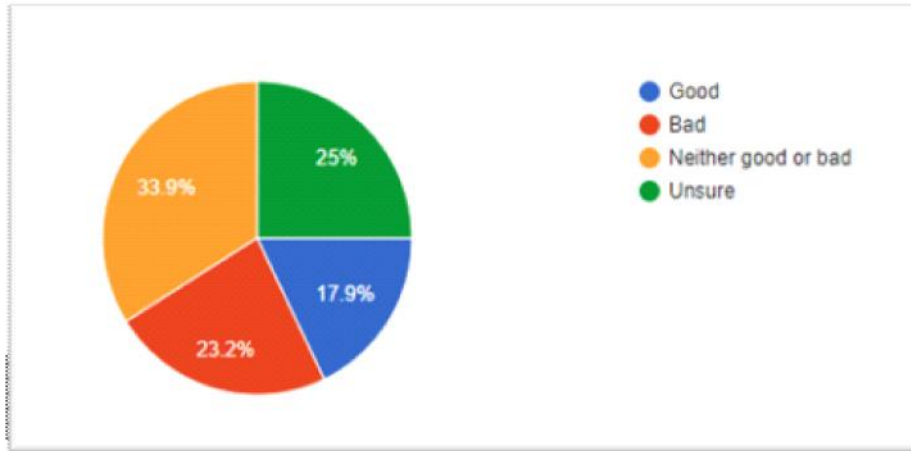


The above figure indicates the risk in investment according to the respondents. 53.6% of the respondents say that both are equally risky, 23.2% of the respondents said stock market, and the remaining 23.2% of the respondents said cryptocurrency.

EFFECT ON PRICE DUE TO GOVERNMENT REGULATION

- Good
- Bad
- Neither good or bad
- Unsure

	Respondents	Percentage
Good	10	17.9%
Bad	13	23.2%
Neither good or bad	19	33.9%
Unsure	14	25%
Total	56	100%

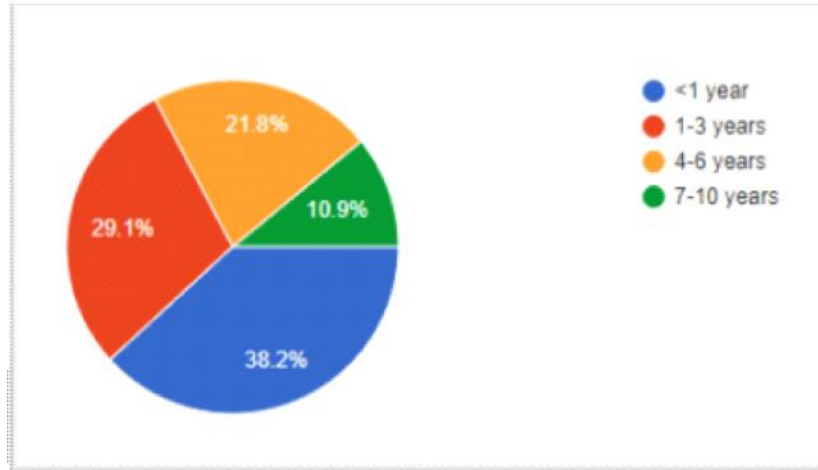


The above figure indicates that the increased regulation and oversight by the government agencies would have a good or bad impact on the price of Bitcoin. 33.9% of the respondents said it is neither good nor bad, 25% of the respondents are unsure about it, 23.2% of the respondents said it is bad, and the remaining 17.9% of the respondents said it is good.

HOLDING BITCOIN INVESTMENT

- <1 year
- 1-3 years
- 4-6 years
- 7-10 years

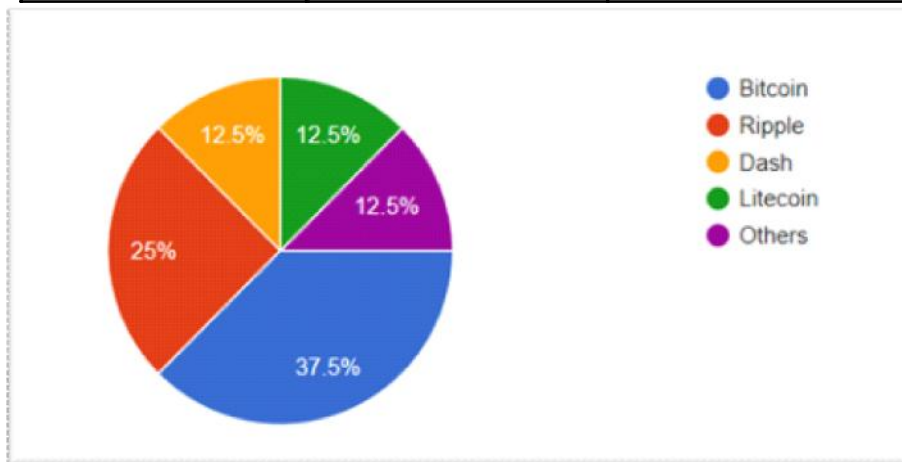
	Respondents	Percentage
<1 year	21	38.2%
1-3 years	16	29.1%
4-6 years	12	21.8%
7-10 years	6	10.9%
Total	56	100%



The above figure indicates how long the respondents plan to hold their investments. 38.2% of the respondents said less than 1 year, 29.1% of the respondents said 1-3 years, 21.8% of the respondents said 4-6 years, and the remaining 10.9% of the respondents preferred 7-10 years.

BEST KNOWN VIRTUAL CURRENCY

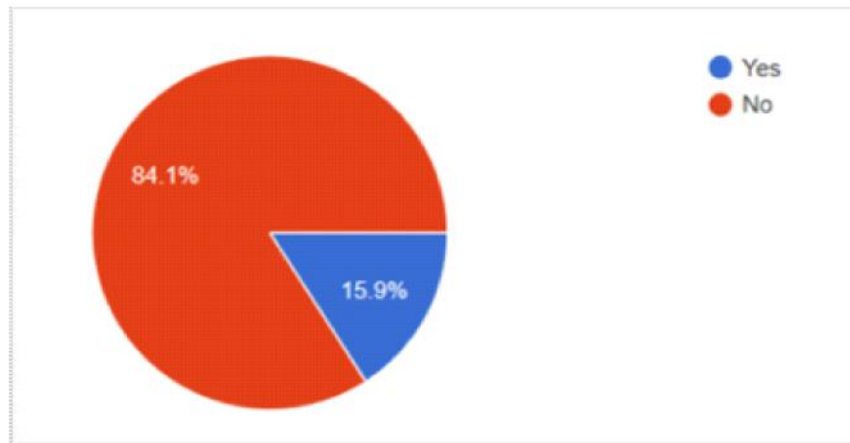
Platforms	Respondents	Percentage
Bitcoin	19	37.5%
Ripple	13	25%
Dash	6	12.5%
Litecoin	6	12.5%
Others	6	12.5%



In the above following diagram, we can see that people chose the best as the Bitcoin which covers 37.5% respondents, then we have ripple for 25%, then we have dash, Litecoin, others for 12.5% each.

PURCHASE OF CRYPTOCURRENCY

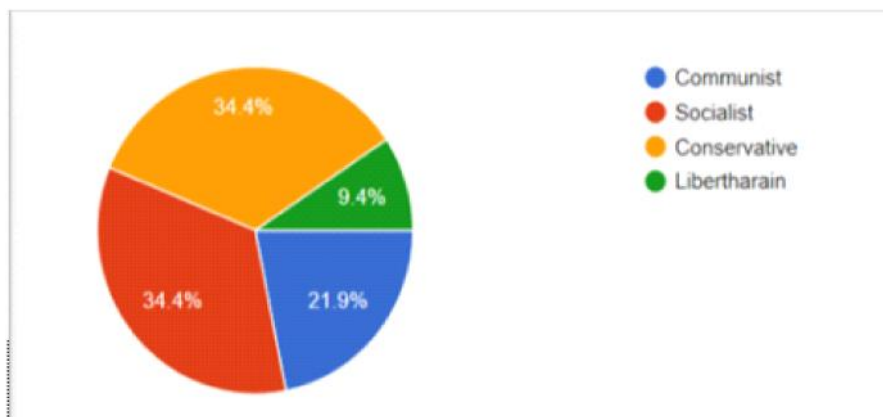
Situation	Respondents	Percentage
Yes	8	16%
No	42	84%



As in the above figure we can see that people try buying cryptocurrencies and in this case the majority of the respondents have responded for "NO" which is 84.1% and 15.9% which says "YES". Only very few have try buying cryptocurrencies.

VIEWS ON CRYPTOCURRENCY

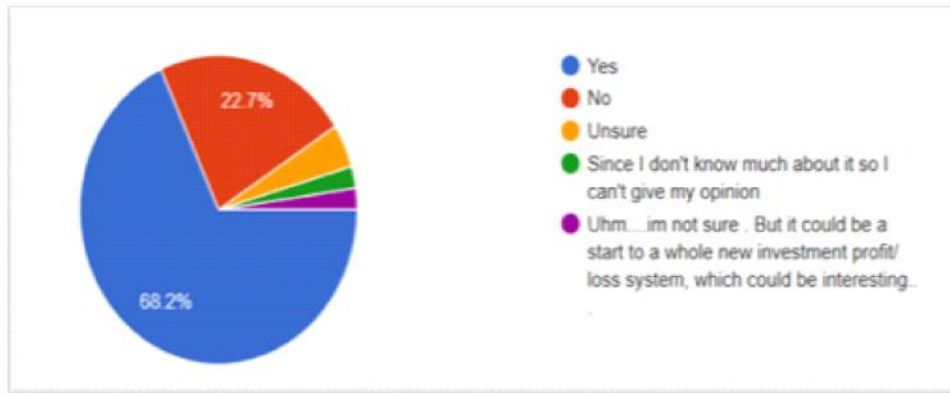
Views	Respondents	Percentage
Communist	11	21.9%
Socialist	17	34.4%
Conservative	17	34.4%
Libertharain	5	9.4%



In this above figure we can see that there are different types of political views are there so the most which people chose are socialist and conservative each at 34.4% and next comes the communist which is responded at 21.9%, and last libertharain which is 9.4%.

LEGALITY OF CRYPTOCURRENCY

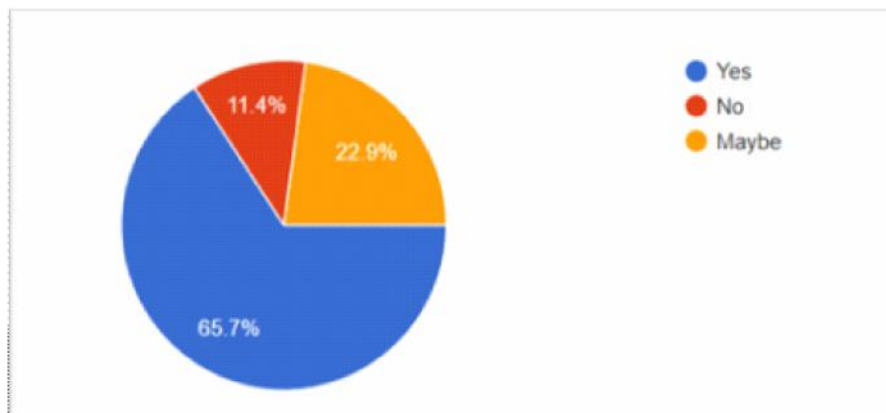
Situation	Respondents	Percentage
Yes	34	68.2%
No	11	22.7%
Unsure/other	5	9.1%



In this above figure we have asked people if it should be legalised in India the most response which we got is 68.2% which says "Yes" and then comes "No" with 22.7% and there are also personal opinions on legalisation of Bitcoins.

REGULATING MONETARY POLICIES RELATED TO BITCOIN

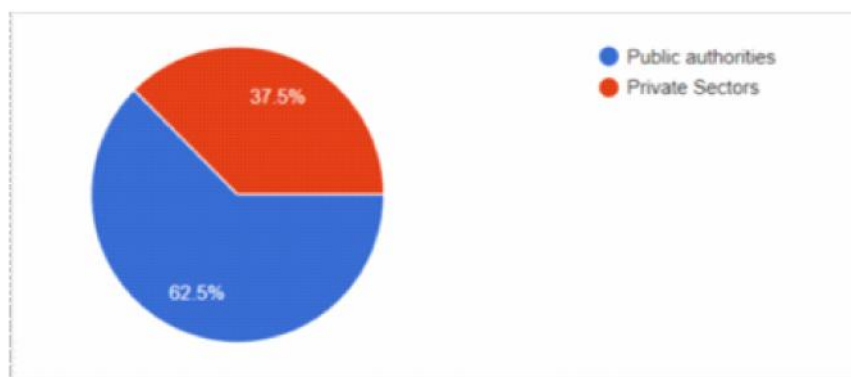
Situation	Respondents	Percentage
Yes	33	65.7
No	6	11.4%
Maybe	11	22.9%



In this above case the respondents are agreeing to the responsibility of regulating monetary policies, the number of responded 50 and respondents "Yes" to agreeing with policies which are 65.7% and 11.4% are saying "No" and people responded as "Maybe" are 22.9%.

REGULATION BY WHICH OF THE FOLLOWING

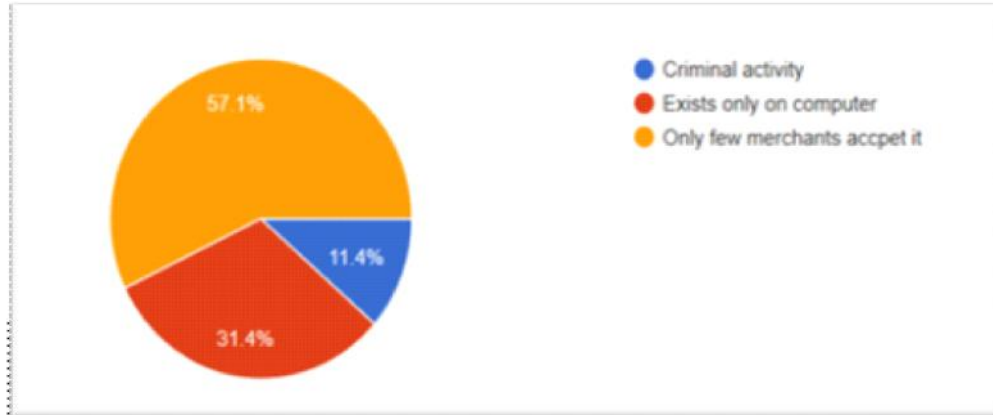
Situation	Respondents	Percentage
Public Authorities	31	62.5%
Private Sectors	19	37.5%



In this above chart we can see that there are two types of sectors which can regulate the monetary regulations and most have responded public sectors with 62.5% and then comes the private authorities is 37.5%.

MEANS OF CURRENCY

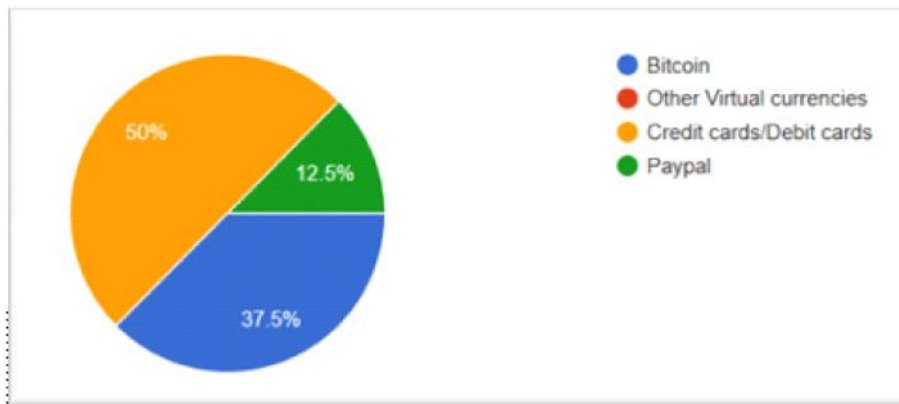
Opinion	Respondents	Percentage
Criminal activity	5	11.4%
Exists only on computer	16	31.4%
Only few merchants accept it	29	57.1%



In this above figure we can see that there are 3 options out of which people has chosen the 3 option that is (only few merchants accept it) with 57.1% respondents and after that (Exists only on computer) with 31.4% and last one (criminal activity) with 11.4% respondents.

PAYMENT METHODS TO PURCHASE BITCOINS

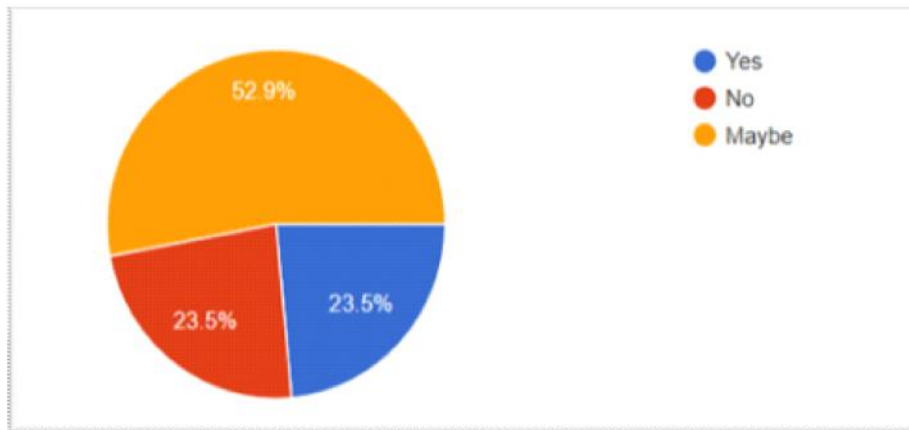
Situation	Respondents	Percentage
Bitcoin	19	37.5%
Other virtual currencies	0	0%
Credit/Debit cads	25	50%
PayPal	6	12.5%



In this above figure its says that we have 4 types of preferred payments which is chosen by the people for doing transactions and we can say that the majority of transactions which can be seen in this graph is credit/debits cards 50% and after that is the Bitcoin with 37.5% and then 12.5% with PayPal.

PROBLEMS RELATED TO LIMITED SUPPLY OF BITCOINS

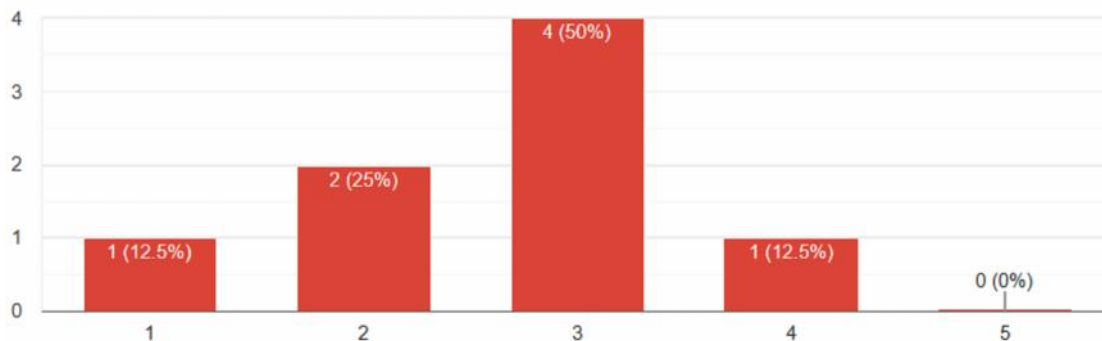
Situation	Respondents	Percentage
Yes	11	23.5%
No	11	23.5%
Maybe	28	53%



In the above figure we can see that it is told that will there be any problem if there is a limited supply in Bitcoin 52.9% respondents have said maybe, 23.5% have said yes and no both so this tells us that respondents are not sure about this.

LIKELIHOOD OF BITCOINS TAKING OVER AS A CURRENCY

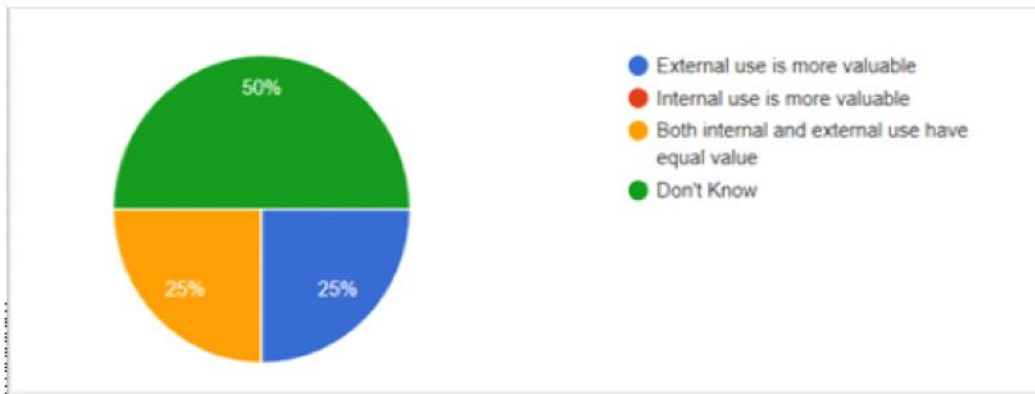
Situation	Respondents	Percentage
1	6	12.5%
2	17	25%
3	25	50%
4	6	12.5%
5	0	0%



From this bar graph we can see this people have rated more on 3(50%) then 2 (25%) and then 4(12.5%) and 1(12.5%).So this bar is about the likeliness of Bitcoins in future which is most and that why people have 3.

USE OF BITCOINS WITHIN THE COUNTRY OR ACROSS BORDERS

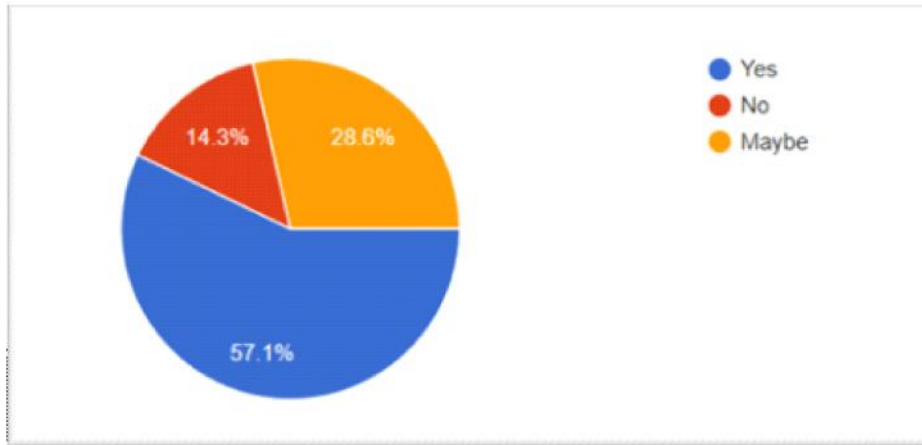
Situations	Respondents	Percentage
External use is more Valuable	12	25%
Both internal and external is equally valuable	13	25%
Don't know	25	50%



In this above diagram we can see that there is a 50% of respondent don't know the answer and 25% of respondents saying that they have both internal and external usesome value and the other rest 25% is saying external has more value.

TECHNOLOGICAL SCURITY BREACHES

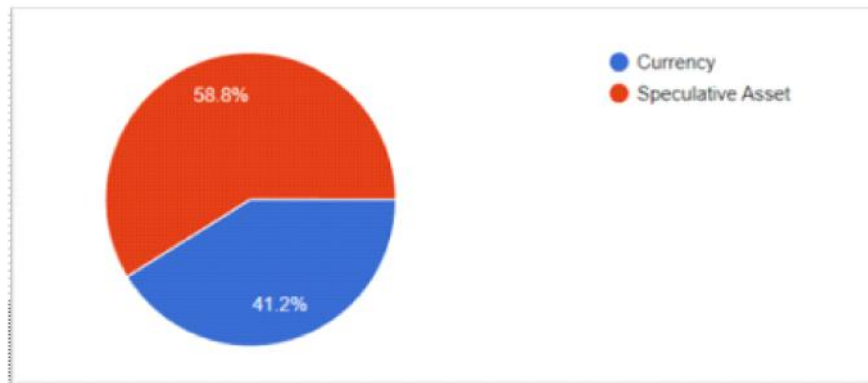
Situation	Respondents	Percentage
Yes	29	57.1%
No	7	14.3%
Maybe	14	28.6%



In this figure above we can see that there are 3 types of respondents which have made their choice in which the majority is yes with 57.1% and the other with a unsure answer which is maybe with 28.6% and the rest with 14.3% with the answer no.

BITCOIN BEING A SPECULATIVE ASSET

Situation	Respondents	Percentage
Currency	21	41.2%
Speculative asset	29	58.8%



In this following figure we can see that respondents have responded from their opinion and there is the most common option Bitcoin it that according to the graph that is Speculative asset which is 58.8% and the rest is 41.2% which is the currency.

Suggestions and Recommendations

- Legalization of Bitcoin in India would enhance the country in being a digital economy.
- Government should legalize Bitcoin so that it could control its functions to a certain extent

- Converting Bitcoin to other currencies is cost efficient, therefore it is suggested that Bitcoin should be considered as a legal currency
- Public should use Bitcoin as a medium of exchange as the transaction fee, is less while trading through Bitcoins.
- Bitcoin should be used as currency by the public as there is so leakage of personal information while carrying out a transaction using Bitcoin. Moreover, the most unique feature of Bitcoin is that, users can check their transactions at any place and at any time through public ledger.
- Since majority of investors feel that, the best platform to buy Bitcoin is the one that less low transactions fees, constant selling price and how buying price the platforms should enhance the above mentioned factors to increase the Number of user traffic.
- Platforms should also promote Bitcoin purchasing, through electronic and print media to create awareness among the general public.

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Financial Inclusion: An Initiative to Bring the Entire County into the Formal Banking System

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ABSTRACT

More than 3 billion poor people in the world require formal banking and financial services to manage their precarious lives. Most people in the developing nations do not have access to formal financial services. Today large section of Indian society has entry barriers to banking and other financial services. Poor people in developing countries need access to a wide range of financial services that are convenient, flexible, and reasonably priced. So, the Government of India has come up with the financial inclusion initiative to bring the entire country into the main stream of banking system. Financial inclusion is very essential for the progress of the country. Inclusive growth is necessary for sustainable development and equitable distribution of wealth and prosperity. Achieving inclusive growth is the biggest challenge in a country like India. If people in rural areas have access to banking and other financial services, their economic situation will improve and they will be able to contribute to the nation's economy in a better way. For a financial system to be truly inclusive, it should meet the needs of everyone who can fruitfully use financial services, including the poor.

Keywords: Financial Inclusion, Banking, Financial Services, Inclusive Growth, Poverty, Financial Exclusion

"If the misery of the poor be caused not by the laws of nature, but by our institutions, great is our sin." - Charles Darwin

Introduction

Access to finance has always been considered as one of the vital parameters of economic growth, and therefore, the promotion of an inclusive financial system is an area of policy thrust and priority. In the post-independence period, mainstream financial inclusion journey of the country can be traced back to the promotion of cooperatives in 1950s, nationalisation of major commercial banks in 1960s and channelising the credit to the neglected sectors of the economy and weaker sections of the population. This was accompanied by various initiatives over the years such as expansion of branch network, introduction of Priority Sector Lending (PSL), launch of Lead Bank Scheme, promotion of Self-Help Groups (SHGs) and Joint Liability Groups (JLGs), implementation of Business Correspondents (BC) model, among others. India's 72% of the population lives in villages. However, a large percentage of the 6,50,000 villages do not have a single bank branch, resulting in financial isolation of the rural population. Because India's

development is dependent in large part on this segment's economic growth, it is critical to bring the unbanked population into the banking system.

Financial inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost (The Committee on Financial Inclusion, Chairman: Dr. C. Rangarajan)

The Government of India and the Reserve Bank of India have been making concerted efforts to promote financial inclusion as one of the important national objectives of the country. Some of the major efforts made in the last five decades include - nationalization of banks, building up of robust branch network of scheduled commercial banks, co-operatives and regional rural banks, introduction of mandated priority sector lending targets, lead bank scheme, formation of self-help groups, permitting bank correspondents/Board of Financial Supervision (BCs/BFs) to be appointed by banks to provide door step delivery of banking services, zero balance accounts, etc. The fundamental objective of all these initiatives is to reach the large sections of the hitherto financially excluded Indian population.

Bringing Financial Inclusion to Rural India

The important socio-economic objective of enhancing "financial inclusion" in India has been pursued by various governments for many decades since independence. Many of these efforts have been successful, but as a country, the goal of achieving near-100% inclusion is still quite some distance away. For a number of years, banking channels were the only organised means of driving financial inclusion in a country like India (more informal and less organized systems like money lending and chit funds co-existed). While financial inclusion and access to various options is quite good in urban India, the same cannot be said of rural India. A large chunk of the unbanked population lives in rural areas, and even today, the formal banking system has been unable to adequately provide the necessary scale of coverage. Both public sector banks and private banks face certain structural constraints.

People who are financially disadvantaged rely on money lenders for even basic needs, borrowing at exorbitant rates and eventually falling into a debt trap. On the other hand, these individuals are utterly unaware of financial goods such as insurance, which may cover them in the event of a disaster. Furthermore, the rural poor have financial challenges as a result of their seasonal income and inconsistent job schedules. On the other hand, these individuals are utterly unaware of financial goods such as insurance, which may cover them in the event of a disaster. Furthermore, the rural poor face financial challenges as a result of seasonal income, irregular work, and job-related mobility. In light of such concerns, a financial ecosystem structured to suit their needs while also assuring the growth of the economy as a whole is urgently required.

In the last two decades, most Asian countries have enjoyed stronger growth rates. It's worth noting that this economic prosperity has mostly escaped the poorer portions of society. Growth has been uneven and frequently accompanied by income inequality, and this disparity between the rich and the poor has resulted in unbalanced social development. The influence of economic expansion is frequently deoxidized as a result of this. As a result, lowering inequality has been a key concern of developmental policy, and the notion of inclusive growth has emerged as a result. The Asian Development Bank (ADB) has tasked a group of distinguished individuals with developing an inclusive growth strategy. This group suggested that the focus be shifted from pro-poor to inclusive growth (Klasen, 2010).

Financial Exclusion

Financial exclusion is characterized as a lack of acceptable, low-cost, fair, and safe financial goods and services from mainstream providers for certain groups of society. As a result, the essence of financial inclusion is to ensure that everyone has access to a choice of relevant financial services and that they can understand and use them. Apart from traditional forms of financial intermediation, it could include a simple no-frills bank account for making and receiving payments, a savings product tailored to the cash flow patterns of a poor household, money transfer services, small loans and overdrafts for productive, personal, and other purposes, insurance (life and non-life), and so on.

In fact, lack of awareness, low income, poverty, and illiteracy are the primary causes of financial exclusion on the demand side, while distance from branch, branch timings, cumbersome documentation and procedures, unsuitable products, language, and staff attitudes are the primary causes on the supply side. People believe it is easier to take money from informal credit sources because of all these procedural obstacles, but this result in a lower standard of life, higher costs, and more exposure to unethical and unregulated providers, and vulnerability to uninsured risks. Thus, financial inclusion entails more than just opening a savings account; it also entails raising knowledge about financial products, providing education and advice on money management, and delivering debt counselling, among other things.

Inclusive Growth for Poverty Reduction

Inclusive growth means economic growth that creates employment opportunities and helps in reducing poverty. It means having access to essential services in health and education by the poor. It includes providing equality of opportunity, empowering people through education and skill development. It also encompasses a growth process that is environment friendly growth, aims for good governance and helps in creation of a gender sensitive society. As per OECD (Organisation for Economic Co-operation and Development), inclusive growth is economic growth that is distributed fairly across society and creates opportunities for all.

However, for achieving inclusive growth, it is essential that the diffusion of opportunities be supported with good governance and accountability. In order to reduce disparity and promote inclusive growth, the Indian government has set state-specific targets for parameters, such as GDP growth rate, agricultural growth rate, new work opportunities, poverty ratio, dropout rate in elementary schools, literacy rate, gender gap in literacy rate, infant mortality rate and maternal mortality ratio. This paper elaborates the need to build Inclusive India and emphasizes why it is imperative to focus on inclusive growth now. It presents the opportunities available for building an inclusive India by identifying key levers in governance, education, energy and resources, telecom and technology, infrastructure, healthcare, financial inclusion, and business model innovation

Need for Inclusive Growth

For long-term development and equal income and prosperity distribution, inclusive growth is required. The most difficult task in a country like India is achieving inclusive growth. Bringing 600 million people living in rural India into the mainstream is the most pressing challenge in a democratic society like India. The challenge is to spread growth to all segments of society and across the country. Developing people's talents is the most effective strategy to promote inclusive growth. For long-term development and a fair distribution of income and prosperity, inclusive growth is required. In a country like India, the largest issue is achieving inclusive growth. The biggest problem in a democratic democracy like India is getting 600 million people living in rural India into the mainstream. The task at hand is to raise all stages of growth. a cross-section of society, as well as to all sections of the country The most effective strategy to promote inclusive growth is to improve people's abilities.

Mr. Jeffrey, Chairman and CEO of Manpower Planning, USA, said that, a multifaceted approach towards education and skills development is necessary to achieve inclusive growth. He said the challenge of skills shortage can be addressed through public private partnership. Since independence, significant improvement in India's economic and social development made the nation to grow strongly in the 21st century. The following factors encouraged the India to concentrate more on inclusive growth.

NITI Aayog's Strategy for New India has the following objectives for the inclusive growth:

- To have a rapid growth, which reaches 9-10% by 2022-23, which is inclusive, clean, sustained and formalized.
- To Leverage technology for inclusive, sustainable and participatory development by 2022-23.
- To have an inclusive development in the cities to ensure that urban poor and slum dwellers including recent migrants can avail city services.

- To make schools more inclusive by addressing the barriers related to the physical environment (e.g. accessible toilets), admission procedures as well as curriculum design.
- To make higher education more inclusive for the most vulnerable groups.
- To provide quality ambulatory services for an inclusive package of diagnostic, curative, rehabilitative and palliative care, close to the people.
- To prepare an inclusive policy framework with citizens at the center.

Inclusive growth - A Challenging Opportunity

India became one of the world's fastest growing economies thanks to reforms implemented in the early 1990s. Around the turn of the 2000, the growth of the IT industry and increasing agricultural production fostered an atmosphere of optimism, leading to the coining of words like Incredible India, India Shining, and India 2020. The Indian growth scenario has been one of significant GDP growth, but one that has been predominantly driven by the services sector. The comparatively low agricultural growth rate, low-quality employment, poor education, inadequate healthcare services, rural-urban split, social inequities, and geographical disparities all reflect the fact that not all sectors of the economy have expanded at the same rate. Inequitable growth has ramifications for society, the economy, and the political system. Inequity, whether real or perceived, can result from a lack of inclusive growth, which has its own set of societal consequences. Inclusive growth boosts economic growth by extending the domestic demand base and increasing the number of people who are invested in reforms and a stable administration.

Some of the challenges include slow economic growth, technological development and job displacement, etc. Since the financial crisis of 2008-09, the global economy has not fully escaped recession. Overall, recovery has been fragile and uncertain, and this is reflected in growing jobs deficits (deficits in terms of both the quantity and quality of new jobs) in many countries. With advancements of robotics and artificial intelligence, disruptions in labour markets are likely to be huge. Workers' skills set are likely to become obsolete at much faster pace. It is estimated that between 400 million and 800 million individuals could be displaced by automation and need to find new jobs by 2030 around the world (McKinsey, 2018). On the one hand, large scale disruption in labour market is likely to occur; on the other hand concentration of wealth is likely to increase.

Bridging the India's Inequality - Eradication of poverty

The focus of the government in recent years has shifted from promoting incredible India to build Inclusive India. Inclusive growth needs to be achieved in order to reduce poverty and other social and economic disparities, and also to sustain economic growth. In recognition of this, the Planning Commission had made inclusive growth an explicit goal in the Eleventh Five Year Plan (2007-2012). The draft of the Twelfth Five Year Plan (2012-2017) lists twelve strategy challenges

which continue the focus on inclusive growth. These include enhancing the capacity for growth, generation of employment, development of infrastructure, improved access to quality education, better healthcare, rural transformation, and sustained agricultural growth. Despite the presence of over 300,000 NGOs, which are working in sectors spanning the gamut from agriculture to microfinance, and from minority rights to scientific and industrial research¹, India's growth has primarily benefited its urban elite and middle class population who are engaged largely in the fast-growing services sector. The Indian middle class, defined as those consuming between 2 and 20 US dollars per day, has grown by about 205 million between 1990 and 2008.² However, around 70% of the poor are from rural areas where there is a lack of basic social and infrastructure services, such as healthcare, roads, education, and drinking water. Stunted agricultural growth, relatively high food prices, and low rural wages, insufficient government spending on rural development and obsolete infrastructure are key determinants of rural poverty.

Empowering rural communities through financial inclusion

India has, for a long time, recognized the social and economic imperatives for broader financial inclusion and has made an enormous contribution to economic development by finding innovative ways to empower the poor. Starting with the cooperative banks, nationalization of banks, priority sector lending requirements for banks, lead bank scheme, establishment of regional rural banks (RRBs), service area approach, self-help group-bank linkage programme, etc., multiple steps have been taken by the Reserve Bank of India (RBI) over the years to increase access to the poorer segments of society. The Reserve Bank of India has set up a high level committee on October, 2012 to ensure accessible financial services and to increase the speed of financial inclusion in India. The Committee is called Financial Inclusion Advisory Committee (FIAC), to be headed by RBI Deputy Governor.

The report quoted as World Bank study in April 2012, had shown that half of the world's population held accounts with formal financial institutions. In India, only 35 per cent have formal accounts versus an average of 41 per cent in developing economies. Sixty five per cent of adults across the country are excluded from the formal financial system. Over the past eight years, RBI has mandated and worked with financial institutions to open almost 100 million so-called no-frill accounts targeting the poor.

Financial Inclusion - to lessen rural penury

The objectives of an inclusive growth agenda is to reduce poverty, improve quality of life, and ensure to the extent possible, that all segments of society benefit from the economic growth of the country. A number of macro and micro level interventions have shown to be conducive to promoting inclusive growth. At the macro level, recommendations such as improving fiscal discipline, trade liberalization, openness to Foreign Direct Investment, privatization, deregulation, tax reforms, labour market flexibility, providing social safety nets, reorientation of public expenditure,

and legal and political reforms can be useful in guiding policy discussions for promoting rapid and inclusive growth in developing countries. At the micro level, reducing income and non-income related inequality, improving public infrastructure, healthcare, education, access to markets, accountability, women's empowerment, role played by civil society organizations, and good governance can help accelerate poverty reduction.

RBI initiatives -for Inclusive Program

The concept of financial inclusion dates back to 1904 in India, when the co-operative movement began. According to studies, not being included in the banking system, or rather being excluded from it, leads in a 1% loss in GDP. As a result, financial inclusion is not only a sociopolitical but also an economic imperative. Recognizing the magnitude of the problem, the Reserve Bank of India urged banks to make financial inclusion one of their top priorities in its Mid-Term Review of Monetary Policy (2005-06). RBI has adopted a bank-led model for achieving financial inclusion and removed all regulatory bottle necks in achieving greater financial inclusion in the country. Further, for achieving the targeted goals, RBI has created conducive regulatory environment and provided institutional support for banks in accelerating their financial inclusion effort. The efforts pursued by the Reserve Bank to further financial inclusion. Financial inclusion aims at 'connecting people' with the banking system and not just opening accounts. This includes meeting the small credit needs of the people, giving them access to the payments system and providing remittance facilities. This has led to some notable developments:

- **Advised all banks to open Basic Saving Bank Deposit (BSBD)** accounts with minimum common facilities such as no minimum balance, deposit and withdrawal of cash at bank branch and ATMs, receipt/ credit of money through electronic payment channels, facility of providing ATM card.
- **No Frills Accounts:** In November 2005, RBI asked banks to offer a basic banking 'no-frills' account with low or zero minimum balances and minimum charges to expand the outreach of such accounts to the low income groups.
- **Easier Credit facility:** Banks were asked to introduce a General Purpose Credit Card (GCC) facility up to Rs. 25,000
- **Simpler KYC Norms:** In order to ensure that people belonging to the low income groups, both in urban and rural areas, do not encounter difficulties in opening bank accounts, the 'Know Your Customer' (KYC) procedure for opening accounts was simplified for those accounts with balances not exceeding Rs 50,000 and credits thereto not exceeding Rs.100,000 in a year.
- **Simplified Branch Authorization Policy,** to address the issue of uneven spread bank branches, domestic SCBs are permitted to freely open branches in Tier 2 to Tier 6 centers with population of less than 1 lakh under general permission, subject to reporting. In North-

Eastern States and Sikkim domestic SCBs can open branches without having any permission from RBI. With the objective of further liberalizing, general permission to domestic scheduled commercial banks (other than RRBs) for opening branches in Tier 1 centres, subject to certain conditions.

- **Compulsory Requirement of Opening Branches in Un-banked Villages** -banks are directed to allocate at least 25% of the total number of branches to be opened during the year in un-banked (Tier 5 and Tier 6) rural centers.
- **Opening of intermediate brick and mortar structure** - for effective cash management, documentation, redressal of customer grievances and close supervision of BC operations, banks have been advised to open intermediate structures between the present base branch and BC locations. This branch could be in the form of a low cost simple brick and mortar structure consisting of minimum infrastructure such core banking solution terminal linked to a pass book printer and a safe for cash retention for operating larger customer transactions.
- **Use of Information Technology:** Banks have been urged to scale up IT initiatives for financial inclusion speedily while ensuring that solutions are highly secure, amenable to audit, and follow widely-accepted open standards to ensure eventual inter-operability among the different systems.
- **100% Financial Inclusion Drive:** The Reserve Bank launched a financial inclusion drive targeting one district in each state for 100% financial inclusion. In the light of the experience gained, coverage has been extended to other areas/districts. We carried out an external evaluation of the quality of 100% financial inclusion reported by banks. On that basis, in January 2009, we advised banks to: (i) ensure provision of banking services nearer to the location of the no-frills account holders through a variety of channels; (ii) provide GCC/ small overdrafts along with no-frills accounts to encourage the account holders to actively operate the accounts; (iii) conduct awareness drives of the facilities offered to the no-frills account holders; (iv) review the extent of coverage in districts declared as 100 per cent financially included; and (v) efficiently leverage on the available technology enabled financial inclusion solutions.

Conclusion

Globally, there is a clamour for creating a more inclusive world and India is also a frontrunner. Government of India is fully committed to its resolve towards achieving inclusive growth. To achieve this goal, efforts are being made to harmonise the national development priorities with international efforts and a number of policies, strategies, programmes / schemes and actions have been implemented at the national level. Social exclusion manifests itself in financial exclusion. India is among the fastest-growing major economies in the world. However, currently Indian economy is facing slowdown due to both cyclic and structural challenges. However, the target of

becoming a \$ 5 trillion economy by 2024-25 can allow India to reduce inequality, increase social expenditure and provide employment to all. Financial Inclusion is a goal in each of the five-year plans. Because financial inclusion is such an important part of the inclusive growth that is envisioned for the economy's overall development, the public and private sectors are collaborating to maximise the strengths and drive for financial inclusion. In the previous three decades and beyond, India's financial system has expanded fast. Indian government along with the state governments and local governments should continue to focus on eradicating poverty and achieving sustainable development in order to improve the lives of India's people. Through innovative partnerships with an international organization, civil societies, and private companies, inclusive and equitable growth can be targeted. Inclusive growth will help in the empowerment of vulnerable and marginalized populations, improve livelihoods, and augment skill-building for women.

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Ind AS A New Norm in Indian Accounting Standards

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ABSTRACT

One of the foremost requirements to operate a Business successfully is to have a good financial reporting system in place. Keeping this in mind, Accounting Professionals and Accounting Bodies across the globe, during last decade, had tried to put a financial reporting system in place which is harmonized, robust and have extensive applicability. IASB (formerly IASC) came out with IFRS which were adopted formally by members of European Union in 2005. In subsequent years, many other countries either adopted IFRS or converged to IFRS. An upcoming economy on world economic map, India, too, decided to converge to IFRS. The converged IFRS in India are called as IND - AS. This study tries to analyse the differences between IND - As and AS, adopting of IND AS for various entities in phased manner and this paper tries to analyse various opportunities available for the Indian Corporates for adopting IND - AS and the various challenges that are existing in Implementation of IND - AS. In conclusion the paper tries to bring out the ways in which these problems can be addressed. addressed.

KEYWORDS: IFRS, IASB, ICAI, Ind AS and AS

Accounting is called the language of business. It is through accounting business communicates to its stakeholders. Accounting provides basic source of information for business and decision making. The information which is provided by accounting can be categorized into operating accounting information, Financial Accounting information, Management accounting information and Tax accounting information.

Providing above information is not a problem as long as business operates within boundaries. But due to globalization and economic liberalization executives are called upon to make decisions on financial information originating from other countries which is very difficult due to diverse financial reporting standards. Therefore, a common reporting standards are the need of the hour which has led to the birth of the new International Reporting standards (IFRS).

IFRS COMPLIANCE

IFRS compliance can be done in two ways:

1. Adopting the IFRS as stated by International Accounting Standards Board (IASB).

2. Preparing own standards in line with IFRS. This is converged IFRS. India has prepared its own standards in line with IFRS which is known as IND AS.

BACKGROUND OF IND AS IMPLEMENTATION

ICAI has issued the above roadmap for implementation of IFRS -converged Ind AS for Indian entities and expected to be implemented from the year 2011. However, there are some issues related to Taxation, Company law and other framework issues were to be addressed and due to this implementation were not possible for Indian Entities. The Ministry of Corporate Affairs decided to postpone the date of implementation of Ind AS. The Honorable Finance Minister of India, Shri ArunJaitelyji, in his Budget Speech in July 2014 stated that - "There is an urgent need to converge the current Indian accounting standards with the International Financial Reporting Standards (IFRS). Ind AS has propose for adoption of the new Indian Accounting Standards (Ind AS) by the Indian companies from the financial year 2015-16 voluntarily and from the financial year 2016 -17 on a mandatory basis. Based on the international consensus, the regulators will separately notify the date of implementation of Ind AS for the Banks, Insurance companies etc. Standards for the computation of tax would be notified separately".

OBJECTIVE OF THE STUDY

This paper deals with the Challenges faced in the process of convergence in Indian perspective and measures to be taken to address the challenges.

RESEARCH METHODOLOGY

This paper is based on secondary data collected through various websites, books, Reports and research papers.

LITERATURE REVIEW

Loyeung et al., 2016 find in their study the various implementation errors. It also found that cost of implementation has increased as learning cost as well as auditors cost due to lack of availability of IFRS experts.

Marra , 2016 study the pros and cons of Fair Value measurement in global accounting and found that it has positive remark on securities traded on highly liquid markets and questionable remark on illiquid or non-traded assets such as goodwill. Changes have been evident so globally financial reports are ever increasing based upon fair value.

M. Muniraju and Ganesh S.R., 2016 The results of this study indicate that the adoption of IFRS more beneficial to attract the world capital market and also indicate that the adoption of rules regarding truthful worth accounting, lease Special Issue for International Conference on Emerging Role of Leadership, Values and Ethics in Organisational Development, KIET School of Management, KIET Group of Institutions, Ghaziabad, UP, India. International Journal of Research in Engineering, IT and Social Sciences, ISSN 2250-0588 Page 293 <http://indusedu.org>

accounting and tax accounting, as well as rules regarding the accounting of economic instruments, explain the changes within the key accounting ratios. Adoption of fair value accounting rules and stricter requirements of certain accounting issues are the reasons for the changes observed in accounting figures and financial ratios. The results also tells about the respondents are not fully aware of IFRS, which creates a barrier in adoption of IFRS in India. The paper suggested that conferences, seminar and events should be held to makes it better understanding for smooth conversion.

MalihaBaig and Shuja Ali Khan, 2016 investigate in their study of impact of IFRS on Earning Management pre and post IFRS on Cement industry in Pakistan and find decreasing trend in earning management.

Virgil NbellahAbedana& John Gayomey, 2016 discuss in their study the Tax challenges that were encountered in the adoption of IFRS / IAS. Ghana has facing various problems in IFRS adoption like, Fair value measurement, Costly, Lack of awareness and expertise among accounting professional/ Tax Staff, Auditors/expert.

Ehtesham Husain Abbasi, 2015 find in their study that after implementing IFRS some Ratio has shown increasing trend and some shows reverse impact. Cost of transition and auditors cost increased. Treatment and sale of investment is different in IFRS and GAAP due to fair value measurement.

Gokulnath M, 2015 Discuss various challenges in IFRS implementation in India like, awareness of IFRS, lack of expertise, fair value measurement and existing law has not supported IFRS and also encountered benefits of IFRS and conclude that by proper planning IFRS implementation will be beneficial for Indian corporate and Investors etc.

SumaiyaFathima, 2015 discuss in their study the prospective challenges like difference in GAAP & IFRS, training and education, legal & Regulatory consideration etc.

Amit Kumar Chakrabarty, 2014 discuss in their study the conceptual framework of Ind AS and found that IFRS is necessary for Indian corporate for high quality reporting and its significance in Liberalization and globalization era

Vinayagamoorthy, 2014 discuss various challenges in IFRS adoption in India. There are the various differences between GAAP & IFRS. Lack of training and education, complexity in fair value measurement, various regulatory laws override other law and IFRS does not permit that, re negotiation has required in IFRS for contract, Tax treatment. Paper concludes that IFRS adoption challenges can be addressed by the suitable efforts of top management, auditors/ accounting professionals and regulators and help in efficient implementation.

MeenuSambaru and N. V. Kavitha, 2014 discuss the various benefits and challenges. There is an urgent need to deal with these challenges and Indian corporate & accounting professionals improve their preparedness for effective implementation of IFRS in India.

Mohamed AbulgasemZakari , 2014 find in their study that Libya faces several challenges like; lack of technical skills and inadequate knowledge of Libyan professional accountants, the difficulty to develop its existing accounting systems, and a regulatory framework to cope with economic and social development, recent evolution in accounting profession including international financial reporting standards application, and inadequate education and training of accountants Special Issue for International Conference on Emerging Role of Leadership, Values and Ethics in Organisational Development, KIET School of Management, KIET Group of Institutions, Ghaziabad, UP, India. International Journal of Research in Engineering, IT and Social Sciences, ISSN 2250-0588 Page 294 <http://indusedu.org>

Aabida Akhter, 2013 conclude the result of the survey on awareness on IFRS among the PG students of Kashmir. Majority of students was unaware about the IFRS full form, concepts, Convergence and difference between GAAP and IFRS so it is clear that there is a great need of awareness as well as education on IFRS among the accounting students for effective implementation and understandability.

Andreas Jansson, 2013 conclude in their study conducted on five countries that when evaluate from a decision utility viewpoint, IFRS has restricted impact on accounting quality in the examined countries; however, this impact is connected more to the presentation of more consistent pictures for predictions of firm performance than to the presentation of more accurate pictures. Rakesh H M, 2013 in their study to assess the relationship between IFRS and FDI and its impact on Indian Economy found out that IFRS is a right step in this direction. With adoption, Indian companies will produce more credible financial statements that will not only be uniform but also provide a basis for better interpretation. They invariably boost investors' confidence and attract cross border financial transaction which is the basis for economic growth.

Difference between Ind AS and Accounting Standards

The following are the differences between Ind AS and Indian Accounting Standards

1. Ind AS are generally substance based. For example, consolidation is required under Ind AS 110 if the holding company has control over its subsidiary and definition of control is substance based. But Indian accounting standards are generally rule based. For example, Accounting Standard 21 speaks about consolidation of financial statements if a company holds more than 50% of the voting rights or control the board of directors.
2. Ind AS will be applicable in phases to mainly large companies where as Indian Accounting standards are applicable not only to the companies they are also applicable to other entities.
3. Ind- AS generally use the word - "shall" in its guidance which makes it more mandatory. AS generally use the word 'should' which is more advisory in nature.
4. There was no accounting standard on agriculture business combinations etc. but Ind AS has standards on these also.

5. There are specific guidance's on various matters like depreciation or revenue recognition but AS contains subjectivity at quite few places.

Objectives of Indian accounting standards (Ind AS):

Following are the objectives of applying Indian accounting standards:

1. To ensure companies in India adopt these standards to implement internationally recognized best practices.
2. Ensure that compliance is maintained worldwide.
3. Have a single framework for a single accounting system.
4. Accounting systems used in India can be analyzed and understood by global companies. This will make the annual financial statements and company accounts transparent.
5. These standards are harmonized to ensure that companies comply with global requirements. A wider scope is acceptable through this.

Implementation of IND AS in INDIA

Following are the stages of implementation:

Initially the adoption of IND AS was voluntary for the financial year 2015 - 16. But later adoption of IND AS has become mandatory in various phases. The following are the various phases:

Phase I: This phase is classified as mandatory according to the Indian accounting standards required by the companies. This phase is implemented starting April 1, 2016.

Phase I applies to the following companies:

Listed Companies (companies whose securities are listed on a recognized stock exchange) and unlisted companies whose net worth is greater than or equal to Rs. 500 crores.

Note - For the application of net assets, the company's financial statements for the last three years are audited. Since this accounting standard was introduced in 2016-17, the previous fiscal years are taken into account, namely 2013-14, 2014-15, and 2015-16.

Phase II: At this point, all companies have to adopt Ind AS (Indian Accounting Standards) from 1 April 2017. Therefore, the next fiscal year is considered for the adoption of Indian Accounting Standards. Phase II applies to the following companies:

Listed companies (companies whose securities are listed on a recognized stock exchange - as of March 31, 2016) whose net worth is less than Rs.500 crores and all unlisted companies whose net worth is greater than or equal to Rs.250 crores.

Note - Since this accounting standard was introduced in 2016-17, previous fiscal years are taken into account; 2013-14, 2014-15 and 2015-16.

Phase III: This stage is considered mandatory for the implementation of Ind AS by all types of banks, NBFIs, SEBI regulated companies and insurance companies. This phase is effective from April 1, 2018. Phase III applies to the following companies: Companies having net worth more than Rs. 500 crores. The net worth requirement will only apply to the company until April 1, 2018. The Insurance Regulatory and Development Authority of India (IRDAI) ensures by separate notification that the insurer meets the net asset requirements. The net worth requirement of NBFC and other financial institutions is calculated taking into account the last three fiscal years namely 2015-16, 2016-17 and 2017-18.

Phase IV: This phase will only apply to all NBFCs whose net worth is more than Rs. 250 crores but less than Rs 500 crores. This implementation will be taken into account starting April 1, 2019.

Does Indian accounting standards apply to subsidiaries or associate companies?

If accounting standards are adopted by Indian companies, it will apply to all forms of subsidiary i.e. subsidiary, joint venture and associate companies. This means that subsidiary companies, associate companies need not satisfy the net worth requirements for applicability of IND AS.

Who notified Ind AS

These accounting standards are formulated by Accounting Standards Board of Institute of Chartered Accountants of India. Now India will have two sets of accounting standards viz., existing accounting standards under Companies (accounting Standard) Rules 2006 and IFRS converged Indian Accounting Standards (Ind AS). The Ind AS are named and numbered in the same way as the corresponding IFR. These Ind AS are recommended by NFRA (National Financial Reporting Authority). As on the date MCA has notified 42 Ind AS.

The following are the various IND AS which has been notified by the MCA after consulting NFRA till now in INDIA

IND AS 1	Presentation of Financial statements
Ind As 2	Inventories
Ind As 7	Statement of Cash flows
Ind As 8	Accounting policies, changes in Accounting estimates and Errors
Ind As 10	Events after the Reporting Period
Ind As 11	Construction Contracts
Ind As 12	Income Taxes
Ind As 16	Property, Plant and Equipment
Ind As 17	Leases
Ind As 18	Revenue
Ind As 19	Employee Benefits
Ind As 20	Accounting for Government Grants and Disclosure of Government Assistance
Ind As 21	The Effects of Changes in Foreign Exchange Rates
Ind As 23	Borrowing Costs
Ind As 24	Related Party Disclosures
Ind As 27	Separate Financial Statements
Ind As 29	Financial Reporting in Hyperinflationary Economies
Ind As 33	Earnings per share
Ind As 34	Interim Financial Reporting
Ind As 36	Impairment of Assets
Ind As 37	Provisions, contingent liabilities and contingent Assets
Ind As 38	Intangible Assets
Ind As 40	Investment property
Ind As 41	Agriculture
Ind As 101	First time adoption of Indian Accounting Standards
Ind As 102	Share based payment
Ind As 103	Business Combinations
Ind As 104	Insurance contracts
Ind As 105	Non – Current assets held for sale and discontinued operations
Ind As 106	Exploration for and evaluation of Mineral resources
Ind As 107	Financial Instruments: disclosures
Ind As 108	Operating segments
Ind As 112	Disclosure of interest in other entities
Ind As 113	Fair value measurement
Ind As 114	Regulatory Deferral Account
Ind As 115	Revenue from contracts with Custom

CHALLENGES OF IND AS

Implementation of INDAS has certain challenges. The following are some of the challenges in implementation of IND AS in India

1. Shift from conventional cost method of Accounting to Fair Value Method of Accounting.
2. Changes in the various laws like The Companies Act, SEBI Regulations, Taxation Laws Banking and Insurance Laws/ Regulations etc.

3. Lack of Expert and awareness about international practices.
4. Change of Management Reporting System and Internal Control.
5. Lack of awareness among users and stakeholders at Large.

OPPORTUNITIES IN IND AS

Besides various challenges IND AS also brings certain opportunities which are mentioned as follows:

1. Fair Value Method of Accounting brings the transparency and true and fair presentation of financial transactions.
2. Better Comparability and enhanced linkage to International trade and Business. It makes Cross Border acquisition and Joint Venture possible.
3. New opportunities for Professionals and Business at large.
4. Reduction in reporting Cost, especially, in case of multinational companies.
5. New opportunities in service sector and professionals.
6. Attracting of foreign investments becomes easy.

SUGGESTIONS TO OVERCOME CHALLENGES

On the basis of the above observation there can be few suggestions for the smooth implementation process of IFRS in Indian Context.

1. There should be more training programmes for accounting professionals on regular basis.
2. Ind AS must be in curriculum in effective manner so student will be aware about global standards and compatible in change environment. Hence, provide adequate manpower to industry and fulfil the gap. It also helps in reduction of cost of preparedness.
3. Conducting regular workshops on IND AS Training other technical complexities can be overcome and number of accounting professionals will be increased.
4. Top management of companies should provide training/workshops on Ind AS to their accounting staff to enable them familiar and competent.
5. By keep in mind the initial complexities of Ind AS Companies should start conversion process within time frame with positive attitude. Third party's assistance should be taken to understand financial statements which are prepared as per Ind AS.

CONCLUSION

The transition journey towards Indian GAAP to Ind AS is quiet difficult but at the same time it benefited the users at large. Accounting Statement prepared according to IND AS enhance

understandability, uniformity, comparability and reduce the dual set of accounting statement of companies which have operations in another country. The proper implementation process has required a complete change in formats of accounts, accounting policies and disclosure requirements. So, all parties concerned with financial reporting also need to share the responsibility of international harmonization and convergence because IND AS is a principle based approach rather than a rule based approach. All accounting professional requires to attain the knowledge of IND AS for smooth functioning of convergence process. Top management of many company's views IIND AS a Finance priority because of the required changes in accounting practices. However, a continuous research is required to harmonize and converge with the international standards.

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Goods and Services Tax Implementation Through Blockchain

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ABSTRACT

Blockchain technology is becoming a revolution within the space of the internet. It's thought of a drive behind subsequent generation of the Internet. It's associate unquestionable and decentralized information that facilitates transparent and auditable management of data over a distributed network. It has the ability to transform industries and services including tax management system. Blockchain may be forward looking, extremely sophisticated and secure distributed record keeping system which will help in the storage and analysis of large amount of taxpayer database. The system would include all the entities involved in the transaction and hence accord transparent and tamper free transactions. This technology can transform the tax regime and may contribute majorly to digital India. In GST a registered firm has to file several returns during a year, this technology will reduce this burden off the vendors as all the transactions are recorded in real time in blockchain, which removes the need of filing any return. Transparency of system will remove all the loopholes from the system and tax evasion will also become impossible which will ultimately lead to reduction in frauds and a tampered proof system. Blockchain has brought a lot of excitement and this technology has shown its potential to transform business. This paper will address the problems in the GST system and proposes a transition of the current system of GST network to Blockchain technology.

KEY WORDS: Blockchain, Indirect Tax, Goods and Services Tax

INTRODUCTION:

Currently, all countries are entering the time of business revolution 4.0, where most aspects of human life are facilitated by technological developments. The rapid development of technology brings new innovations that may provide vast potential for growth in businesses and markets. If countries don't move quickly in adapting and following the flow of digital trends, they'll experience a lag in various government sectors, infrastructure, and society. However, if the time of business revolution 4.0 is carefully prepared for, then positive impacts, like an increased speed of data development, higher productivity, and increased simple access to information are going to be obtained. This digital age of disruptive technologies is additionally forming the planet of indirect taxes into a wholly different shape, by not only attempting to make changes in the relationship of

taxpayers and tax authorities but also attending to make several amendments in how the taxes are paid and the way the knowledge are stored. Instead, this potential of Blockchain technology has not gone unnoticed by number of nations and new solutions are emerging.

One of the new technologies that is in development today is blockchain technology. This technology can provide guaranteed transparency, accuracy, and data security for all relevant parties. It allows authorized public users and controlled users to use its distributed ledgers, as well as to participate in transactions that can be approved by the parties involved. When a transaction has been completed, no party can change its transaction records. Blockchain technology allows peer to peer interactions to occur. Its characteristics, like autonomy, equality, and transparency, have the potential to detect both corruption and fraud.

The Goods and Services Tax (GST) came into effect from July 1, 2017 in India. The tax replaced the prevailing multiple flowing taxes levied by the central and state governments. There are two main categories of taxes: Direct Tax and Indirect Tax. Direct Tax is a kind of tax that is collected straightforwardly from corporate entities and people. This tax is such a type of tax that can't be paid by others or can't be moved to any other person. While thinking about direct tax, we incorporate income tax, wealth tax, gift tax, capital gains tax. Indirect taxes are such taxes that are indirectly levied on the people by selling goods and services. The sellers of the goods and services are supposed to collect the tax from various individuals.

Blockchain technology makes GST taxable and charged in real time under the direct supervision of tax authorities. Automation compliance on blockchain technology enables the verification and automation of tax filing, which could significantly reduce the risk of tax avoidance, fraud and evasion. Blockchain technology can transparently confirm, verify, and track e-Invoice with strong transparency, this technology can also ensure that it will be difficult or even impossible for the parties involved in the chain of administration to commit fraud. However, despite its potential, blockchain technology is not yet widely known by the public nor utilized by the government.

Based on the discussion above, this study focused on the adoption of blockchain technology in the GST system. Therefore, the purpose of this study is to analyze how blockchain technology models can be applied in the GST system, particularly in the e-Invoice system. There is currently not much research on the application of blockchain technology in the taxation sector. The utilization of new technology, namely blockchain technology, in the Goods and Services Tax (GST) acceptance systems is relatively new and has not yet been widely implemented today.

OBJECTIVES:

1. To Know the problem in current GST system.
2. To give solution of the current Problem through Blockchain.

BLOCKCHAIN TECHNOLOGY:

The concept of Blockchain has taken the flowery of lots of people and therefore the technology became famous due to one in all its preferred use cases that's, the Bitcoin. However, the applications of Blockchain go much beyond cryptocurrencies. The block chain is an incorruptible digital ledger of economic transactions that may be programmed to record not just financial transactions but virtually everything of value. Basically, it's a database which has got to be validated by a good community (or rather all the parties involved within the transaction) instead of only one central authority. the gathering of records areoften transparently viewed by all the entities who are parties to the records rather than a central authority like bank or taxation department which hosts the information on the server. Since this kind of enormous database can never be managed manually, that's where computers joined in a very peer to see network would be required. a range of knowledge is stored on the blockchain including tax related data of the citizens of a country. When a peer wants to feature a bit of information to the ledger other peers must validate the correctness of the information. If that happens then the info is added to the block. Every block has something sort of a digital encryption (digital fingerprint) which could be a unique hash of the previous block. When a brand-new block is added, it contains the knowledge and hash of the previous block and thus the various blocks are linked through unique chain of hashes. The technology removes the requirement for a central authority or regulator because the system is intended to be self-regulatory. Each party can transact directly with one another on a secure protocol. The tax authority would even be a party on the peer network and not a controller. Altering the knowledge stored on the block isn't possible without changing the hash of the block. And this hash can't be changed unless all the parties validate the change. So, in an exceedingly way the system becomes immutable.

CHARACTERISTICS OF A BLOCKCHAIN:

1. It is based on consensus.
2. It is secured by cryptography.
3. It is chronological and this chronology can't be altered retrospectively or actively once the transaction is recorded.
4. It has a time stamp.
5. All the information is recorded digitally so minimum paper work.
6. There are fewer third parties involved in the peer network.
7. It is self-regulatory and does not need a centralised regulator.

STEPS IN BLOCKCHAIN:

1. The transaction is completed.
2. All the members of the chain get the information regarding the identical.
3. The members check all the information on the operation.
4. If the information is found satisfactory and proper, every party validates it.
5. The network of users accept and confirm the new block which is created.
6. The block is added to the chain.

THE COMPOSITION OF A BLOCK:

Every block consists of three parts:

1. Data
2. Hash of the block
3. Hash of the previous block

Source:(<https://www.digitaltrends.com/computing/what-is-a-blockchain/>)

DATA:

Data consists of the parties involved within the transaction, value of the transaction or the other terms and conditions with relevancy the transaction. If we consider GST as a point in study, each block will consist with its information (name, address etc.) of the supplier and buyer, value of the transaction and perhaps terms of payment, delivery etc.

HASH OF THE BLOCK:

As mentioned earlier, it's just like the digital signature of the block, a highly encrypted password which is unique.

HASH OF THE PREVIOUS BLOCK:

Each block also consists of the digital signature of a previous block.

The hash of the block basically contains all the knowledge of the block and is exclusive to every block. If something on the block changes then the hash will change. Allow us to assume that there are 3 blocks linked to every other. The primary block is termed the genesis block because it's the start block. The second block consists of the hash of the primary block and its own hash and also the third block consists of the hash of the second block and its own hash. So basically, the third block points to the second block and therefore the second block points to the primary block. Now if any change is created to the second block, its hash will change. Therefore, its link with the third block and subsequently all other blocks become invalid. So, this kind of tampering isn't possible.

If in the slightest degree a change is required to be made to the block, then every member of the coevals should validate the change. For this to happen, there's something called Proof of work which mainly bitcoin miners use. They compete to feature the following block to the chain by solving cryptographic puzzles. The miner who completes the puzzle first gets the bitcoins stipulated for that exact cryptographic problem. However, the Proof of work has serious flaws which cannot be tolerated in business transactions. It requires large amounts of computing power and energy to verify or validate a transaction. This can never add business and hence what's utilized in business blockchains could be a secure ledger. During this sort of ledger, rather than multiple users on a network, there's a secure host who is accountable and who is accountable for putting in place a group of rules and regulations, a code of conduct for all the members on the network. This in our case are often the taxation department. The members can monitor the transactions and cry foul if the host isn't following the principles laid out by it. The monitors follow the ledger and replay the inputs against the published code. Hence, accountability is provided by a really hard-to-forge public log. However, Blockchain could be a very new technology and there may be many new algorithms which may come useful as substitutes for proof of work. However, the algorithmic intricacies are beyond the scope of this paper. All which will be said is that the secure ledger hosted by a trustworthy agency just like the tax department of an organization should suffice as an accountable and responsible entity for verification and validation of transactions.

SMART CONTRACTS:

The term 'Smart Contract' may be best explained by an example. Allow us to take the instance of a slot machine where sure achosen amount of cash that's inserted within the machine, you may get a specific snack- maybe a bottle of water or soda or a packet of chips. The transaction is predicated on an easy agreement that by fixing some amount, you get a selected product. The identical concept applies in buying tickets for a metro train from the automated ticket slot machine or even buying goods from some unknown e-commerce site. These are very simple contracts but the important part here is that there's no need for an intermediary; that's the transaction happens directly between the machine and also the customer. Smart contracts work on an analogous principle. Smart contracts are basically digital contracts. they're digital agreements within the sort of computer programmes. Herein, the terms and conditions of the contract are inbuilt into the programme, and designed so they're automatically executed when the defined set of conditions are fulfilled. the most goal of those forms of contracts is to get rid of the necessity of an intermediate body to manage or execute the transactions.

RESEARCH METHODOLOGY:

The main purpose of the research paper is to identify and address the core issues in GST implementation and compliance. The research design is exploratory in nature and also has many descriptive elements. The primary data was collected through unstructured interviews and

discussions with Indirect Tax Practisiers. This helped identify certain ground level issues which the researcher could not have known through secondary review of literature. The interviewees were selected based on non-probability convenience sampling method. During the time of interaction with Indirect Tax Practisiers find information about difficulty in current GST system. With reference to this I try to how the blockchain will be helpful to solve current problems.

ANALYSIS AND FINDINGS:

Implication for GST:

At present, Indirect taxes are the largest source of income for the governments. After the implementation of GST in India Governments of all the states and of central are always on the lookout to create the tax regime of the country simpler and collection of taxes easier for both the govt. and also the taxpayers which is able to ultimately result in reduction in budget gap. This was the intention behind the rollout of GST within the year 2017 also. But, as know the research that GST regime and its implementation in several countries have several problems.

THE PRESENT GST SYSTEM WITHOUT BLOCK CHAIN:

Here explains about how the various parties to goods and services are associated with the govt. and the way taxes reach the govt. after considering the unregistered businesses, the retailers making cash sales and therefore the availing of Input Tax Credit by different tax payers. Let us assume that there are seven parties to the system i.e.,

- Supplier
- Manufacturer
- Unregistered Entity
- Wholesaler
- Retailer
- Customer
- Government

Understanding the above mechanism,

1. The manufacturer purchases his supplies and raw materials from the supplier at the decided rate. The supplier issues purchase invoice to the manufacturer with all details required to generate GSTR1 by the recipient.
2. The manufacturer makes the payment to the supplier as per the stated amount within the invoice including value of materials and also the portion of GST.

3. The supplier, who receives GST on behalf of the govt., performs his duty by forwarding that portion of GST as paid by the manufacturer to the govt.
4. The manufacturer sends the materials and unfinished goods to job workers to feature value to them.
5. The unregistered businesses perform their tasks and return back the products to the manufacturers in exchange of payment for his or her services. Most of them are unregistered and thus they are doing not are available in light of the govt as per the exemptions made by law. They neither receive taxes from the manufacturer nor remit such amounts to government, and thus the reverse charge falls on the manufacturer to pay taxes on behalf of the task workers to the govt. which they'd claim a credit but at a later date, creating a brief term financial burden on them.
6. Onlyafter
 - a. The govt has received tax from the suppliers
 - b. The invoice matching on basis of details furnished by both the parties such as the manufacturer andthe supplier.The government will grant ITC (Input Tax Credit) to the manufacturer. This might take time as ITC won't be granted until the above conditions are fulfilled so it becomes a burden on their capital from both the ends. Also, it's going to happen that this stage comes after the manufacturer has paid his liabilities if credit has not been given in his electronic credit ledger by the govt..
7. Now the manufacturer sells goods to the wholesaler after adding his margin, he also gives the invoice to the wholesaler indicating all the details about the price of goods and also the GST charges.
8. The wholesaler makes the respective payment to the manufacturer and obtains necessary documents to avail ITC.
9. Now, the manufacturer generates the GSTR3B describing his net liabilities to the govt after considering ITC (of GST paid to Supplier likewise as that paid on behalf of the unregistered entity). This net GST amount is now paid by manufacturer to the govt.
10. The wholesaler sells the goods further to the retailer together with the sale invoice indicating required details, definitely after adding his margin of profit.
11. The retailer makes payment to the wholesaler and gets documents necessary to avail ITC in future.
12. All the details are furnished to the govt by the wholesaler to avail ITC in his electronic credit ledger maintained on the portal.
13. Now the wholesaler pays his net liabilities to the govt.

14. The retailer sells the goods and services to final consumer on cash basis exclusively and incorporates a room for manipulating invoices while filing returns on the monthly basis for GST payments.
15. The customer pays the whole amount including the ultimate price of the goods and its levied GST charges which are clubbed as MRP, still some retailers, to fool the customers, charge GST over and above the MRP, in exchange of the receipt of sale which is usually not the valid GST invoice of the sale.
16. The retailer then receives the ITC from the govt in his electronic credit ledger on the basis of the correct or manipulated information provided by them, during the filing of GST return.
17. The retailer pays his net liabilities to the govt thus completing the whole process of GST payment to the govt. in parts by different parties.

THE PROBLEMS WITH THE CURRENT SYSTEM:

1. Missing trader problem: Assume that trader A sold some goods to trader B. Trader A will issue an invoice with GST which Trader B will honour. Trader B will sell the value added goods to person C. Trader B has paid GST to trader A. Trader B has collected GST from trader C. So now trader B will claim input Tax Credit from taxation department for the tax that he has paid on behalf of trader A. This claim would be rejected because, trader A has mysteriously disappeared! Trader A has not paid the GST which was due from him, which he had received from trader B. This can be called 'Missing Trader' phenomena, which is rampant within the current GST scenario.
2. The unregistered businesses, whose annual turnover is less than 20/10 lakhs, stay uncovered under the government's purview of tax payers. This results in loss of govt. revenue by law and therefore the burden on manufacturers of constructing tax payment on behalf of the unregistered workers through reverse charge mechanism. The tax authorities don't have any clarity on behalf of which unregistered entities is that the registered entity making payment that the govt will should give Input Tax Credit. The laws regarding the claims also are ambiguous. In essence, the govt doesn't encourage business with unregistered entities.
3. The Input Tax Credit are going to be disbursed only if the invoices and details furnished by different entities match and thus it takes time. This has a negative effect on the assets of the tax payer. the govt. initially introduced both the forms but eventually had to withdraw the handling of GSTR2 by the purchaser technology infrastructure is currently unable to support simultaneous upload of both the forms. Originally, GSTR1 and GSTR2 had to be uploaded first and then GSTR3 had to be uploaded. But because of technical glitches leading to a mismatch, the taxpayers now are allowed to upload GSTR3 first which too individually. The removal of this mismatch goes to be a cumbersome task for the tax authorities and therefore the taxpayers too. If there's some mistake in entering data or calculation of GST in case of

composite goods, then in this case, there'll be a mismatch within the GSTR1 and GSTR2. this will result in unwanted confusion and delay in payment of input Tax Credit.

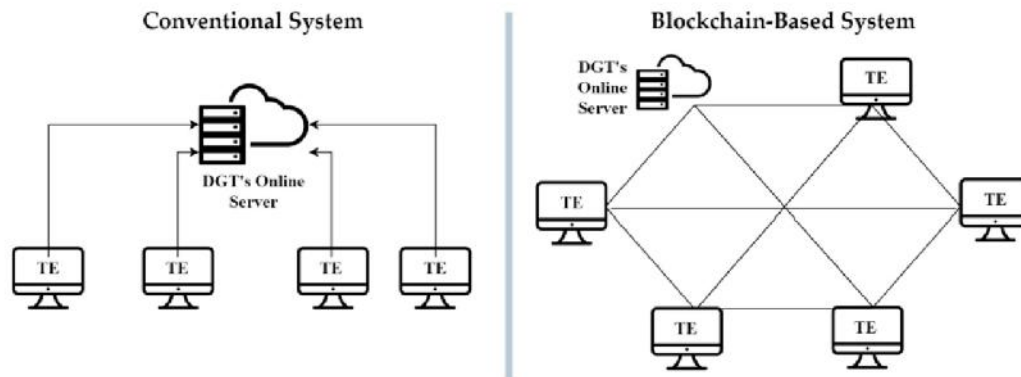
4. Clothing and footwear that cost below Rs. 500 are exempted from GST. But many shopkeepers, especially retail chains are still charging GST rate of 5% in their bills for such items. For garments which are above Rs. 1000, the rate of GST is 12%. Hence, the retailers show them as two garments and divide the value to be the Rs. 500 brackets in order that the tax becomes 5% rather than 12%. for instance, in an exceedingly suit piece which features a Kurta, stole and bottom may well be sold at 2 or perhaps 3 garments to save lots of GST. the actual fact that shopkeepers producing computerized bills and having an air conditioning within the shop are allowed to charge GST on all their goods encourages such-practices.
5. Some retailers generally make cash sales not issuing a correct tax invoice, but only a receipt of sale to the consumers and thus have a choice to make huge manipulations while filing GST returns to evade taxes.
6. Other than all this, the overall mentality of Indians needing to evade tax gets within the way of effective implementation and positive acceptance of GST. Small unregistered traders and makers are able to find loopholes by which they will still fool the tax authorities.

PROPOSED GST SYSTEM WITH BLOCKCHAIN:

1. When the primary firm A raises an invoice on the firm B, a block is formed which has the hash of firm A, B and also the transaction related information like the invoice number, invoice amount, code of the merchandise, name of the Buyer (firm B), date of transaction etc.
2. Once the primary block is made, the firm B accepts this record updated by firm A. All GST related calculations are going to be done by the system and GST and non-GST amounts are calculated. The firm B makes the payment in order that the system bifurcates this amount and credits the GST amount to the govt. and also the non-GST amount to Firm A.
3. Firm B gets some value addition done through a non-registered entity who returns the products after the worth addition. He doesn't constitute the GST purview so doesn't charge GST. But firm B pays GST on his behalf to the govt as reverse charge. The second block is made.
4. Firm B sells the value-added product to firm C. B raises an invoice within the name of C. C accepts this invoice. A block is made when the information provided by both B and C tally. GST to be paid by C is calculated in order that GST amount is credited to the govt. and remaining amount is credited to B. this is often the creation of the third block.
5. Firm A and Unregistered entity thus are both on the blockchain and every one the information regarding their transactions would be available to the concerned parties on the blockchain.

THE BLOCKCHAIN TAX SYSTEM- ANSWERS TO THE PROBLEMS OF THE CURRENT GST SYSTEM:

1. it's very obvious from the above model, that the matter of 'Missing Trader' are often tackled with ease with this technology. During this system, the Trader B won't pay any GST amount to trader A, rather he will directly pay it to the Tax authorities.
2. All the companies which not liable to pay GST should even be registered entities on the blockchain. So, whether or not they're not required to charge GST, the transaction will still be a record on the system. The tax authorities would be within the loop on the total amount of the invoices. they might even be aware whether the turnover limit of 20 lakhs for non-registration is truly a truth. Multiple firms owned by the same promoters can even be restricted just in case the firms are incorporated with the only aim of evading GST.
3. The whole problem of Input Tax Credit may be done away with. The tax part is on to be paid to the authorities at the time of bill payment. So there's no doubt of input Tax Credit and no problems of more or less tax payments. during this case, there may be an occasion of a specific class of consumers paying more GST than what they're liable pay. Say as an example, supplier A has sold a staple to Entity B. The GST on staple is 12 percent. The entity makes a product and sells it to customer say C. The rate of GST on entity B's product is say 5 percent. Now, during this case, supplier B needs to actually pay 12 percent to Government but instead, entity A will give that to the govt.. C should pay 5 percent but instead, B pays it. In effect the govt. is getting whatever is that the rightful amount of tax that it should get. within the current system, the govt. gives an input credit of the additional amount of tax which B has paid. rather than that, if at the tip of each month, the govt. gives a net consolidated statement to every registered entity and also the amount of tax that every has paid. The credits if any are going to be settled real-time on a netted basis.
4. When every transaction is recorded on the blockchain with embedded codes, every good or service within the economy are on record or rather most of the goods and services are on record. At the time of ultimate sales if the retailer doesn't make an invoice, it'll be very difficult for him to elucidate it. Either, the goods should reflect in his inventory or in his invoice. If it's not found in either of the records, then at the time of inquiry, the authorities will certainly see that it's a case of non-payment. the full concept revolves around tamperproof records of movement of goods and services within the economy.
5. Because the system becomes transparent, consumers will trust the govt. more and can co-operate in making the entire system viable and compliance will increase.
6. Every entity can pay the tax on to the tax authority and hence no doubt of refunds etc.
7. Reverse charges may be tracked with the sort of goods/service/job work etc. since the unregistered entities also will be on the blockchain database.



PROPOSED BENEFITS OF ADOPTING THE BLOCKCHAIN TECHNOLOGY:

1. The executive burden of calculating GST on a part of companies are going to be drastically reduced. Lot of your time and energy would be saved. Cost of accounting services are reduced.
2. A large repository of taxpayers' data are going to be collected which may be traced to all or any past transactions.
3. The transactions are drained real time and a netting system will reduce the lag in filing of GST returns.
4. Since, it'll be a peer to look network, all parties to the transaction would be involved within the consensus/validation process.
5. Since the transactions are powered and executed by smart contracts, they'll be tamper proof and nobody are going to be able to make any changes to them later.
6. The danger of frauds and mistakes will go down because the system are very transparent as well very secure.
7. One would be able to get immediate data about the basics of the businesses on the network with relation to their finances, delivery time, payment histories, product/service quality etc.
8. The speed of cash transfers between taxpayers and government would become in no time. there'll be no duplication of transactions- the govt. are able to do away with Tax Credit and taxpayers would directly pay tax for the goods or services that they consumed instead of paying a tax for his or her supplier or seller then taking input tax credit for any extra tax that they need paid on behalf of the vendor of goods.
9. The central authority are able to garner more trust from the taxpayers and compliance will increase.
10. The burden of tax calculation and managing and utilising input credits is reduced away with.

11. Frauds are reduced to a large extent because the same system allowing the processing of GST from a transactional point of view will perform multidimensional checks and verifications of the transactions.
12. The parties to the transaction may also be verified so can the legal aspects of the transaction.

CONCLUDING REMARKS:

The Blockchain is a forward looking highly digitized system. Every government desires minimum leakage in their tax revenues. GST evasion is common and for every law that the government makes and implements, there are people who will find a safe loophole to bypass the law. The GST law in India is a very strong document and has sound fundamentals backing it. The problem lies with implementation and efficient systems. Besides, the businesses in India make everything from soaps to space shuttles. Hence, the complexity of transactions and the number of small transactions is huge. The existing system is somewhat inefficient in handling the huge volumes and complex transactions of Indian businesses. The small and medium scale sectors do not have trained staff to upload information in the desired format and without mistakes. In such a scenario, the government should look at alternative record keeping and data management systems and blockchain in that sense is a powerful, secure and an extremely tamper-proof transparent system. The secured electronic distributed ledger system and the smart contract assimilation make the system flexible and robust so as to incorporate any changes in the laws or rates of taxation. Individual contract algorithms can also be incorporated by firms based on their receivables and credit terms. Blockchain addresses most of the current issues befuddling the government and the taxpayers. India has made digital invoices mandatory. That is a big step towards more advanced record keeping systems. The government will have to rope in data scientists and IT professionals to design a blockchain platform for GST. With the current government and its emphasis on digital India, Block chain seems to be the ideal solution for efficient tax collection.

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A Study on Merging of Banks - 2020

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ABSTRACT

This research paper looks at Mergers and Acquisitions (M&A's) that have happened in Indian banking sector to understand the resulting synergies and the long term implications of the merger. The paper also analyses emerging trends and recommends steps that banks should consider for future. The paper reviews the trends in M&A's in Indian banking and then impact of M&A's has been studied. The study covers the area of performance evaluation of M&A's in Indian banking sector during the period. The paper compares pre and post merger financial performance of merged banks with the help of financial parameters. The findings suggest that to some extent M&A's has been successful in Indian banking sector. The Government and Policy makers should not promote merger between strong and distressed banks as a way to promote the interest of the depositors of distressed banks, as it will have adverse effect upon the asset quality of the stronger banks. It also studies the State Bank of India and its Associates merger with the pros and cons of the banks and the employees of the banks. The required data are collected from secondary source.

Keywords: Banking, Merger, Mega Merger, Deposits, Borrowing, Non- Performing Assets, Capital Adequacy, Anchor Bank, Amalgamated bank.

History of Indian Banking System:

Banking is the oldest largest and fastest growing financial intermediaries in India. Today banks are part of our daily life a businessman cannot imagine a day without banking hence banking is the fundamental basis of economic industrial agricultural development of economy

Definition of a bank:

Banking is defined as the accepting, for the purpose of lending or investment of deposits, money from the public, repayable on demand or otherwise and withdrawable by cheque, draft, and order or otherwise. Thus the two essential functions of banks are to accept chequeable deposits from the public and lending.

Origin and growth of modern banking

There is no clear Idea regarding the starting of parking system as the banking activities had started in different countries in different periods at different times. In ancient Greece and Rome the practice of saving started in 18th century

Classification of Banks:

The types of banks in India can be divided into the following categories

1. **Central Bank:** The central bank in this country is the Reserve Bank of India (RBI) which acts as the Apex body for regulating and monitoring all other banks in the country. It also acts as Banker to the government in certain situations. RBI is instrumental in laying down the Repo rate, reverse repo rate, cash reserve ratio and statutory liquidity ratio.
2. **Commercial Bank:** Commercial banks perform the function for the public in terms of accepting deposits or extending loans. These banks act as investments of the commercial banks with the objective of earning profit. Examples of commercial banks in India are State Bank of India, United Bank of India, ICICI Bank, HDFC Bank etc .
3. **Specialized Bank:** Specialized banks are formed with the specific goals of catering to a particular Industry or sector. It may focus on export and import or provide financial services to some specific industries. Example of a specialized bank in India is Export Import Bank.
4. **Cooperative Bank:** Cooperative banks in India are established under the State Cooperative Societies Act, providing easy credit to the members of the cooperative banks. One of the core functions of cooperative banks is to provide financial resources to the rural population at large. Examples of cooperative banks in India are - New India Cooperative Bank Limited, Ahmadabad Mercantile Co-operative Bank Ltd.

PUBLIC SECTOR BANKS Vs PRIVATE SECTOR BANKS

Parameter of Comparison	Public Sector Banks	Private Sector Banks
Status of control	They are government-controlled	They are under private individual control
Interest rates	They have higher interest rates for loans and lower interest rates for savings	They have lower interest rates for loans and higher interest rates for savings
Shareholdings	Financial institutions with a maximum of its shares contained by the government	Financial institutions with a maximum of its shares held by private shareholders
Customer base	Most public sector or government banks benefit from a more extensive customer base. It is mainly because people find these banks trustworthy	Majority of the private sector banks experience lesser customer base. People fail to trust such banks with their finances fully
Employee promotion status	Usually, the basis of employee promotion is on seniority, or the time-length experienced by the employee at the institution	The foundation of employee promotion is generally on the amount of value added by the individual to the institution

PROS AND CONS OF NATIONALIZED BANKS

1. Speculative activities:
2. Threat to democracy:
3. Financing the priorities
4. Indifference to agricultural sector:
5. Financing Economic Plans:
6. Safety of depositors:

ARGUMENTS AGAINST:

1. Low deposit level:
2. Less Confidence:
3. Decreasing inefficiency:
4. Uncontrolled Monopolies:

Narasimhan Committee Report -1991

Narasimhan Committee- I was a nine-member committee set up by the Government of India on 14 August 1991. It was set up to examine all aspects relating to the structure, organisation, functions and procedures of the financial system. The Committee submitted its report to the Government on November 16, 1991. The report was tabled in the Narasimhan Committee I was a nine-member committee set up by the Government of India on 14 August 1991. It was set up to examine all aspects relating to the structure, organisation, functions and procedures of the financial system. The Committee submitted its report to the Government on November 16, 1991. The report was tabled in the Parliament on December 17, 1991.

The first report of the Narasimhan committee on the financial system had recommended a broad pattern of the structure of the banking system as under:

- 3 or 4 larger banks (including the State Bank of India) which could become international in character.
- 8 to 10 national banks with a network of branches throughout the country engaged in universal banking.
- Local banks whose operations would be generally confined to a specific region.

MERGER AND ACQUISITION

	Merger	Acquisition
Procedure	Two or more individual companies join to form a new business entity.	One company completely takes over the operations of another.
Mutual Decision	A merger is agreed upon by mutual consent of the involved parties.	The decision of acquisition might not be mutual; in case the acquiring company takes over another enterprise without the latter's consent, it is termed as a hostile takeover.
Name of Company	The merged entity operates under a new name.	The acquired company mostly operates under the name of the parent company. In some cases, however, the former can retain its original name if the parent company allows it.
Comparative Stature	The parties involved in a merger are of similar stature, size, and sale of operations.	The acquiring company is larger and financially stronger than the target company.

CHAPTER-2

REVIEW OF LITERATURE

Research Methodology:

Data is collected from secondary source. Secondary sources comprises of Research publications, Newspapers, Data mining (exploring through internet).

Need for the Study: The present study would investigate the detail of Merger with greater focus on the Indian banking sector. The research paper will also discuss the pre and the post merger performance of banks. These mergers have important implication on the overall performance and profitability in the Indian banking sector. Therefore, it is extremely important to know the impact of these merges on the efficiency levels of banks in terms of both managerial and policy interests and their temporal behavior so as to understand how the banking industry has been reacting to these emerging challenges and which banks are performing better than others in this period of transition.

The study is descriptive in nature. The source of literature and data is secondary which has been collected from various press releases, government committee reports, research publications, journals and newsletters from various Internet websites regarding the contents of study. The performance reports of banks are taken from Money Control Website and

Secondary data: E-Journals, Manuals, articles and online resources.

Objectives of the study:

- To understand and to interpret the purpose of mergers and acquisitions.
- To study and examine the strength and weakness of the merged banks.
- To examine the effects of merger.

Limitations of the Study

- The study ignores the impact of possible differences in the accounting methods adopted by different companies.
- The factors which effect the M & A performance may not be same for all companies.
- The cost of acquisition for mergers is not considered in the methodology

Review of Literature

1. According to Dr. V.Venkateswara Rao, D.Pushpa Sri in 2019 has revealed that Merger is a cumbersome process in terms of consolidating the accounts, infrastructure, management and marketing polices etc and it takes a lot of perseverance to complete the merging process. They also stated that Mergers can be beneficial if the corporate governance, structural issues related to them areresolved.
2. In 2018, India- Ratings has revealed that smaller banks such as Vijaya & Dena banks asset-liability management mismatch can be better addressed at the consolidated basis. Merger in public sector banks ought to bring about material operating efficiencies over time by decreasing combined operating costs, lower investment cost and may also strengthen the risk management practices on a consolidated basis and might set a roadmap for further consolidations in the PSB's.
3. In 2016, Jyothi H. Lahotia has revealed that the merger and acquisitions is an important corporate strategy that aids the firm external growth and provides a competitive advantage. Mergers and acquisitions are being more and more utilized in today's global economy, for enhancing competitiveness via gaining greater marketplace, broadening the portfolio to lessen risks, entering into new markets and Geographic's and by capturing economics of scale.

CHAPTER-3

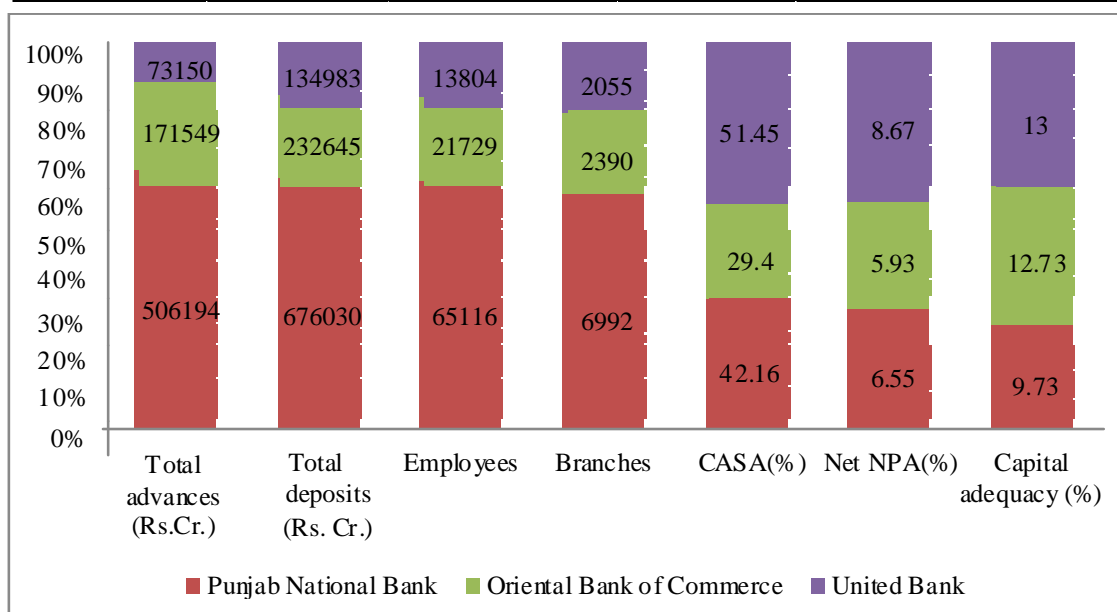
DATA ANALYSIS AND INTERPRETATION

Punjab National Bank:

PNB has a banking subsidiary in the UK (PNB International Bank, with seven branches in the UK), as well as branches in Hong Kong, Kowloon, Dubai, and Kabul. It has representative offices in Almay (Kazakhstan), Dubai (UnitedArabEmirates), Shanghai (China), Oslo (Norway),

and Sydney (Australia). In Bhutan it owns 51% of Druk PNB Bank, which has five branches. In Nepal PNB owns 20% of Everest Bank Limited, which has 50 branches. Lastly, PNB owns 41.64% of JSC (SB) PNB Bank in Kazakhstan, which has four branches.

Post-merger key indicators of Punjab National Bank				
Indicators	Punjab National Bank	Oriental Bank of Commerce	United Bank	Punjab National Bank + Oriental Bank of Commerce + United Bank
Total advances (Rs. Cr.)	506194	171549	73150	750867
Total deposits (Rs. Cr.)	676030	232645	134983	1043659
Employees	65116	21729	13804	100649
Branches	6992	2390	2055	11437
CASA (%)	42.16	29.4	51.45	40.52
Net NPA (%)	6.55	5.93	8.67	6.61
Capital adequacy (%)	9.73	12.73	13	10.77



For a brief analysis of the financial performance of the banks, the balance sheet of these banks pre- merger and post merger is given below:

Balance Sheet Before Merger (2019)			
	PNB	OBC	BOI
EQUITIES AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Equity Share Capital	920.81	1370.21	7427.92
TOTAL SHARE CAPITAL	920.81	1370.21	7427.92
Revaluation Reserve	3582.23	1501.31	923.78
Reserves and Surplus	40284.09	16029.72	3147.18
Total Reserves and Surplus	43866.32	17531.03	4070.96
TOTAL SHAREHOLDERS FUNDS	44787.13	18901.24	11498.88
Deposits	676030.14	232645.38	134983.32
Borrowings	39325.91	14119.37	2203.72
Other Liabilities and Provisions	14806.28	6243.58	2844.02
TOTAL CAPITAL AND LIABILITIES	774949.46	271909.57	151529.93
ASSETS			
Cash and Balances with Reserve Bank of India	32129.13	11193.88	6168.88
Balances with Banks Money at Call and Short Notice	43158.91	5282.2	3494.61
Investments	202128.22	79267.82	60976.03
Advances	458249.2	159284.81	66955.1
Fixed Assets	6224.85	2589.27	1240.06
Other Assets	33059.15	14291.57	12695.25
TOTAL ASSETS	774949.46	271909.57	151529.93

Balance Sheet After Merger (2020)	
EQUITIES AND LIABILITIES	PNB
SHAREHOLDER'S FUNDS	
Equity Share Capital	1347.51
TOTAL SHARE CAPITAL	1347.51
Revaluation Reserve	4758.69
Reserves and Surplus	56251.28
Total Reserves and Surplus	61009.97
TOTAL SHAREHOLDERS FUNDS	62357.49
Deposits	703846.32
Borrowings	50225.43
Other Liabilities and Provisions	14236.68
TOTAL CAPITAL AND LIABILITIES	830665.91
ASSETS	
Cash and Balances with Reserve Bank of India	38397.85
Balances with Banks Money at Call and Short Notice	37595.18
Investments	240465.64
Advances	471827.72
Fixed Assets	7239.07
Other Assets	35140.45
TOTAL ASSETS	830665.91

After analyzing the balance sheet of the anchor bank in comparison with the amalgamated new entity it was found that there is an increase of 27815.86 crores in terms of deposits and an increase of 13578.52 crores with regards to the advances made by the bank. It can also be noted that the firm's Net Non-Performing Assets had an increase by about 0.06% and the borrowings made by the newly formed bank stands at 50225.43 crores which shows us that there has been an increase of about 10899.52 crores

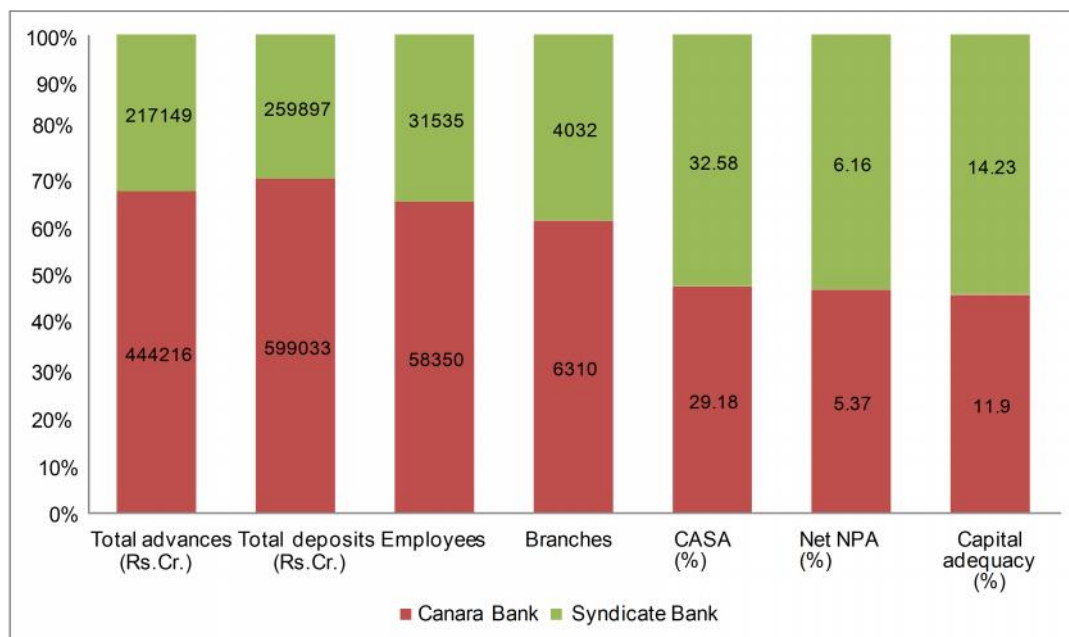
Canara Bank:

Widely known for customer centricity, Canara Bank was founded by Shri Ammembal Subba Rao Pai, a great visionary and philanthropist, in July 1906, at Mangalore, then a small port town in Karnataka. The Bank has gone through the various phases of its growth trajectory over hundred years of its existence. Growth of Canara Bank was phenomenal, especially after nationalization in the year 1969, attaining the status of a national level player in terms of geographical reach and clientele segments. Eighties was characterized by business diversification for the Bank. In June 2006, the Bank completed a century of operation in the Indian banking industry. The eventful journey of the Bank has been characterized by several memorable milestones. Today, Canara Bank occupies a premier position in the comity of Indian banks.

The growth story of Canara Bank in its first century was due, among others, to the continued patronage of its valued customers, stakeholders, committed staff and uncanny leadership ability

demonstrated by its leaders at the helm of affairs. We strongly believe that the next century is going to be equally rewarding and eventful not only in service of the nation but also in helping the Bank emerge as a "Preferred Bank" by pursuing global benchmarks in profitability, operational efficiency, asset quality, risk management and expanding the global reach.

Post-merger key indicators of Canara Bank			
Indicators	Canara Bank	Syndicate Bank	Canara Bank + Syndicate Bank
Total advances (Rs. Cr.)	444216	217149	1520295
Total deposits (Rs. Cr.)	599033	259897	858930
Employees	58350	31535	89885
Branches	6310	4032	10342
CASA (%)	29.18	32.58	30.21
Net NPA (%)	5.37	6.16	5.62
Capital adequacy (%)	11.9	14.23	12.63



The Financial Statement i.e., the balance sheet of the Canara Bank And Syndicate bank before and after the process

The Financial Statement i.e., the balance sheet of the Canara Bank And Syndicate bank before and after the process of the merger is given below:

Balance Sheet Before Merger (2019)		
EQUITIES AND LIABILITIES	Syndicate Bank	Canara Bank
SHAREHOLDER'S FUNDS		
Equity Share Capital	2487.91	753.24
TOTAL SHARE CAPITAL	2487.91	753.24
Revaluation Reserve	1697.4	6448.17
Reserves and Surplus	12384.91	753.24
Total Reserves and Surplus	14082.31	36935.99
TOTAL SHAREHOLDERS FUNDS	16570.22	30487.82
Minority Interest		667.87
Deposits	259896.96	599123.02
Borrowings	25604.45	41042.64
Other Liabilities and Provisions	8707.23	33260.04
TOTAL CAPITAL AND LIABILITIES	311278.86	711782.81
ASSETS		
Cash and Balances with Reserve Bank of India	13612.83	29921.43
Balances with Banks Money at Call and Short Notice	3543.94	36609.81
Investments	76073.15	168678.05
Advances	205044.4	428114.77
Fixed Assets	2572.38	8432.78
Other Assets	10432.16	40025.97
TOTAL ASSETS	311278.86	711782.81

Balance Sheet of Canara Bank After Merger (2020)	
EQUITIES AND LIABILITIES	Amount in Cr.
SHAREHOLDER'S FUNDS	
Equity Share Capital	1030.23
TOTAL SHARE CAPITAL	1030.23
Revaluation Reserve	6332.79
Reserves and Surplus	1030.23
TOTAL RESERVES AND SURPLUS	40175.72
TOTAL SHAREHOLDERS FUNDS	33842.93
Minority Interest	730.1
Deposits	625408.32
Borrowings	42761.77
Other Liabilities and Provisions	31334.13
TOTAL CAPITAL AND LIABILITIES	741440.27

ASSETS	
Cash and Balances with Reserve Bank of India	22572.96
Balances with Banks Money at Call and Short Notice	46016.86
Investments	192645.37
Advances	432403.38
Fixed Assets	8323.35
Other Assets	39478.35
TOTAL ASSETS	741440.27

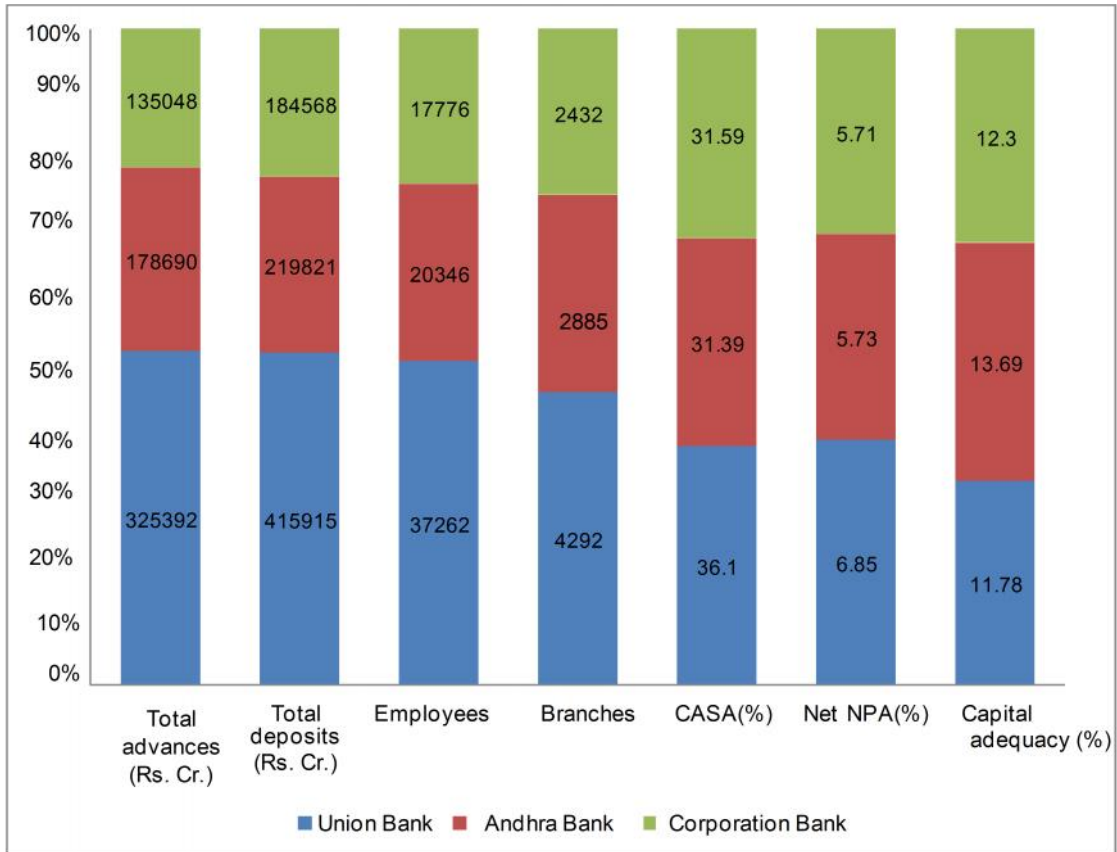
The merger of Canara Bank and Syndicate bank will make the country's fourth-largest bank with Rs, 15.20 lakh Crore business, 6.6% market share, 89885 employees and 10342 branches.

After analysis of the balance sheet of the anchor bank in comparison with the amalgamated new entity it was found that there is an increase of 26285.3 crores in terms of deposits and an increase of 423970.6 crores with regards to advances made by the bank. It can also be noted that the firms Net non-Performing Assets had an increase by about 0.25% and the borrowings made by the newly formed bank stands at 42761.77 crores which shows us that there has been an increase of about 1719.13crores.

Union Bank of India:

Union Bank of India is one of the leading public sector banks of the country. The Bank is a listed entity and the Government of India holds 89.07 percent in Bank's total share capital. The Bank, having its headquarters at Mumbai (India), was registered on November 11, 1919 as a limited company. Today, it has a network of 9500+ domestic branches, 13300+ ATMs, 11700+ BC Points, serving over 120 million customers with 75000+ employees. The Bank also has 3 branches overseas at Hong Kong, Dubai International Financial Centre (UAE) & Sydney (Australia); 1 representative office in Abu Dhabi (UAE); 1 banking subsidiary at London (UK), 1 banking joint venture in Malaysia; 3 para-banking subsidiaries and 3 joint ventures (including 2 in life insurance business). Union Bank of India is the first large public sector bank in the country to have implemented 100% core banking solution. Recently, Andhra Bank and Corporation Bank were amalgamated into Union Bank of India with effect from 01.04.2020. with this, the Bank's total business as of 1st April 2020 stood at Rs.15,34,749 crore, comprising Rs. 868632 crore of deposits and Rs. 666117 crore of advances. The Bank has received several awards and recognition for its prowess in technology, digital banking, financial inclusion, MSME and development of humanresources.

Union Bank of India was established on 11th November 1919 with its headquarters in Mumbai. It was promoted by Seth Sitaram Poddar.



The balance sheet of the Union Bank of India, Corporation Bank and Andhra Bank as well as the balance sheet of the newly formed bank by the process of merger is given below:

Balance Sheet Before the Merger (2019)			
Amount (in Rs. Cr.)	Andhra Bank	Union Bank	Corporation Bank
EQUITIES AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Equity Share Capital	2,884.49	1,763.02	1,198.84
TOTAL SHARE CAPITAL	2,884.49	1,763.02	1,198.84
Revaluation Reserve	0	2,234.81	902.18
Reserves and Surplus	10,280.64	22,489.18	14,463.84
Total Reserves and Surplus	10,280.64	24,723.99	15,366.02
TOTAL SHAREHOLDERS FUNDS	13,165.13	26,487.01	16,564.86
Deposits	2,19,821.00	4,15,915.27	1,84,567.84
Borrowings	10,278.11	42,863.82	8,394.26
Other Liabilities and Provisions	6,047.18	8,772.74	4,050.89
TOTAL CAPITAL AND LIABILITIES	2,49,311.42	4,94,038.84	2,13,577.85
ASSETS			
Cash and Balances with Reserve Bank of India	10,126.77	20,796.46	9,661.07
Balances with Banks Money at Call and Short Notice	4,907.07	22,249.51	2,907.97
Investments	62,953.09	1,26,046.64	59,979.20
Advances	1,58,822.69	2,96,932.15	1,21,251.21
Fixed Assets	1,558.08	3,762.29	1,421.85
Other Assets	10,943.71	24,251.78	18,356.56
TOTAL ASSETS	2,49,311.42	4,94,038.84	2,13,577.85

Balance sheet After the Merger (2020)	
Amount (in Rs. Cr.)	Union Bank
EQUITIES AND LIABILITIES	
SHAREHOLDER'S FUNDS	
Equity Share Capital	3,422.82
TOTAL SHARE CAPITAL	3,422.82
Revaluation Reserve	3,174.15
Reserves and Surplus	27,188.68
Total Reserves and Surplus	30,362.83
TOTAL SHAREHOLDERS FUNDS	33,785.64
Deposits	4,50,668.45
Borrowings	52,486.25
Other Liabilities and Provisions	13,742.92
TOTAL CAPITAL AND LIABILITIES	5,50,683.27
ASSETS	
Cash and Balances with Reserve Bank of India	20,118.30
Balances with Banks Money at Call and Short Notice	34,987.92
Investments	1,52,413.90
Advances	3,15,049.41
Fixed Assets	4,762.52
Other Assets	23,351.23
TOTAL ASSETS	5,50,683.27

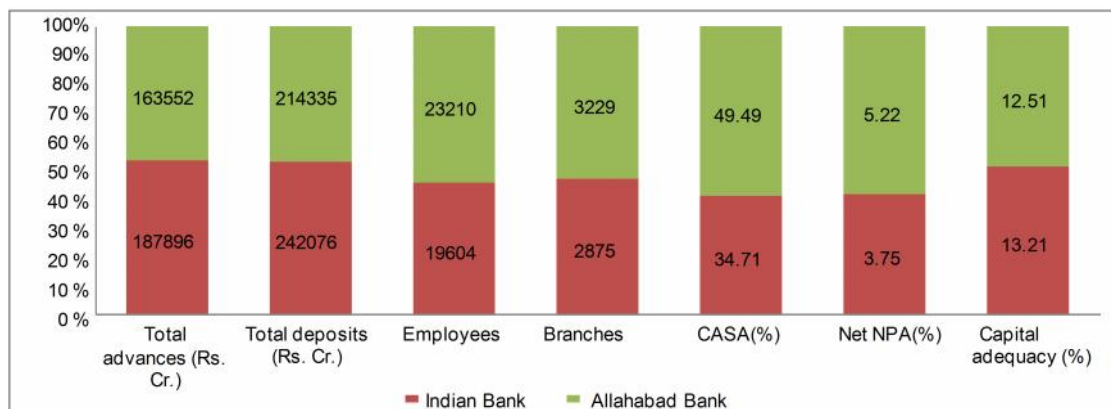
Union Bank of India merged with Andhra Bank and Corporation Bank to create fifth-largest public sector bank in India with Rs, 14.59 lakh Crore business, 6.3% market share, 75384 employees and 9609 branches.

After analysis of the balance sheet of the anchor bank in comparison with the amalgamated new entity it was found that there is an increase of 34753.18 crores in terms of deposits and an increase of 18657.26 crores with regards to advances made by the bank. It can also be noted that the firms Net non-Performing Assets had an increase by about 0.55% and the borrowings made by the newly formed bank stands at 42863.82 crores which shows us that there has been an increase of about 9622.42 crores.

Indian Bank:

Indian Bank is an Indian government owned financial services and banking company. It is under the ownership of the Ministry of Finance of the Government of India, established in 1907 and headquartered in Chennai, India. It serves over 100 million customers with 41,620 employees, 6,004 branches with 5,428 ATMs and Cash deposit machines and is one of the top performing public sector banks in India. Total business of the bank has touched ₹930,000 crore (US\$130 billion) as on 31 March 2021. Bank's Information Systems and Security processes certified with ISO27001:2013 standard and is among very few Banks certified worldwide. It has overseas branches in Colombo and Singapore including a Foreign Currency Banking Unit at Colombo and Jaffna. It has 227 Overseas Correspondent banks in 75 countries. Since 1978, the Government of India has owned the bank. As per the announcement made by the Indian Finance Minister Nirmala Sitharaman on 30 August 2019, Allahabad Bank merged from 1 April 2020, making it the seventh largest bank in the country.

Post-merger key indicators of Indian Bank			
Indicators	Indian Bank	Allahabad Bank	Indian + Allahabad Bank
Total advances (Rs. Cr.)	187896	163552	351448
Total deposits (Rs. Cr.)	242076	214335	456411
Employees	19604	23210	42814
Branches	2875	3229	6104
CASA (%)	34.71	49.49	41.65
Net NPA (%)	3.75	5.22	4.39
Capital adequacy (%)	13.21	12.51	12.89



The balance sheet of the Indian Bank and Allahabad Bank prior to the merger and post merger and provided below:

Balance Sheet Before Merger (2019)		
Amount (in Rs. Cr.)		
EQUITIES AND LIABILITIES	Allahabad Bank	Indian Bank
SHAREHOLDER'S FUNDS		
Equity Share Capital	2,096.84	480.29
TOTAL SHARE CAPITAL	2,096.84	480.29
Revaluation Reserve	2,943.68	3,095.04
Reserves and Surplus	4,089.80	15,813.36
Total Reserves and Surplus	7,033.48	18,908.40
TOTAL SHAREHOLDERS FUNDS	9,130.32	19,388.69
Deposits	2,14,334.07	2,42,075.95
Borrowings	12,488.94	12,137.54
Other Liabilities and Provisions	5,726.44	6,463.09
TOTAL CAPITAL AND LIABILITIES	2,48,575.77	2,80,065.27
ASSETS		
Cash and Balances with Reserve Bank of India	9,672.32	11,701.86
Balances with Banks Money at Call and Short Notice	4,561.19	8,318.52
Investments	79,557.91	64,992.17
Advances	1,42,212.16	1,81,261.91
Fixed Assets	3,538.26	3,961.40
Other Assets	9,033.92	9,829.40
TOTAL ASSETS	2,48,576	2,80,065.27

Balance Sheet After the Merger (2020)	
Amount (in RsCr.)	Indian Bank
EQUITIES AND LIABILITIES	
SHAREHOLDER'S FUNDS	
Equity Share Capital	608.8
Total Share Capital	608.8
Revaluation Reserve	2,987.84
Reserves and Surplus	18,492.62
Total Reserves and Surplus	21,480.47
Total Shareholders' Funds	22,089.27
Deposits	2,60,225.9
Borrowings	20,830.31
Other Liabilities and Provisions	6,322.70
Total Capital and Liabilities	3,09,468.2
ASSETS	
Cash and Balances with Reserve Bank of India	5,736.12
Balances with Banks Money at Call and Short Notice	8,188.56
Investments	81,241.69
Advances	1,97,887.01
Fixed Assets	3,895.74
Other Assets	12,519.05
Total Assets	3,09,468.2

After analysis of the balance sheet of the anchor bank in comparison with the amalgamated new entity it was found that there is an increase of 18149.95 crores in terms of deposits and an increase of 16525.1 crores with regards to advances made by the bank. It can also be noted that the firms Net non-Performing Assets had an increase by about 0.64% and the borrowings made by the newly formed bank stands at 20830.31 crores which shows us that there has been an increase of about 16525.1 crores.

FINDINGS AND CONCLUSIONS

FINDINGS:

- The study disregards the impact of possible variations in the accounting methods adopted by different corporations. The factors which effect the M&A performance may not be same for all corporations. The price of acquisition for mergers is not taken into consideration in the methodology.
- The push should be on refining risk management abilities, corporate governance and strategic business planning. In short run, effort options like outsourcing, strategic alliances, etc. can be considered.

- Banks need to take benefit of this fast altering environment, where product life cycles are quick. The Government should not opt for M&As as a means of bailing out of weaker banks. The larger banks should not be merged with weaker banks, as it will have adverse effect upon the asset quality of the stronger banks.
- The strong banks should be merged with stronger banks to compete with foreign banks and to enter in the global financial market.

CONCLUSION

- The banking industry has been experiencing major Mergers and Acquisitions in the recent years, with a number of global players emerging through successive Mergers and Acquisitions in the banking sector. The current study indicates that the pre- and post- Mergers and Acquisitions of selected banks in India have no greater changes in profitability ratio; a few banks are satisfactory during the study period.
- Advancement in technology For a bank, technological infrastructure like IT software and quality hardware and physical infrastructure like premises, furniture, etc, leading to quality work environment play an important role in providing quality services to the customers. As the banks grow large, they can afford for quality IT infrastructure, which is very essential in the present-day banking system. This will provide several benefits such as faster services, uninterrupted services, reduced risk of hacking and theft of bank information and data. A bank smaller in size is usually unable to afford for costly technology and hence its quality is relatively low and compromised.
- Efficiency and service quality Because of the merger, ideal employees can be shifted to workload places which make the efficient use of human resource and it will result in a reduction in the operating expenses along with improving the overall efficiency and service quality of merged organization

In future, there are robust projections of improvements in profitability. However, results specify that mergers led to higher level of cost efficiencies for the merging banks. Merger between distraught and strong banks did not produce any significant efficiency gains to participating banks. However, the forced merger among these banks prospered in shielding the interest of depositors of frail banks but stakeholders of these banks have not revealed any gains from mergers.

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Bankruptcy Prediction and Determinants in Internet Banking

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ABSTRACT

Banking is the lifeline of an economy. The present and future of any economy depends upon the success and development of banking. The implementation of internet in banking organizations has modernized the banks. Implementing the internet banking approach has benefited the both i.e. consumers as well as banks. Considering the benefits, the banks all over the globe have implemented the internet banking and banking organizations in India are no exception. Still the concept of internet banking is a fairly new one to Indian consumers as compared to its developed counterparts. The present paper attempts to understand the concept of internet banking as well as study the benefit of internet banking from perspective of consumers as well as banks. Further, this paper discusses the challenges and opportunities associated with the internet banking in India. The discussion concludes that concept of internet banking is slowly gaining acceptance in Indian scenario and efforts are being made by government agencies to make it more popular among consumers.

Keywords: Internet banking, Benefits, Challenges and Opportunities, India.

INTRODUCTION

Indian banking industry, today, is in the midst of an IT (Information Technology) revolution. The competition among the banks has led to the increasing total banking automation in the Indian banking industry. Finland was the first country in the world to have taken a lead in E-banking. In India, it was ICICI bank which initiated E-banking as early as 1997 under the brand name Infinity. Electronic banking is defined as "Delivery of bank's services to a customer at his office or home by using Electronic technology can be termed as Electronic Banking." Online Banking or Internet Banking or E-banking allows customers of financial transactions on a secured website operated by the institution, which can be a retail bank, virtual bank, credit union or building society. To access a financial institutions' online banking facility, a customer having personal internet access must register with the institution for the service, and set up some password for customer verification. To access online banking, the customer would go to the financial institution's website, and enter the online banking facility using the customer number and password popular services covered under E-Banking. The popular services covered under E-banking include:-

- Automated Teller Machines
- Credit Cards
- Debit Cards
- Smart Cards
- Electronic Funds Transfer (EFT) System,
- Cheques Truncation Payment System
- Mobile Banking, Internet Banking
- Telephone banking

E-Banking is a generic term encompassing internet banking, telephone banking, mobile banking etc. In other words, it is a process of banking services and products through electronic channels such as telephone, internet, cell phone etc. The concept and scope of E- banking is still evolving. E-banking facilitates an effective payment and accounting system

Review of Literature

Akinyele .S.T. and K.Olorunleke (2010)¹ technology based self service has greatly changed the way that service firms and customers interact and are raising a host of research and practice issues relating to the delivery of e-service which has become increasingly important not only in determining the success or failure of electronic commerce but also in providing customers with superior experience with respect to the interactive flow of information. The purpose of the research study was to establish the relationship between technology and service quality in the banking industry in Nigeria.

Cristina, Beatrice, (2008)² the evolution of electronic banking (e banking) started with the use of automatic teller machines (ATMs) and has included telephone banking, direct bill payment, electronic fund transfer and online banking.

Abhav Jain B S Hundal, (2006)³ Rapid changes in the financial services environment- increased competition by new players, product innovations, globalization and technological advancement- has led to a market situation where battle for customers has become intense. In order to rise up to the challenges, service providers are even more interested to enhance their understanding of consumer behavior patterns. This paper examines the forces that can act as barriers in mobile banking service adoption.

Objectives of the study

1. To study the current scenario of internet banking in India.
2. To know the clear picture of mergers in Indian banking.
3. To Study the Challenges in E-Banking.

Methodology

The present study is descriptive in nature. The data used for the study is secondary in nature and has been collected from RBI (Reserve Bank of India) bulletin, annual reports of RBI and, Report on trend and progress of banking in India, various reputed journals, newspapers, white papers and websites of RBI.

The current scenario of internet banking in India

Internet Banking has become an integral part of banking system in India. The concept of e-banking is of fairly recent origin in India. Till the early 90's traditional model of banking i.e. branch based banking was prevalent, but after that non-branch banking services were started. The Indian government enacted the IT Act, 2000, with effect from the 17th October 2000. To examine different aspects of Internet banking RBI set up a committee on Internet Banking. The committee had focused on three major areas of Internet banking, Technology and security issues, legal issues and regulatory and supervisory issues. RBI had accepted the suggestions and recommendations of the Working committee and accordingly issued guidelines to banks to implement internet banking in India. The old manual systems which were prevalent in Indian banking for centuries seem to be replaced by modern technologies. Today banking is known as innovative banking. Information technology has given rise to new innovations in the product designing and their delivery in the banking and finance industries. Customer services and customer satisfaction are their prime work. Current banking sector has come up with a lot of initiatives that are oriented to providing a better customer services with the help of new technologies.

Table no 1 and 2 exhibit a few facts and figures related to internet/electronic banking to present its current scenario.

TABLE 1

VARIOUS INTERNET/ELECTRONIC BANKING DELIVERY CHANNELS

Type of internet/electronic channels.	No. of channels		Growth in %
	Year		
	2010	2014	
No of ATM deployed (In Actual Figure)	60,153	1,76,410	293.27
No of POS deployed (In Actual Figure)	5,95,958	10,58,642	177.64
No of CREDIT CARDS issued (In Millions)	18.33	20.36	111.07
No of DEBIT CARDS issued (In Millions)	181.97	500.08	274.81
No of MOBILE BANKING Users (In Millions)	5.96	35.5	595.64

Source: Compiled from Bank wise ATM/POS/Card Statistics, Reserve Bank of India and Report on Trends and Progress of Banking in India 2010-2014 and RBI website.

TABLE 2

TRANSACTIONS THROUGH INTERNET/BANKING DELIVERY CHANNELS

Transaction trough	No. of Transactions (In millions)		Growth in%
	Year		
	2011-12	2013-14	
ATM	5086.17	6090.98	119.75
POS	645.76	1128.12	174.69
CREDIT CARD	320.42	511.99	159.78
DEBIT CARD	5409.45	6707.1	123.98
MOBILE BANKING	25.55	94.6	370.25

Source: Compiled from Bank wise ATM/POS/Card Statistics, Reserve Bank of India and RBI website.

MERGERS OF INDIAN BANKS

The following table clears the picture of mergers in Indian Banking Industry.

S.NO.	TARGET BANK	ACQUIRER BANK	YEAR
1	BAREILLY CORPORATION BANK LTD.	BANK OF BARODA	07.06.1998
2	SIKKIM BANK	UNION BANK OF INDIA	25.05.1999
3	TIMES BANK LTD	HDFC BANK LIMITED	26.02.2000
4	ANZ GRINDLAYS BANK	STANDARD CHARTERED	27/04/2000
5	BANK OF MADURA LIMITED	ICICI BANK LTD	14.03.2001
6	BENARES STATE BANK LTD	BANK OF BARODA	21.06.2002
7	ICICI & ITS RETAIL FINANCE SUBSIDIARIES	ICICI BANK LTD	January, 2002
8	SOUTH GUJARAT LOCAL AREA BANK LTD	BANK OF BARODA	25.06.2004
9	GLOBAL TRUST BANK	ORIENTAL BANK OF COMMERCE	27.08.2004
10	UNITED WESTERN BANK (UWB)	IDBI BANK	03.01.2006
11	GANESH BANK OF KURUNDWAD LTD	FEDERAL BANK LTD	25.01.2006
12	THE GANESH BANK OF KURUNDWAD	THE FEDERAL BANK LTD	02.09.2006
13	BANK OF PUNJAB LIMITED	CENTURION BANK OF PUNJAB LTD	19.04.2007
14	LORD KRISHNA BANK LTD	CENTURION BANK OF PUNJAB LTD	29.08.2007
15	SANGLI BANK LTD	ICICI BANK LTD	31.10.2007
16	CENTURION BANK OF PUNJAB LTD	HDFC BANK LIMITED	23.05.2008
17	THE BANK OF RAJASTHAN LTD	ICICI BANK LTD	13.08.2010

Source: History of Banks

Challenges in E-Banking

Competition: The nationalized banks and commercial banks have the competition from foreign and new private sector banks. Competition in banking sector brings various challenges before the banks such as product positioning, innovative ideas and channels, new market trends, cross selling ad at managerial and organizational part this system needs to be manage, assets and contain risk. Banks are restricting their administrative folio by converting manpower into machine power i.e. banks are decreasing manual powers and getting maximum work done through machine power. Skilled and specialized man power is to be utilized and result oriented targeted staff will be appointed.

Implementation of global technology: There is a need to have an adequate level of infrastructure and human capacity building before the developing countries can adopt global technology for their local requirements. In developing countries, many consumers either do not trust or do not access to the necessary infrastructure to be able to process e-payments.

Customer Satisfaction: In today's competitive world, satisfaction of customers is a major challenge for the banking sector because customers have alternative choices in various types of services provided by banks.

Availability of Personnel services: In present times, banks are to provide several services like social banking with financial possibilities, selective up gradation, computerization and innovative mechanization, better customer services, effective managerial culture, internal supervision and control, adequate profitability, strong organization culture etc. Therefore, banks must be able to provide complete personnel service to the customers who come with expectations.

Non- Performing Assets (NPA): Nonperforming assets are another challenge to the banking sector. Vehicle loans and unsecured loans increases N.P.A. which terms 50% of banks retail portfolio was also hit due to upward movement in interest rates, restrictions on collection practices and soaring real estate prices. So that every bank have to take care about regular repayment of loans.

Confidentiality, integrity and authentication: These three are the very important features of the banking sector and were very successfully managed all over the world before the coming of internet. Communication across an open and thus insecure channel such as the internet might not be the best base for bank-client relations as trust might partially be lost.

Other Challenges:

- a) Coping with regulatory reforms
- b) Development of skill of bank personnel
- c) Customer awareness and satisfaction

- d) Corporate governance
- e) Changing needs of customers
- f) Keeping space with technology up gradation
- g) Lack of common technology standards for mobile banking
- h) Sustaining healthy bottom lines and increasing shareholders value
- i) Structural changes
- j) Man power planning.

Findings

1. Achievements of E banking from 2010 to 2014, and its growth rates.
2. How many banks merge with other leading banks?
3. What are the challenges are facing in Indian banking.

CONCLUSION

The paper presents the overview of Internet banking in India. Studies in the past have shown that with the time Indian consumers are opting internet banking services with the time. Considering this in mind, the future studies may be conducted to analyze the various factors which influence the consumer intention to adopt internet banking services. Most of the banks have already implemented the e-banking facilities, as these facilities are beneficial to both i.e. banks as well as consumers. But the adoption of e-banking by the consumers is still at the early stage due to various challenges.

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Mutual Fund Industry - Case Study in India

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ABSTRACT

The formation of Unit Trust of India in 1963, with the creativeness of Government of India and Reserve Bank, throw a light to establish new industry in Mutual Fund Industries in India. In US, Mutual Funds have taken over Banks and Financial Institutions in offering the most optimum return on a set of diversified portfolios. The trend of India gaining confidence with many schemes. Due to this, many Public Sector Banks and Financial Institutions have started their own Mutual Funds. But this does not mean that Mutual Funds are full of benefit or virtues. They have their own set of issues regarding services, profitability, cost regulations, financial instability and others specially during COVID-19 Pandemic Period which were causing big concern to investors. The present paper is an attempt to know about Mutual Funds, its various problems, challenges and opportunities available to it.

Key Words: Net Asset Value, Assets Management Companies(AMC), Asset Under Management(AUM), Association of Mutual Funds in India(AMFI).

OBJECTIVES

- To know the growth/performance of Mutual Fund Industries since its incorporation
- To study of dynamic changes of mutual fund in India during 12 months of COVID-19 Pandemic Period.
- To understand the problems, opportunities and challenges of Mutual Fund Industries in India.

RESEARCH METHODOLOGY

Research work will be based on secondary data. The data were collected from AMFI website and other websites on monthly basis. Simple analyze statistical method used for data.

INTRODUCTION

Mutual Funds in India are financial institutions. It is not an alternative investment option to invest in stocks and bonds, rather it pools the money of several investors and invests the money in stocks, bonds, money market instruments and other types of securities. The owner of a mutual fund unit gets a proportional share of the fund's gains, losses, income and expenses. Mutual Fund is vehicle for investment in shares and bonds. Each Mutual fund has a specific stated objective.

The fund's objective is laid out in the fund's prospectus, which is the legal document that contains information, terms and conditions about the fund, its history, its officers and its performance.

Some popular objectives of a mutual fund are

S.No.	Fund Objective	What the fund will invest in
1	Equity Fund (Growth)	Only in stocks.
2	Debt Fund (Income)	Only in fixed-income securities.
3	Money Market (including Gilt)	In short-term money market instruments (including government securities).
4	Balanced Fund	Partly in stocks and partly in fixed-income securities, in order to maintain a 'balance' in returns and risk.

The share value of the Mutual Funds in India is known as Net Asset Value (NAV) per share. The NAV is calculated on the total amount of the Mutual Funds in India, by dividing it with the number of shares issued and outstanding shares on daily basis. The AMC hires a professional money manager, who buys and sells securities in line with the fund's stated objective. The Securities and Exchange Board of India (SEBI) mutual fund regulations require that the fund's objectives are clearly spelt out in the prospectus.

MUTUAL FUND STRUCTURE:

Mutual Fund Structure Different parties involved are:

- **Sponsor:** Sponsor is an entity who is in arrangement with other corporate led towards the creation of a Mutual Fund.
- **Asset Management Company:** AMC is appointed by the Trustee, which requires approval by SEBI to operate as Asset Management Company of Mutual Fund.

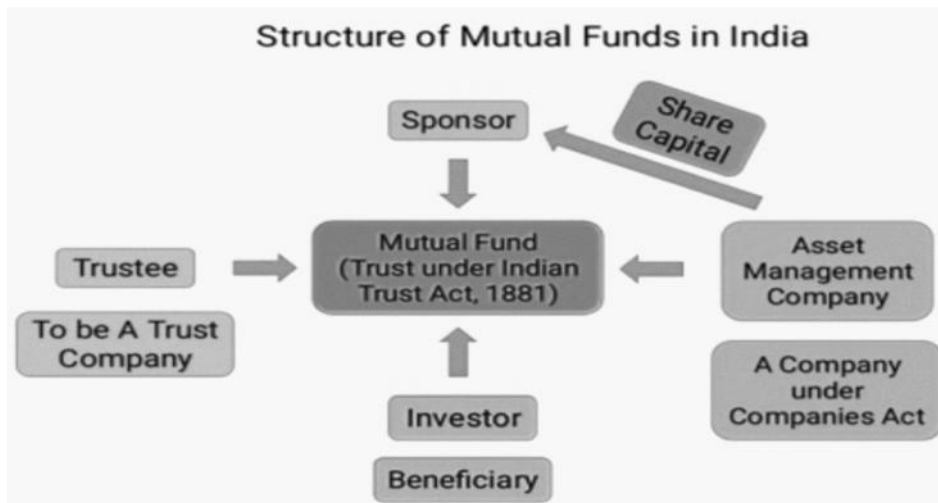


Figure 1 Mutual Fund Structure

- **Trustee:** They are accountable to uphold the investor's interests as well as ensure that AMC works as per the guidelines of SEBI.
- **Registrar or Transfer Agent:** AMC assigns Registrar in order to perform functionalities related to application form, redemption requests etc.

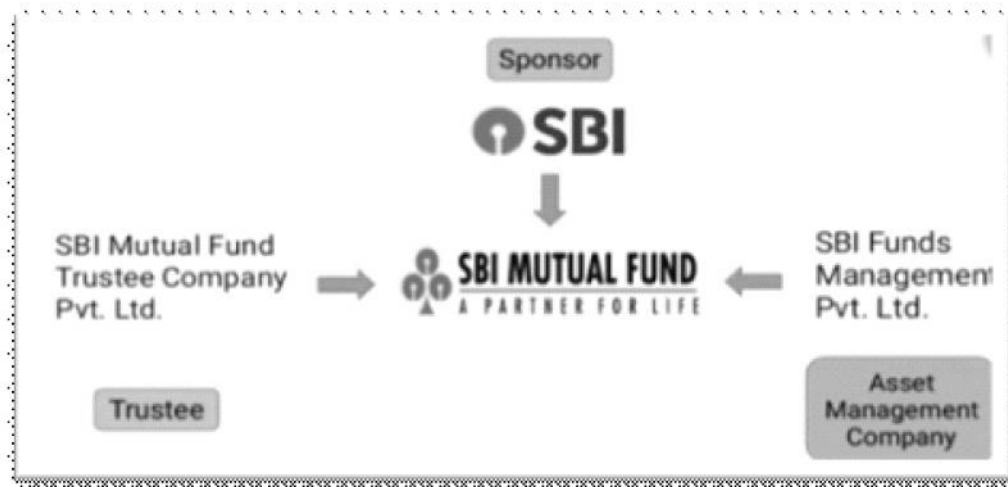


Figure 2 SpecimanStructure of SBI MUTUAL FUNDS

GROWTH OF MUTUAL FUND INDUSTRY IN INDIA:

The Indian mutual fund industry is one of the fastest growing sectors in the Indian capital and financial markets. The mutual fund industry in India has seen dramatic improvements in quantity as well as quality of product and service offerings in recent years. The concept of mutual funds was introduced in India with the formation of Unit Trust of India in 1963.

The first scheme launched by UTI was the now infamous Unit Scheme in 1964. UTI continued to be the sole mutual fund until 1987, when some public sector banks and Life Insurance Corporation of India and General Insurance Corporation of India set up mutual funds. It was only in 1993 that private players were allowed to open shops in the country.



Figure 3 Growth of Mutual Funds

Today, 43 mutual funds collectively manage 10 Cr of folios under hundreds of schemes, with the Assets Under Management (AUM) stood at 35.15 lakh crores, where the maximum investment is from retails segment stood at 87.2 million.

Growth of Mutual Fund Industries during COVID 19:

But due to the Covid-19 pandemic had a severe impact on a number of industries. The Mutual Funds Industry is no different which has faced a lot of challenges, not only owing to the pandemic induced but also due to some specific events.

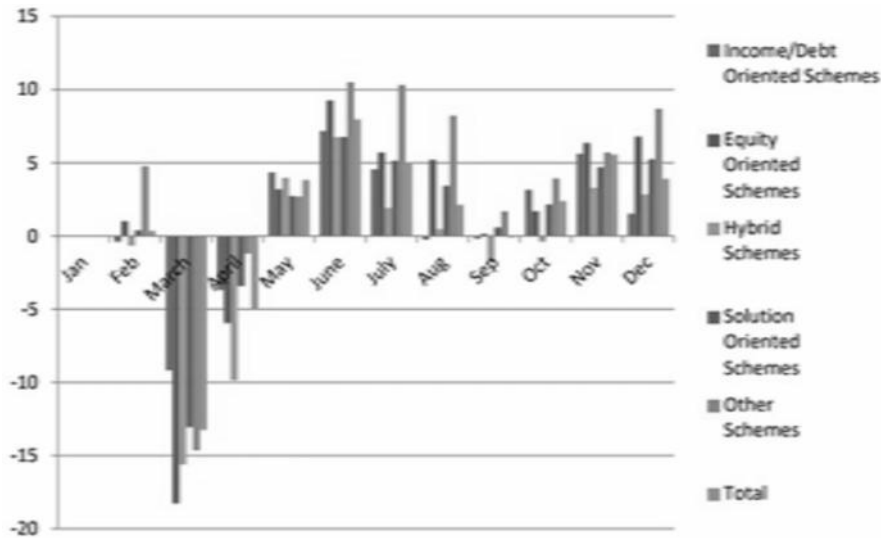


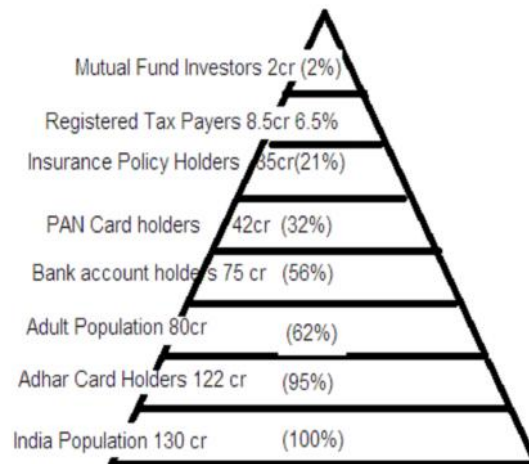
Figure 4: Average Asset Under Management in Percentage Change

As per above figure, Research shows that the performance of AAUM in percentage, The figure despite in March 2020 and April 2020 execution of mutual fund fall down to 8.35 %. There is drastic change in AUM. Mutual fund industry witnessed to significant decline in March and April due to heightened risk aversion due to COVID19 pandemic period.

Figure shows that after the month of April in mutual fund industry have seen positive change in market. All category funds witnessed from the month of May figure shows increase in investment of mutual fund in market. Research shows that AAUM increase 29.92 % in May to December. In last two month equity schemes show more return camper to other scheme. In short all fund schemes performs move in positive percentage change from the May 2020.

PROBLEMS AND ISSUES OF MUTUAL FUNDS:

1. Low Level of Awareness



The awareness of investors determines the success of mutual funds industry. In India, low investors awareness/information level and financial literacy have been causing biggest threats to mutual funds industry in channelizing the household savings into mutual funds. According to the Invest India Market Solutions Report (2007) and The Karvy Private Wealth Report (2010) reveals that "More than 40 percent of Indian household savings find their way into bank deposits. Only 3.8 percent of their savings go to mutual funds". The majority of new investors do not understand the concept, operations and advantages of investment in mutual funds. The lack of understanding about mutual fund products is more pervasive in semi-urban and rural areas.

2. Regulatory Problems

A strong regulatory framework is the key to success for any business. We have observed some areas in mutual fund regulations which are to be addressed soon so as to make it more competitive and transparent.

- i. Regulation on appointing trustees for Mutual Fund Industries
- ii. The absence of adequate regulations in against to the person who violating regulations of SEBI such erring persons in mutual funds cannot be said to secure the rights of investors properly.
- iii. No special qualifications for fund managers to face the risk of investment.
- iv. There are no separate regulations framed by SEBI formutual fund distributors. Which may lead to the reduce in the trustworthiness of Mutual Fund Industries
- v. Fund managers are bound to invest funds according to the investment objectives of schemes stated in the offer documents. They do not have choice to invest in other good performing securities. This mandate sometimes, restricts the mutual funds to perform effectively in the market.
- vi. Mutual fund products are used to have hazy names like,
T.I.G.E.R(The Infrastructure Growth and Economic Reforms),
S.M.I.L.E(Small and Medium Indian Leading Equities),
C.U.B(Competitive Upcoming Businesses),
Opportunities funds' and 'multi-cap' funds etc.,

Because of this, investors do not understand how diversified funds are different from 'opportunities funds' and 'multi-cap' funds. Owing to this, investors do not get the real picture about where the fund will be invested and what kind of risk it will take.

3. **Low Participation and Penetration:** Low retail participation is the biggest challenge Infront of Indian mutual funds industry regardless the availability of favorable retail environment and ample growth opportunities in the Indian economy.
4. **Limited Products:** In India, only about 1,200 mutual fund schemes are available in the market and most of which are either income fund, balanced fund, liquid fund or growth funds only. The sector specific funds, commodity funds, index funds, funds of funds (FOFs) and Exchange Traded Funds (ETFs) have recently been introduced in India. These funds have not gained adequate interest of investors yet. So, owing to few options, the investors in India are restricted to a limited range of mutual fund products.
5. **High Cost:** Mutual Fund Products are included with high administrative cost, mainly in the form of high fees and commissions. Higher sales cost and marketing costs are a dent to the profits of Indian mutual fund houses.
6. **Low Engagement and Misselling**

Inspite of taking huge amount of commissions in the form of upfront and trail fees, many distributors and mutual fund houses were not providing proper post sales services to the investors

s to investors. Owing to low engagement, there have been frequent and rising instances of misspelling of fund units to investors.

7. Other Problems:-

- i. The low level of financial literacy in investors is the biggest problem to mutual funds.
- ii. Herding behaviour keeps investors unaware of the existing market trends and also creates hypes and rumours among them regarding other good mutual funds.
- iii. Many Mutual fund companies in India are focusing on short-term growth strategies by concentrating more on heavy advertising and high selling practices leaving sideways the performance, product innovation and customer services.
- iv. **Secrecy in Documents** - The documents of mutual funds are often not sound because their operations are characterised by secrecy, lack of accountability, unwillingness to furnish required information.

OPPORTUNITIES OF MUTUAL FUND INDUSTRY

In any industry, innovation and improvements happen when the rules are changed. Large-scale environmental changes such as those that have taken place in the last three years must lead to innovation and evolution.

1. **Direct access to customers:** Using of technology helps an AMC (Asset Management Company) to reach the retail end user with solutions that enable transactions via platforms such as mobile or online platforms. This will not only give greater direct access to customer but will also help AMCs to better understand investor behaviour and create the appropriate environment and products to move towards long and healthy relationships with the investors.
2. **Reduction of Costs:** As the industry evolves, outsourcing an increasing number of functions to reduce the head-count and increase efficiency might be the norm. All aspects of operating costs must be examined for efficiencies.
3. Innovative product designed, re-positioning of ETFs (Exchange Traded Funds) and SIPs (Systematic Investment Plans)
4. **Better communication of scheme returns** on a relative basis to investors is required. The alpha achieved is insufficiently communicated or understood.
5. The **new AIF (Alternative Investment Fund) guidelines** will create opportunities to broaden the revenue base without commensurate cost increases.
6. **401K Moment:** The asset management industries in the US and in Japan have had their "401 k" (a type of retirement savings account in the US) moments. In the late 70s market regulators in the US permitted pension funds (later 401K) to invest a portion of their funds

(at the discretion of the individual) into mutual fund schemes. This saw a huge upsurge in the AUM of the industry as a whole. Similarly the Japanese asset management industry went on a growth surge around the turn of the century when the pension and retirement funds were permitted to be invested in the asset management schemes. The EPF (Employee Pension Fund) in India is a huge pool of long-term investible funds. These are expected to yield high returns. If the right mechanism were to be created to channelise even a small proportion of the funds to be invested in the Indian mutual fund schemes (specific schemes can be selected if required), it will provide a boost to the industry, apart from maintaining the more important objective of having the funds managed by a regulated sector and by persons with a track record. Imagine the change if 20% of the 3,00,000 crore INR were permitted to be invested in the Indian capital markets via the asset management industry. It will be the industry's "401K" moment. A similar impact could be generated by introducing the concept of individual retirement accounts (IRAs). Some of the investment products available are in the nature of retirement benefit plans (EPF, PPF and now NPS (National Pension Fund) as well as certain insurance products).

7. The recently announced **Rajiv Gandhi Equity Savings Scheme** is another opportunity for the mutual fund industry. We believe that given the low financial awareness of such new or first time investors in the far flung regions, it is imperative that these investors are channelised into the markets via mutual funds rather than directly investing into equities themselves!
8. **Advisory services to off-shore funds** should be explored further as an area of revenue diversification. More could be done in this direction.

MUTUAL FUND- EMERGING CHALLENGES

1. GROWTH V/S GOVERNANCE - A RIGHT MIX

The Indian Mutual Fund industry has held its ground in the center of hard times in capital market. As number of players in the market increases, competition may force fund houses to comply not only with the laid down regulations and concentrate more on growth but efforts in creating excellence in governance as well. In this challenging environment, mutual fund industries should focus on growth and governance surely.

2. ADMINISTRATION AND DISTRIBUTION

No discussion on mutual funds can be complete without touching upon the aspect of distribution. A lot has been spoken about the need to increase penetration of mutual funds in Tier II and Tier III cities. Rural participation in mutual funds continues to be poor. Such poor penetration has much to do with lack of investor awareness, inefficiencies in fund transfer mechanisms, presence of safer substitutes and cost of establishing presence in smaller areas. Fund houses cannot fight this battle single handedly. They need adequate support in terms of banking infra structure,

distribution services and technological solutions to ensure a sustainable cost-benefit model of growth.

3. INVESTOR EDUCATION- A DRIVING FORCE ON FINANCIAL PLANNING

The efforts taken by the industry and AMFI towards investor education are definitely showing results. The media is also making a fair share of its contribution. Today, we have news channels, running dedicated shows for mutual funds, wherein fundamentals of investing in mutual funds are explained and queries of investors are answered by experts. However, the fact remains that in our country mutual funds are sold rather than bought and this trend has been observed uniformly across all classes of investors and for all kinds of products. This is where professional help is required. The economic boom in our country has led to the emergence of a very strong Small and Medium Enterprise (SME) sector.

4. THE TECHNOLOGICAL BACKBONE

Fund houses have introduced interesting technological innovations such as transacting through the internet, net asset value updates on mobile phones, unit balance alerts via SMS messages, transacting through ATM cards etc. However, these innovations currently cater to pampered urban class of investors. The internet revolution in our country is yet to be penetrate to the grass root levels. The per capita usage of internet in our country is also limited compared to other countries. Herein lies another important challenge for the industry. It is very important to strike the right balance while choosing to invest in technological advancements.

5. DIMINISHING TALENT POOL

Print media these days has dedicated space to capture resource movements between companies, especially in the financial services sector. The acute shortage of talented resources is slowly but surely showing its impact. The pool of talented people is diminishing and staff costs are soaring. The key challenge is to find a permanent solution to tide over this acute shortage. One possible solution could be for the industry through AMFI to tie up with universities and colleges to offer programmes dedicated to the financial services industry which would cover various critical aspects of the financial services industry ranging from fund management, research, analysis, treasury, operations and accounting.

CONCLUSION

Mutual funds are a good source of investment for small investors. Irrespectively have different problems in mutual fund many investors came forward to invest their money in it, and they gave a contribution towards the economy development. Thus, it is important to address the above-mentioned problems in a comprehensive way for the sustainable and rapid growth of the mutual funds industry. By introducing the new generation products for the investors, funds houses now rolling up their sleeves to find effective solutions to newly emerging challenges. Because these

challenges will bring the fresh wave of opportunities. These opportunities and challenges can only lead to the advancement of the investment community at large. The message to the investors is, they can do Invest their money HAPPILY!.

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A Study on Mobile Banking in India

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ABSTRACT

Mobile banking is one of the sectors of mobile commerce that has a lot of connectivity with other fields. On the one hand, mobile banking is linked to clients, and on the other, it can be used by other companies in the sphere of electronic commerce. Providing efficient financial services in commerce. In this paper we are going to discuss about trends in new electronic payments, services of mobile banking with positive and negative factors.

Keywords: Mobile banking, Mobile technology, RBI, E banking.

Introduction: The earliest mobile banking service used SMS; a service referred to as SMS banking. With the introduction of smart phones with WAP support enabling the utilization of the mobile web in 1999, the primary European banks began to offer mobile banking on this platform to their customers.

Mobile banking before 2010 was most frequently performed via SMS; or the mobile web. Apple's initial system) have led to increasing use of special mobile apps, downloaded to the mobile device. Thereupon said, advancements in web technologies like HTML5, CSS3 and JavaScript have seen more banks launching mobile web-based services to enrich native applications. These applications are consisted of an internet application module is JSP like J2EE and functions of another module J2ME. [4]

A recent study (May 2012) by Mapa Research suggests that over a 3rd of banks [5] have mobile device detection upon visiting the banks' main website. Variety of things can happen on mobile detection like redirecting to an app store, redirection to a mobile banking specific website or providing a menu of mobile banking options for the user to settle on from. Mobile usage has seen an explosive growth in India. The most purpose of Mobile Banking scores over Internet Banking is that it enables 'Anywhere Anytime Banking is Available'. Customers don't need access to a computer terminal to access their bank accounts.

Mobile banking has completely transformed the banking experience for every one with smart Phone. Mobile banking is developed a completely new approach to the entire money management experience as a result of technological advancements. Mobile banking has become an indispensable instrument in the lives of an increasing number of individuals all around the world as it has increased in popularity in recent years. And, while mobile banking has many benefits, it also has significant drawbacks.

People were urged to use digital methods to conduct ordinary transactions as a result of the pandemic-induced lockdowns. As a result, according to Kotak Mahindra Bank's Chief Digital Officer in a panel discussion held in September 2020, "95 percent of transactions moved out of branches post-covid." This fact alone demonstrates the need of financial institutions investing in technical capabilities that will satisfy future demand.

OBJECTIVES

1. To understand the Perception of customers about mobile banking system.
2. To study various factors describing the use of mobile banking service by the users.
3. To determine the impact of mobile banking on customer's mode of transactions.
4. To compare and understand the impactful and transformative areas in mobile Banking.

RESEARCH METHODOLOGY

The Research develops concepts in simple to establish priorities, improve the usage and development of technological research design. This research is based on the collection of data through google form's questionnaire with mobile banking user and non-user.

ADVANTAGES

With mobile Banking users with the smart phone can transfer money from there bank account to another bank account, Anywhere, using internet. These facilities are available 365days 24/7 It provides a simple and convenient for many local mobile users. Mobile Banking is said to be safer and less risk than online internet banking. With the help of mobile bank users can send money, pay invoice, Check Account Balance, investigation of recent transactions Block ATM Card and more. Mobile banking is cheap and banks offer this service to their customers at low cost.

SECURITY

A bank will integrate your account with your device so that you and the bank get notified the moment some hence tires logging in. You can beef up the financial transactions once you log into your mobile baking app by using a multi-level authentication system that demands the user to go through a two (or more) pronged security set-up before managing the account.

EASE OF ACCESS

You can easily access your account 24/7 and transfer funds whenever needed. You do not have to wait for the bank to reopen the following day to transfer money to another account. One of the primary benefits of Mobile Banking is that it has made it possible for you to stonewall the typical challenges of accessing your account once the bank's branch closes for the day.

CONVENIENCE

When high -speed internet started making its way to every home in urban India, It has become extremely easy to carry out banking transactions from the comfort of your home.

HELPS TRACK CUSTOMER FINANCES

Customer can always monitor Their account balance and transfer money from a different account if need be. They can check their balance and Statement anytime, and it provides better gauge for their financial standing.

ENVIRONMENT AND USER FRIENDLY

This Contributes to a better environment, It does away with the use of paper as every notification as the transaction is electronically controlled. Mobile is user Friendly A menu tree will be available in the mobile with the help of that easily we can make the transactions.

EXAMPLE:(123/*etc....)

MINIMIZES ERRORS

Mobile applications will greatly minimize the errors that humans will make. Fewer errors are a requisite/ defined of a good mobile app.

DISADVANTAGES

Mobile banking is not available is not available on all mobile phones sometimes it requires you to install apps on your phone to use the mobile banking feature with is available on the high-end smart phone. So, this service will be limited to those who doesn't have smart phones, and also regular usage of mobile banking leads to extra charges. Sometimes, users of mobile banking receive fake SMS messages and scams. In many cases, the loss of a customer's mobile device gives criminals access to mobile banking PINS and other sensitive information.

RISK

Be careful not to open unknow links in your mails this makes customers more vulnerable to mobile banking scams. Also, do not access mobile banking from Wi-Fi spots, this is Very Dangerous and can be risky and also keep in mind to avoid using simple.

EXPENSIVE

Few Disadvantages associated with mobile banking, such as the need for expensive phones to process transactions.

ADDITIONAL CHARGES

Regular users of mobile banking over time can accumulate signification charges from there banks

INTERNET ISSUES

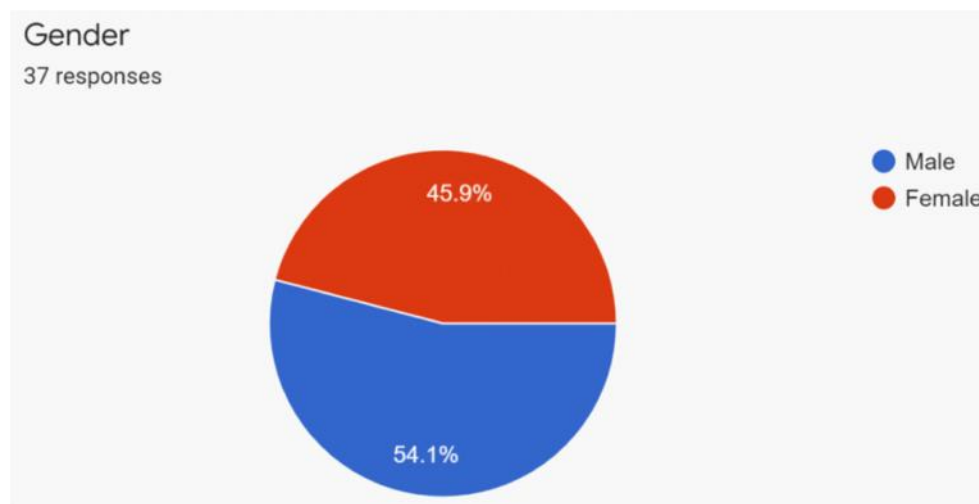
Most of the apps require Internet connection, people living in rural area experience the problem with their network issues and some times there mobile runs out of Battery.

SOFTWARE ISSUES

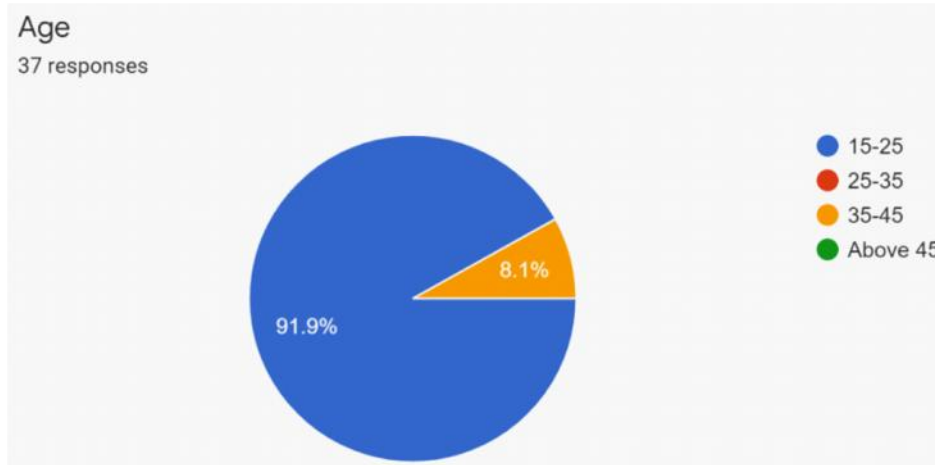
Many phones aren't yet compatible with anti-virus software. Most cell phone are not standard with anti-virus protection. Some, banks don't offer the same level of protection for cell phone banking because of that, Customers face problems even though the technology is updated Hackers Exploiting Vulnerabilities of Mobile Banking apps to steal the money of the customers.

PROBLEMS OF CUSTOMERS OF MOBILE BANKING

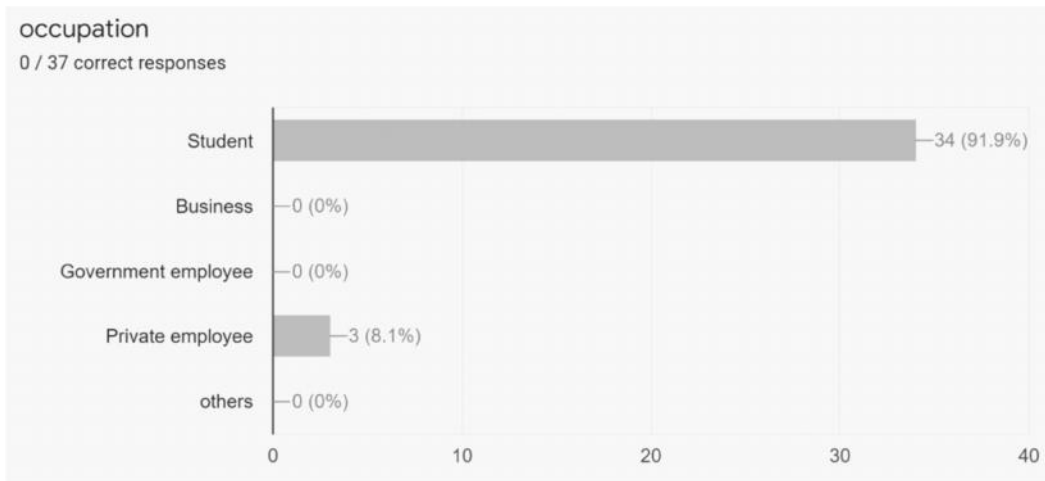
- Excessive/hidden fees
- Bad customer service
- Checks/Funds bouncing
- Most expensive debits charges first
- Mortgage/Loans issues
- Loyalty means nothing
- Huge Errors/ mistakes
- Email and Web Security
- Application distribution
- Inadequate guidance



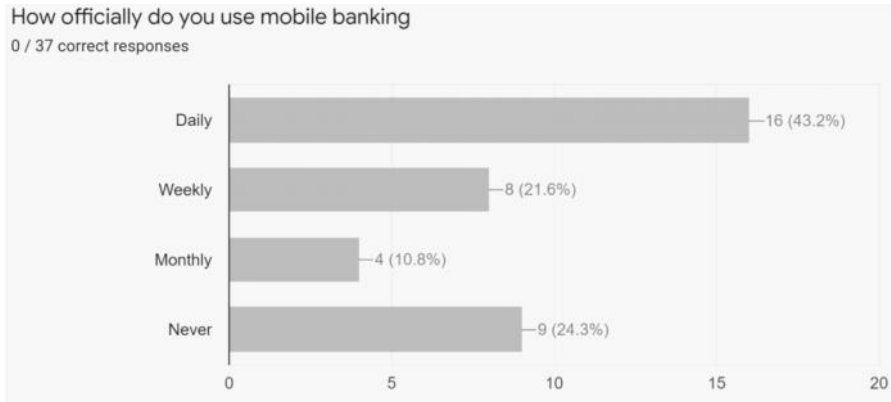
The above pie chart illustrates the information about the frequency with which males and females used mobile banking according to our survey.



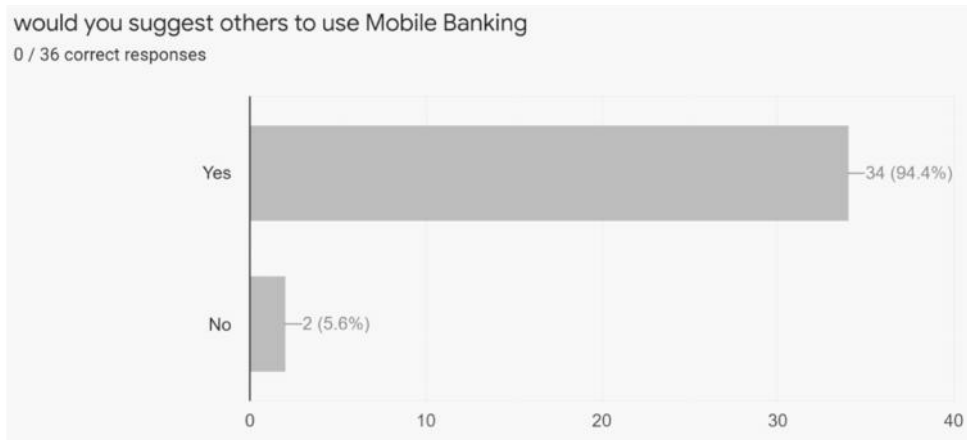
The above pie chart is a fraction of the total and it is used to represent the data of the age group.



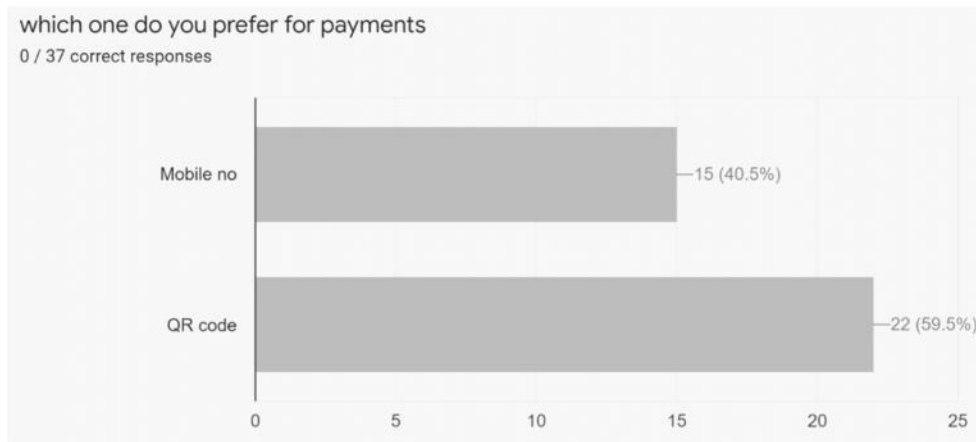
In our survey, we got more responses from students. The information is collected through Google Forms. 3



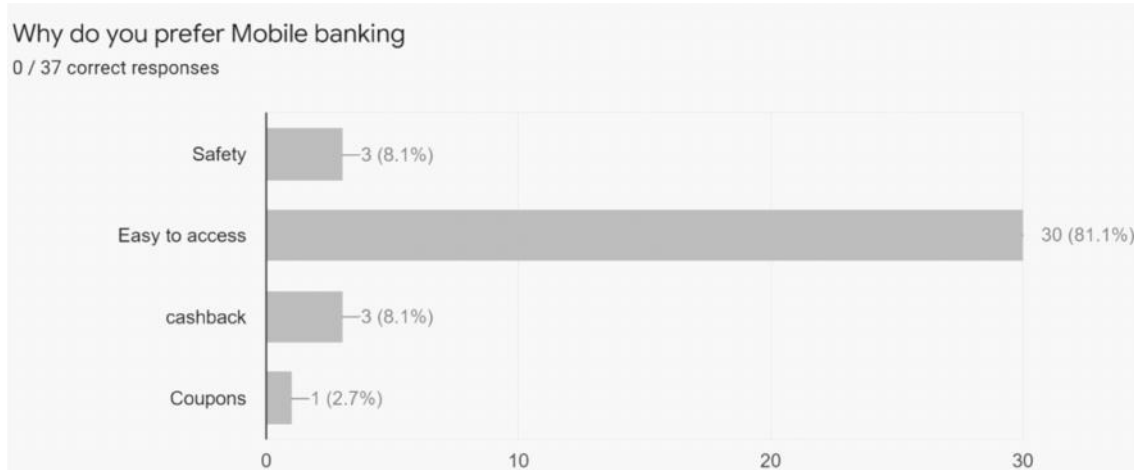
This represents about the usage of mobile banking.



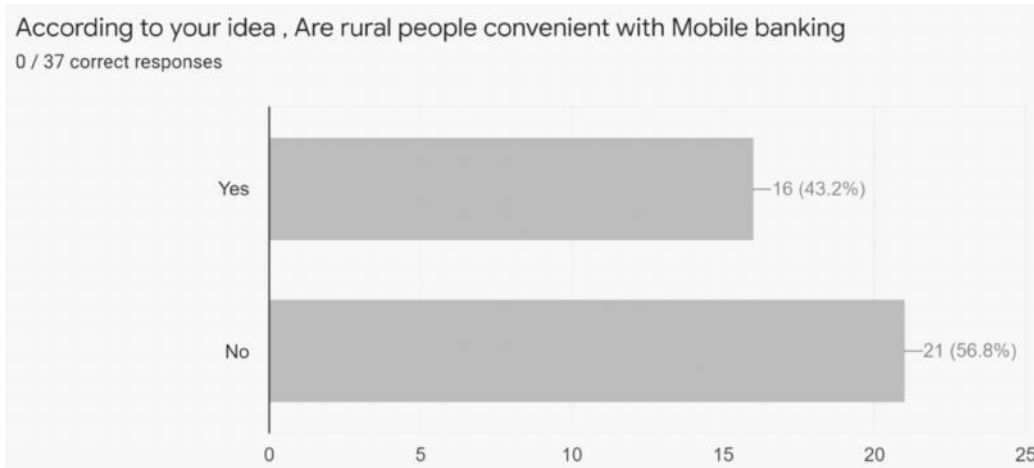
According to our survey, most people are suggesting others use mobile banking.



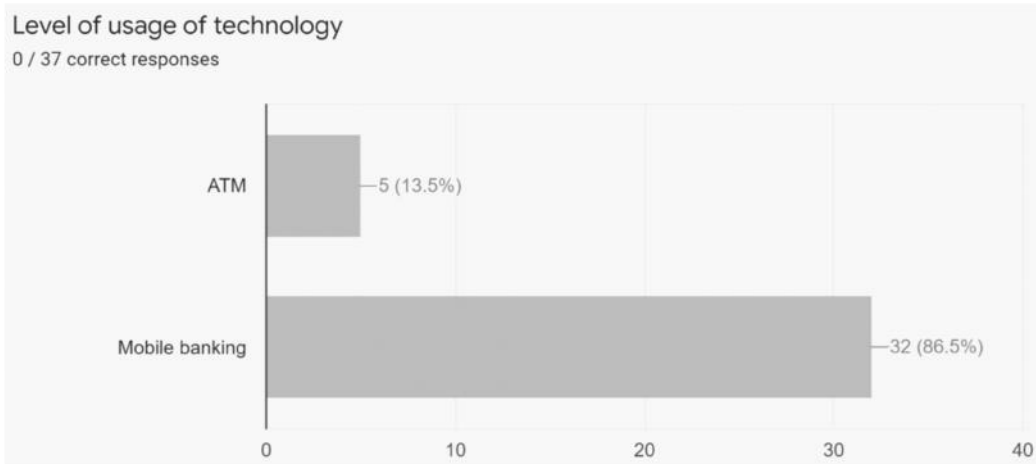
According to our survey, most people prefer QR codes.



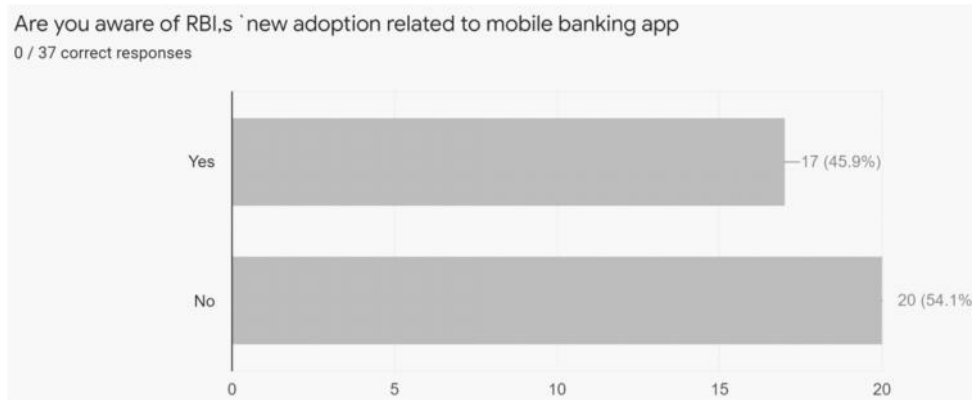
This graph illustrates about the access of mobile



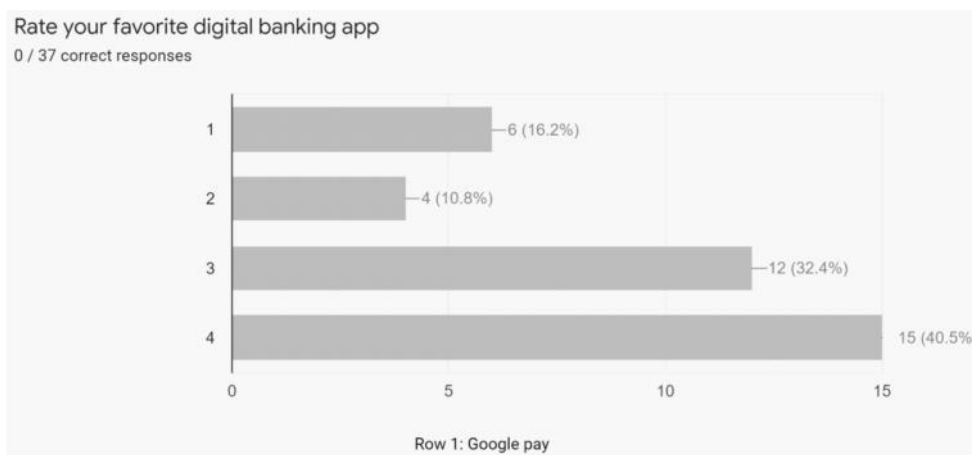
According to our survey, in rural areas, people are not convenient with mobile banking.



This graph illustrates about usage of mobile banking .



The above graph represents RBI new adoption related to mobile banking.



According to our survey most of the people are using google pay.

RESEARCH METHODOLOGY

In this research paper, the paper is based on exploratory research. This research is based on the data collected through google form (questionnaire) from mobile banking users we got the information from the age below 45 and especially we found responses from students. Based upon the information we received we designed the paper.

Research Design : The data have been grouped into two main categories .Primary and secondary data. The secondary data have been compiled from Newspapers, Journals, Magazines and Web link and also research papers. The primary data have been collected through explanatory research - 30 questionnaires were distributed among the users and non users of mobile banking, basically Businessmen, professionals, employees, students etc.

REVIEW FINDINGS

1. Banks should create awareness about the mobile banking services through advertisements, pamphlets etc.. So, that the customer feels informed and it may create interest among them especially in rural areas.
2. Trust is also an important point of concern. Trust between customers and service providers is very important .
3. Most of the users of mobile banking are using it because of easy access, so service providers should provide high security from hacking.
4. As the rural area people can't afford smartphones our RBI initiated a new app with the name UPI123 pay for the feature phones. Users can do transactions without the internet.
5. Most of the people likely to use QR code in UPI payments because of ease of access.
6. Payments with UPI became part of our daily life.
7. Digital transactions increased after the pandemic .

LITERATURE REVIEW

The bank provides mobile banking services to their customers, wishing to increase their customer share by removing all the hurdles in the way of adoption of mobile banking services. The role of banking is very important in operating the business as well as industry functions. As the Internet banking is still in its growing stage, mobile banking has emerged as the next advance way of doing banking. The scope of offered services may include facilities to conduct bank transactions, to administer accounts and to access customized information (Tiwari & Buse, 2007).

The study indicates pursued ease of use as significantly induced customers for adoption of mobile banking in northern part of Gujarat {Kiri 2020}

The study revealed usage of mobile banking among rural areas majority of customers have lack of trust in mobile banking usage even though customers in rural area aware about mobile banking the trust issues are main reason of not utilising m-banking services {baghyalaxmi burra 2021 }

CONCLUSION

Mobile banking in india is becoming very famous especially after pandemic because of touchless transaction but still some of the people are not aware of mobile banking and avoid using it especially illiterates and the people who live in rural areas because of network issues they believe traditional banking is safe even the bank id providing 365 days and 24X7 services mobile banking is became useful to most professional persons to track their expenses customer services have a positive effect on the perceived usefulness of mobile

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A Study on "Working Capital Management, Liquidity and Solvency Position of the Aviation Industry with Special Reference to Indigo Airlines"

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ABSTRACT

Finance plays an important role in the every day life of an individual and also to the corporates as there is no finance the business cannot survive, it is rightly said that "finance is the lifeblood of every business". Finance i.e, money which is required for the corporates in the form of fixed capital and working capital, fixed capital which is in the form of long term in nature for the purpose of purchasing assets of the company, working capital is for the short term nature which for analysing the day to day financial requirement of the company.

This study is mainly to evaluate working capital adequacy and liquidity of indigo airlines. A fine planned and practical working capital management decides the firm's profitability and helps to uphold liquidity controls. The management of working capital is important to the financial strength of business of all scopes. A balance between liquidity and profitability for conducting day to day operations of the business concern can be well understood by the working capital management.

Liquidity management is nothing but the analysis of short term debt paying capacity of a firm which is ahead more important and obtains serious acceptance all over the world, especially with current financial crisis. For the successful functioning of a business firm, analysing liquidity ratios plays an important role. The present study aims to study the working capital management and liquidity of InterGlobe Aviation Limited - IndiGo Airline.

Aviation is one of the important industries in India as it contributes more to the economy and it provides more employment opportunities directly and indirectly to many people. Although the following study places major emphasis on IndiGo Airlines, it can directly or indirectly imply the position of other such airline companies in the industry.

Key words: Fixed capital, Working capital, Liquidity, Profitability, Working capital management, Financial crisis.

1.1 Introduction

Working capital is an vital part of the airline's capital. money for aircraft is required for fuel, supplies and spare parts and also for the aircraft lease deposits, cash, bank balance and so on. The working capital management is an imperative factor of airlines financial management because it directly affects the liquidity and profitability of the airlines. So it is one of the pointers to measure performance and short-term financial strength, and help investors with the commentaries on the performance of airlines. This article examines the impact of working capital management to business performance of Indigo Airlines. To solve this problem, the article will study the theoretical basis and build model, collect data and analyze data. The results will determine the importance of working capital management to business performance and suggested solutions to improve the business operational efficiency of the airline.

Working Capital:

Working capital is the amount of funds required by a business to maintain day-to-day operational expenses. In simpler terms it is required to run the day-to-day operations of the business. Since the business environment is dynamic in nature, estimation of such working capital is complex and must take into consideration various factors such as nature and size of the business, type of industry, credit policy, various economic factors etc.

Working Capital Management(WCM):

It refers to a company's managerial accounting strategy developed and designed so as to monitor two components of working capital - Current assets and Current liabilities - to facilitate an efficient operation of the company. Maintaining sufficient cash flow is the the primary aim of working capital management to meet day-to-day operating costs. Working Capital Management seeks to formulate proper policies for managing current assets and current liabilities as well as the techniques for maximizing the benefits derived from it.

Concepts of Working Capital:

There are two concepts of working capital:

- (i) **Gross Working Capital** - It refers to a firms investment in current assets circulating from one form to another during the ordinary course of business. Therefore, it refers to the sum total of current assets which includes but is not limited to Cash and Cash equivalents, Bank Balance, Inventories, Prepaid Expenses etc.
- (ii) **Net Working Capital** - NWC refers to the difference between current assets and current liabilities. The difference could result in the following cases:
 - **Positive Working Capital (CA>CL)** - It is said to be positive working capital when the current assets is in excess over current liabilities, they are financed through long term sources of funds

- Negative Working Capital ($CA < CL$) - It is when the current liabilities is in excess over current assets, it is that part of current liabilities that is used for investment in fixed assets.
- Zero working capital- ($CA = CL$)- it is said to be zero working capital when the current assets are equal to the current liabilities.

Firms often try to maintain positive working capital at a level that ensures better liquidity, higher profitability at a reasonable level of risk.

1.2 Industry and company profile:

According to the International Air Transport Association (IATA), Aviation in India, broadly divided into military and civil aviation, is the fastest-growing aviation market in the world. The hub of the nation's aviation manufacturing industry is at Bangalore which has a 65% share of this economic sector.

IndiGo is India's largest passenger airline operating as a low-cost carrier, Serving 86 destinations including 24 international destinations, provide passengers with a simple, unbundled product, fulfilling our singular brand promise of providing "low fares, on-time flights, and a courteous and hassle-free service" to our customers. In addition to passenger transportation, their activities primarily include cargo and mail services on scheduled flights. IndiGo initiated operations in August 2006 with a single aircraft and has grown its fleet to 262 aircraft as of March, 2022

1.3 Significance Of the Study:

The Working Capital Ratio is important because it shows the liquidity of the company and how fast is the company able to pay off its debts. It involves the study of day-to-day affairs of the company. This study will help the airline company in future planning and decision control and also determine the soundness of the firm as to its liquidity and solvency position.

1.4 Objectives of the study:

1. To study the working capital performance of IndiGo Airlines
2. To study the liquidity and solvency position of IndiGo Airlines

1.5 Scope of Study:

The study being centered around the working capital performance of the aviation industry provides scope for the usage of specific ratios and at the same time the study will be able to throw light on to certain financial aspects of the industry as a whole.

1.6 Research Methodology:

The study is analytical in nature and its primarily dependent on secondary data. For this purpose, the annual reports(2016-2020) of IndiGo Airlines were obtained and research was carried out. The following methodology was used to conduct the study and make final deductions:

- (a) **Content Analysis** - It is a qualitative research tool or technique that is used widely to analyze the content and its features. It is an approach used to quantify qualitative information by sorting data and comparing different pieces of information to summarize it into useful information. In this study the data of various years are studied to derive relationships between accounting variables and determine their cause and affect relationship.
- (b) **Comparative Analysis of Financial Information** - Making comparisons is always helpful to determine whether a company's performance has improved or remained stagnant over a certain period. For this purpose the Statement of Change in Working Capital will be prepared to monitor and compare the working capital performance of IndiGo Airlines over a period of five years. Industry specific ratios will also be used to analyse the liquidity and solvency position of the company.
- (c) **Graphical Representation of Data** - It is one of the methods used to carry out data analysis or derive statistical information and they are of several types. In this study, a linear graphical representation(Line Graph) will be carried out to determine the position of the company for each area of study under the period of research.

1.7 Limitations of the study:

1. The research is conducted for a period of five years which may not allow us to form a solid opinion about the position of the firm.
2. Secondary data is taken into consideration leaving room for manipulation.
3. This study is limited to one company which will only give us a partial view of the overall Working Capital Management in the aviation industry.

2. Review of Literature:

- 1) "AN EMPIRICAL ANALYSIS OF WORKING CAPITAL MANAGEMNET OF SELECTED AIRLINE COMPANIES IN INDIA" Authors - Mrs. G KALPANA, Dr. A. MUTHUSAMY, International Journal Of Management Studies, Vol.-V, Issue 2(5), April 2018, ISSN(Print) 2249-0302, ISSN(Online)2231-2528. This study made an attempt to analyse the working capital efficiency of three airline companies - Jet Airways, Indigo Airlines, Spice Jet- for the study period from 2010/2011 - 2016/17. Ratio analysis and Y- score model was used to determine satisfactory position of these three companies.
- 2) "THE EVALUATION OF WORKING CAPITAL IN AIRLINE COMPANIES WHICH PROCEED IN BIST" Authors - Mr. SELCUK KENDIRLI, Mr. ASLIHAN KAYA, Journal of Economic Development, Environment and People, Volume 5, Issue 1, 2016, ISSN 2285-3642. The study aimed at assessing the working capital of airline companies in terms of effectiveness. The airline companies that trade shares in BIST are a sample of this study. Ratio analysis and corresponding graphical representation is used to determine the working capital effectiveness of these companies for five years(2009-2013).

3. Theoretical aspects related to study:

Statement of Changes in Working Capital:

It is a statement prepared to record the changes in current assets and current liabilities during a particular accounting period. The working capital is bound to change during this period due to increase or decrease in the value of current assets or current liabilities. The purpose of preparing this statement is to measure the increase or decrease in the individual terms of current assets and current liabilities and calculate the net increase or decrease in working capital during the accounting period to facilitate proper estimation of cash flow statement. Through this study the statement of changes in working capital will help reflect the effectiveness of the firm's Working.

Maintaining Adequate Liquidity:

The term 'liquidity' refers to the capability of a firm to meet short term financial obligations (Current Liabilities) by converting short term assets (Current Assets) into liquid cash. Other than the most liquid form of current assets - Cash, the other short term assets have a varying degree of liquidity based on time taken to be converted to cash. Liquidity is considered as an essential pre-requisite for the survival of a business.

Ratio Analysis:

The financial statements of a company helps depict the financial performance of the company for the current year or previous corresponding years. Balance Sheet and the Profit and Loss Account are taken into consideration while calculating ratios. Ratio Analysis in Working Capital Management in Aviation Industry Working Capital Management commonly involves monitoring cash flow, assets and liabilities through the ratio analysis of key elements of operating expenses. A set of aviation industry specific ratios are considered while assessing working capital management

- 1) **Liquidity Ratios:** These ratios determine a debtor's ability to pay off short-term debt without having to raise external capital. Figures from the Balance Sheet and Profit and Loss Account are considered for this purpose.

S.No	Ratios	Formula
1.	Current Ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
2.	Quick ratio	$\frac{\text{Liquid assets}}{\text{Current liabilities}}$
3.	Current Cash Debt Coverage	$\frac{\text{Operating income}}{\text{Average current liability}}$

- 2) **Turnover Ratios:** A turnover ratio represents the amount of assets or liabilities that a company replaces in relation to its sales. The efficiency at which a firm utilizes its assets is determined by these ratios. A high ratio is considered to be satisfactory.

S.No	Ratios	Formula
1.	Working Capital Turnover Ratio	$\frac{\text{Net sales}}{\text{Working capital}}$
2.	Current Assets to Total Assets Ratio	$\frac{\text{Current assets}}{\text{Total assets}}$
3.	Assets Turnover Ratio	$\frac{\text{Net sales}}{\text{Average total assets}}$
4.	Fixed assets turnover ratio	$\frac{\text{Net sales}}{\text{Average fixed assets}}$

- 3) **Profitability Ratios:** Profitability ratios measures the profitability of the business. A firm must earn sufficient profits in relation to sales generated or services rendered and also in relation to capital invested in a business. These ratios help assessing the overall efficiency of the business. These ratios are calculated to analyze the earning capacity of the business which is the outcome of utilization of resources employed in the business.

S.No	Ratios	Formula
1.	Operating Ratio	$\frac{\text{Operating cost}}{\text{Net sales}}$
2.	Profit Margin	$\text{Profit/ netsales} * 100$

- 4) **Solvency Ratio:** Solvency ratios are calculated to judge the long term financial position of a the business. They help to determine the ability of a firm to service its debt in the long term. In short, it is the firm's ability to meet long term liabilities.

S.No	Ratios	Formula
1.	Debt to Equity Ratio	$\frac{\text{Long term debt}}{\text{Equity}}$
2.	Debt to Assets Ratio	$\frac{\text{Total debt}}{\text{Total assets}}$

Financial Year - 2018/2019

Statement of Change in Working Capital

Particular	Amount - 2018 (Mil in rupees)	Amount - 2019 (Mil in rupees)	Increase	Decrease
Current Assets(CA)				
Inventories	1832.27	2114.41	282.14	
Investments	63439.12	65165.70	1726.58	
Trade Receivables	2263.15	3624.67	1361.52	
Cash and Cash Equivalents	6706.28	7127.83	421.55	
Bank Balances	59099.73	78935.80	19836.07	
Loans and Advances	1914.95	4669.61	2754.66	
Other Financial Assets	4580.25	7925.20	3344.95	
Other Current Assets	6479.22	11469.76	4990.54	
Total	146314.97	181032.98		
Current Liabilities(CL)				
Trade Payables	10001.56	14552.42		(4550.86)
Other Financial Liabilities	15472.83	21230.48		(5757.65)
Provision	1032.46	1635.43		(602.97)
Current Tax Liabilities	127.51	33.51	94.00	
Other Current Liabilities	29156.70	31793.44		(2636.74)
Deferred Incentives	5438.80	10739.15		(5300.35)
Total	61229.86	79984.43		
Working Capital(CA-CL)	85085.11	101048.55		
Increase in WC	15963.44			15963.44
Total	101048.55	101048.55	34812.01	34812.01

Source: annual reports

Key Points

As is evident from the statement the company witnessed an increase in working capital which implies a favorable liquidity position, but there a decrease in the percentage increase of working capital by 58% when compared to previous year meant that the company's short term obligations increased when compared to its assets.

Ratio Analysis- 2019

S.No	Ratio	Value
1	Current Ratio	2.3: 1
2	Quick Ratio	2.2: 1
3	Current Cash Debt Coverage Ratio	4.0: 1
4	Working Capital Turnover Ratio	2.8: 1
5	Current Assets to Total Assets Ratio	0.7: 1
6	Fixed Assets Turnover Ratio	4.3: 1
7	Assets Turnover Ratio	1.2: 1
8	Debt to Equity Ratio	1.4: 1
9	Debt to Assets Ratio	0.7: 1
10	Operating Ratio	1.1: 1
11	Profit/Loss Margin	0.55%

- A favorable current and quick ratio was maintained by the company improving their ability to meet short term obligations. The current cash to debt ratio inched closer to its standard norm for this year implying an improved liquidity position of the company.
- The WCR of the company remains satisfactory.
- Current assets account for 70% of total assets.
- The assets turnover ratio and fixed asset turnover remains satisfactory despite the decrease in percentage of sales.
- Excess of equity over debt is evident from the Debt to Equity ratio, making it favorable and also increases the firms ability to meet long term debt with the available resources (Debt to Assets Ratio)
- Operating ratio of the company is yet favorable despite an increase in operating expenses.
- The company has a profit margin of 0.55%

Financial Year - 2019/2020

Statement of Change in Working Capital

Particulars	Amount - 2019 (Mil in rupees)	Amount - 2020 (Mil in rupees)	Increase	Decrease
Current Assets(CA)				
Inventories	2114.41	2861.28	746.87	
Investments	65165.70	94991.67	29825.97	
Trade Receivables	3624.67	2596.11		(1028.56)
Cash and Cash Equivalents	7127.83	6760.42		(367.41)
Bank Balances	78935.80	101533.64	22597.84	
Loans and Advances	4669.61	4551.23		(118.38)
Other Financial Assets	7925.20	6231.06		(1694.14)
Other Current Assets	11469.76	4589.17		(6880.59)
Total	181032.98	224114.58		
Current Liabilities(CL)				
Trade Payables	14552.42	15654.66		(1102.24)
Other Financial Liabilities	21230.48	45897.39		(24666.91)
Lease Liabilities	-	64544.27		(64544.27)
Provision	1635.43	13950.90		(12315.47)
Current Tax Liabilities	33.51	30.76	2.75	
Other Current Liabilities	31793.44	23551.09	8242.35	
Deferred Incentives	10739.15	476.05	10263.10	
Total	79984.43	164105.12		
Working Capital(CA-CL)	101048.55	60009.46		
Decrease in WC		41039.09	41039.09	
Total	101048.55	101048.55	112717.97	112717.97

Source: annual reports

Key Points:

The company experienced a decrease in working capital for the year ended 2020, implying a higher percentage increase in current liabilities(lease liabilities was an additional liability) when compared to percentage increase in assets. This means that the company will remain in an unfavorable liquidity position in the coming financial year.

Ratio Analysis- 2020

S.No	Ratio	Value
1	Current Ratio	1.4:1
2	Quick Ratio	1.3:1
3	Current Cash Debt Coverage Ratio	2.9:1
4	Working Capital Turnover Ratio	5.9:1
5	Current Assets to Total Assets Ratio	0.5:1
6	Assets Turnover Ratio	1.1:1
7	Fixed Assets Turnover Ratio	2.7:1
8	Debt to Equity Ratio	3.4:1
9	Debt to Assets Ratio	0.9:1
10	Operating Ratio	1.1:1
11	Profit/Loss Margin	(0.69)%

- The Current and quick ratio of the company decreased due to an increase in short term debt for the current year. The Current cash debt coverage ratio decreased from 2019.
- The company's WCR improved from the previous year which implies low working capital and an increase insales.
- The current assets for the current year accounts for 50% of totalassets.
- Assets Turnover ratio is favorable implying efficiency in utilization of assets. The fixed asset turnover ratio is decreased to 1.1 under the period of study.
- The company's debt to equity ratio experienced a unfavorable situation as compared to the year 2019
- Operating expenses remain under measures as is evident from operatingratio.
- The loss margin of the company increased to (0.69)% resulting in greater debt.

Financial Year - 2020/2021

Statement of Change in Working Capital

Particulars	Amount - 2020 (Mil in rupees)	Amount - 2021 (Mil in rupees)	Increase	Decrease
Current Assets(CA)				
Inventories	2861.28	3164.18	302.9	
Investments	94991.67	72899.76		(22091.91)
Trade Receivables	2596.11	2191.66		(404.45)
Cash and Cash Equivalents	6760.42	5082.86		(1677.62)
Bank Balances	101533.64	107187.80	5654.16	
Loans and Advances	4551.23	1286.04		(3265.19)
Other Financial Assets	6231.06	6192.86		(38.2)
Other Current Assets	4589.17	8146.77	3557.6	
Total	224114.58	206151.87		
Current Liabilities(CL)				
Borrowings	--	21239.95		(21239.95)
Trade Payables	15654.66	15560.59	94.07	
Other Financial Liabilities	45897.39	47234.60		(1337.21)
Lease Liabilities	64544.27	70734.97		(6190.7)
Provision	13950.90	16067.36		(2116.46)
Current Tax Liabilities	30.76	30.76	--	
Other Current Liabilities	23551.09	17673.46	5877.63	
Deferred Incentives	476.05	476.03	0.02	
Total	164105.12	189017.72		
Working Capital(CA-CL)	60009.46	17134.15		
Decrease in WC		42875.31	42875.31	
Total	60009.46	60009.46	58361.69	58361.69

Source: annual reports

Key Points:

The company experienced a decrease in working capital for the year ended 2021, implying a higher percentage increase in current liabilities (borrowings was an additional liability) when compared to percentage increase in assets. This means that the company will remain in an unfavorable liquidity position in the coming financial year

Ratio Analysis- 2021

S.No	Ratio	Value
1	Current Ratio	1.1:1
2	Quick Ratio	1.1:1
3	Current Cash Debt Coverage Ratio	0.8:1
4	Working Capital Turnover Ratio	8.5:1
5	Current Assets to Total Assets Ratio	0.5:1
6	Assets Turnover Ratio	0.3:1
7	Fixed Assets Turnover Ratio	0.7:1
8	Debt to Equity Ratio	338.5:1
9	Debt to Assets Ratio	0.99:1
10	Operating Ratio	1.5:1
11	Profit/Loss Margin	(40)%

- The Current and quick ratio of the company decreased due to an increase in short term debt for the current year. The Current cash debt coverage ratio decreased as compared to the year 2020
- The company's WCR improved from the previous year which implies low working capital and an increase in sales.
- The current assets for the current year accounts for 50% of total assets.
- Assets Turnover ratio is 30% and fixed assets turnover is 70% under the period of study
- The company's debt to equity ratio experienced a worst situation where in debt is very much more than the equity might be the reason of covid.
- Operating expenses has been increased as compared to the year 2020.
- The loss margin of the company increased to (40)% resulting in greater debt.

Graphical Representation**(a) Liquidity Ratios:****Current Ratio**

Ratio	2019	2020	2021
CR	2.3	1.4	1.1

Table: a.1

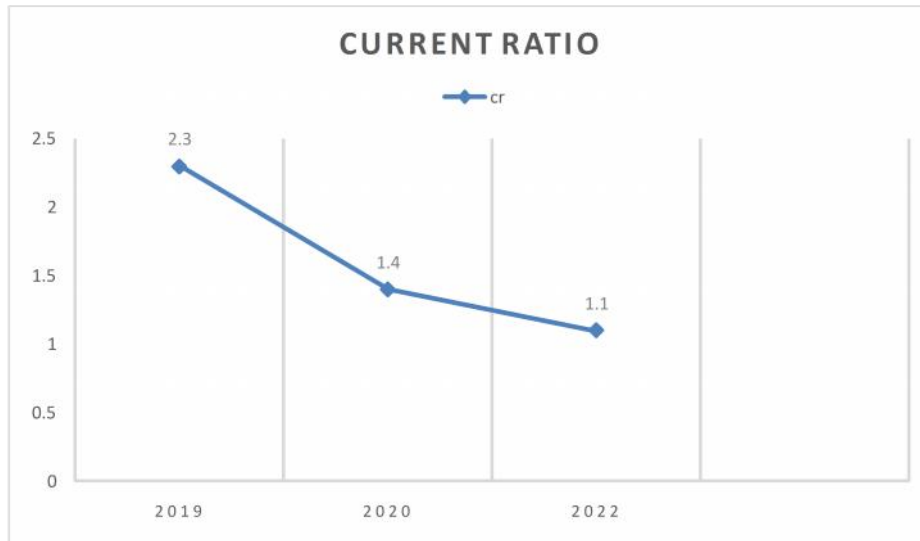


Figure: a.1

Interpretation

As per the standard norm, a current ratio of 2:1 is said to be ideal, this is noticed in the year 2019 where the current ratio is above the standard norm. For the year 2020 and 2021, the current ratio stood at 1.4 and 1.1 which is unfavorable and must improve.

Following the graph, current ratio of the company showed a decreasing trend under the period of study.

Quick Ratio

Ratio	2019	2020	2021
QR	2.2	1.3	1.1

Table: a.2

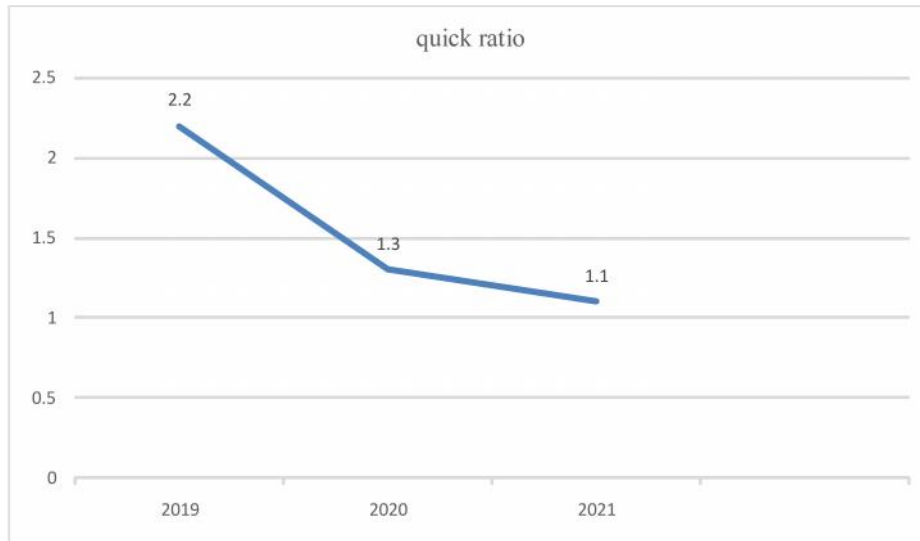


Figure: a.2

Interpretation

In the year 2021, the quick ratio of IndiGo Airlines were at the standard norm of 1:1. The ratio increased from 1 to 1.3 and 2.2 in the year 2020 and 2019 which was an unfavorable situation.

The graphical representation of quick ratio shows an decreasing trend from 2019 to 2021.

Current Cash Debt Coverage Ratio

Ratio	2019	2020	2021
CCDCR	4.0	2.9	0.8

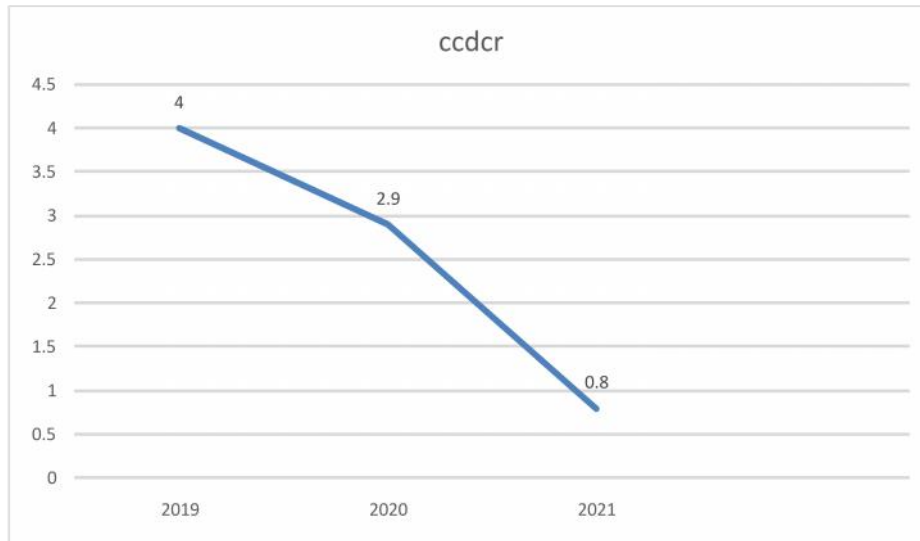


Figure : a.3

Interpretation

- This ratio to study whether a company can fund its own operations from its activity. A ratio of 1:1 is considered to be ideal.
- From the graph it is evident that the income generated from operating activities of the company is not enough to fulfil short term debt. In the year 2021, the company witnessed CCDCR(0.8) which is slightly below the standard, prior to these two years the ratio implied an unfavorable position for the airline company.
- The graph shows an decreasing trend of the ratio under the period of study.

(b) Turnover Ratio

Working Capital Turnover Ratio

Ratio	2019	2020	2021
WCTR	2.8	5.9	8.5

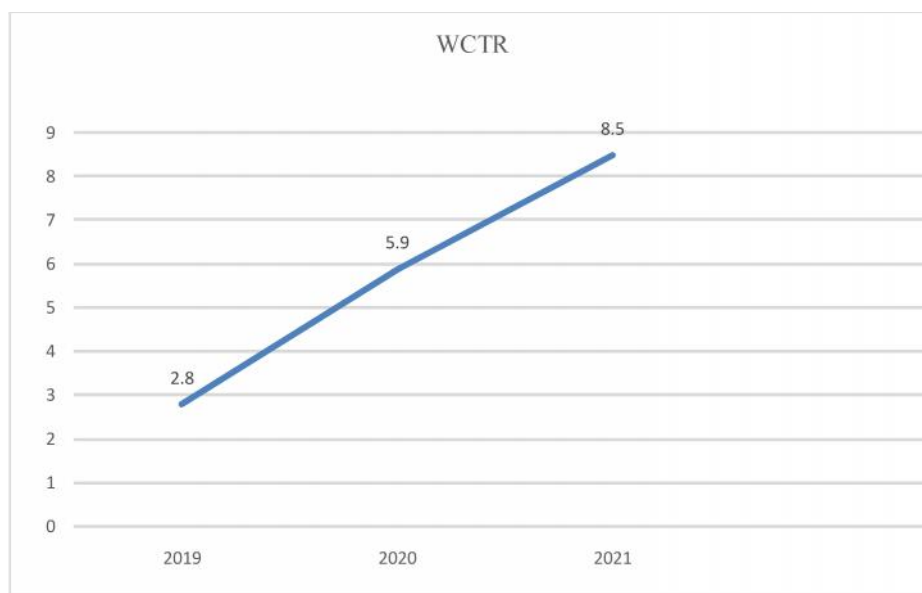


Figure: b.1

Interpretation

Under the period of study, the working capital ratio of the company was at its peak in 2016(1) after which a rapid decrease in the ratio was witnessed due to increasing rate of working capital as compared to sales. From 2019(4) the ratio started increasing due to decrease in working capital.

From the graph its evident that the working capital turnover ratio witnessed a increasing trend.

Current Assets to Total Assets Ratio

Ratio	2019	2020	2021
CA/TA	0.7	0.5	0.5

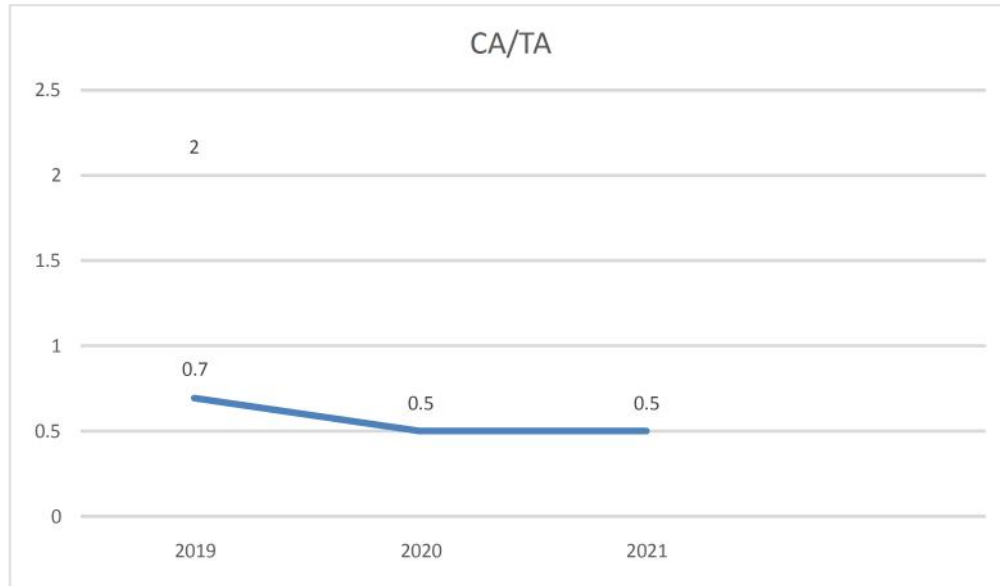


Figure: b.2

Interpretation

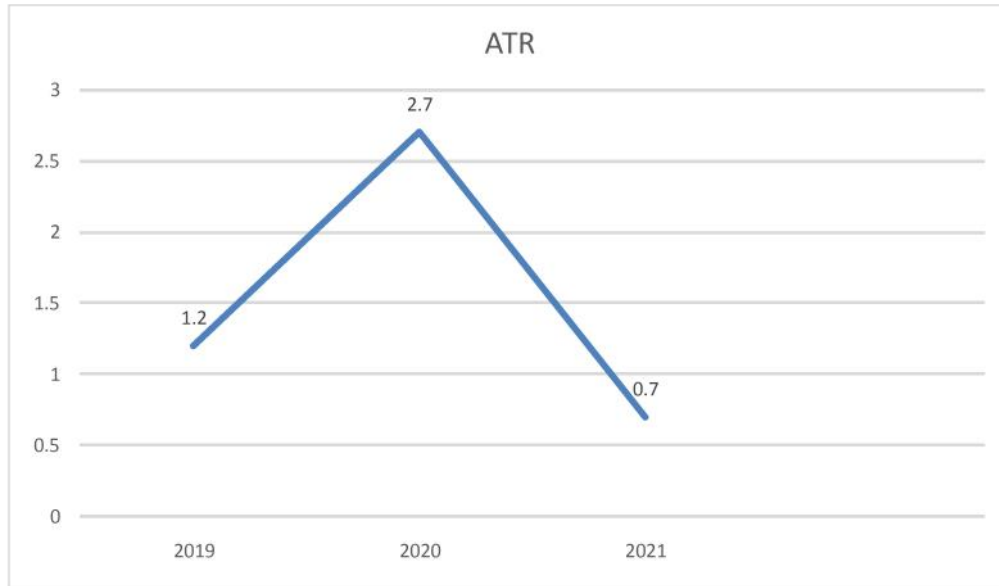
Throughout the period of study, it was noticed that the working capital of the company gradually decreased and stable during the financial year 2020 and 2021 this was because of the increase in current assets until it decreased in 2020 as is evident from the graph. The current assets on an average made up for 50% of total assets.

The graph shows an decreasing trend and stable for two years of study

Total Asset Turnover Ratio

Ratio	2019	2020	2021
ATR	1.2	2.7	0.7

Figure: b.3



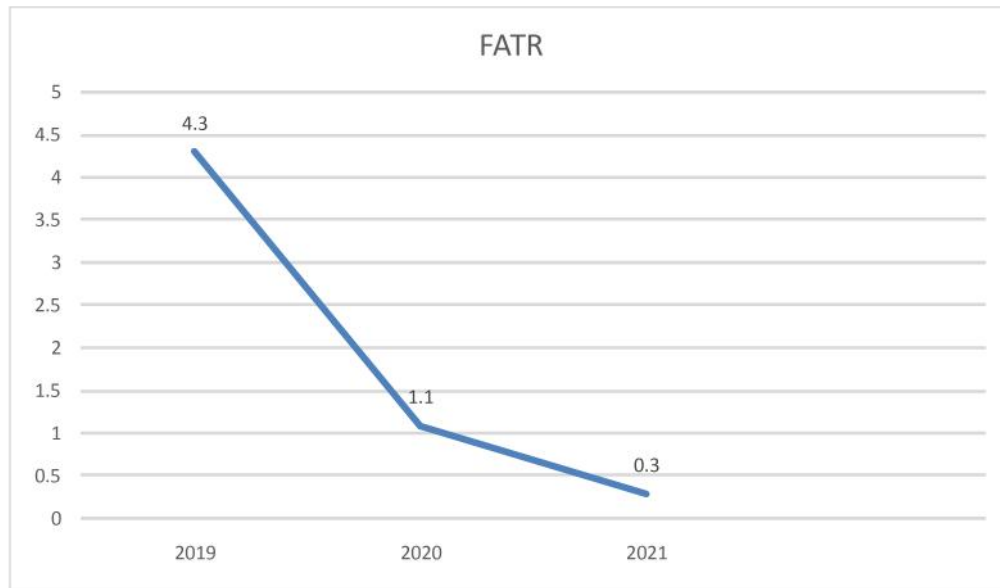
Interpretation

- The asset turnover ratio measures the value of a company's sales or revenues relative to the value of its assets. The asset turnover ratio can be used as an indicator of the efficiency with which a company is using its assets to generate revenue. The higher the asset turnover ratio, the more efficient a company is at generating revenue from its assets. Conversely, if a company has a low asset turnover ratio, it indicates it is not efficiently using its assets to generate sales.
- A favorable asset turnover ratio was maintained by the company for the corresponding years under the period of study. The ratio declined from a peak of 2.7 in 2020 to 0.7 in 2021 and hence shows an inverse v shape in the graph.

Fixed Assets Turnover Ratio

Ratio	2019	2020	2021
FATR	4.3	1.1	0.3

Figure: b.4



Interpretation

- The fixed asset turnover ratio is an efficiency ratio that measures how well a company uses its fixed assets to generate sales. A high ratio indicates an efficient generation of sales, whereas a low ratio indicates that the firm does not efficiently use its fixed assets to generate sales.
- Throughout the study it was found that IndiGo Airlines maintained a low fixed asset turnover ratio which implied a low degree of effectiveness and inefficient utilization of fixed assets and hence shows an decreasing trend.

(c) Solvency Ratios

Debt To Equity Ratio

Ratio	2019	2020	2021
D/E	1.4	3.4	338.5

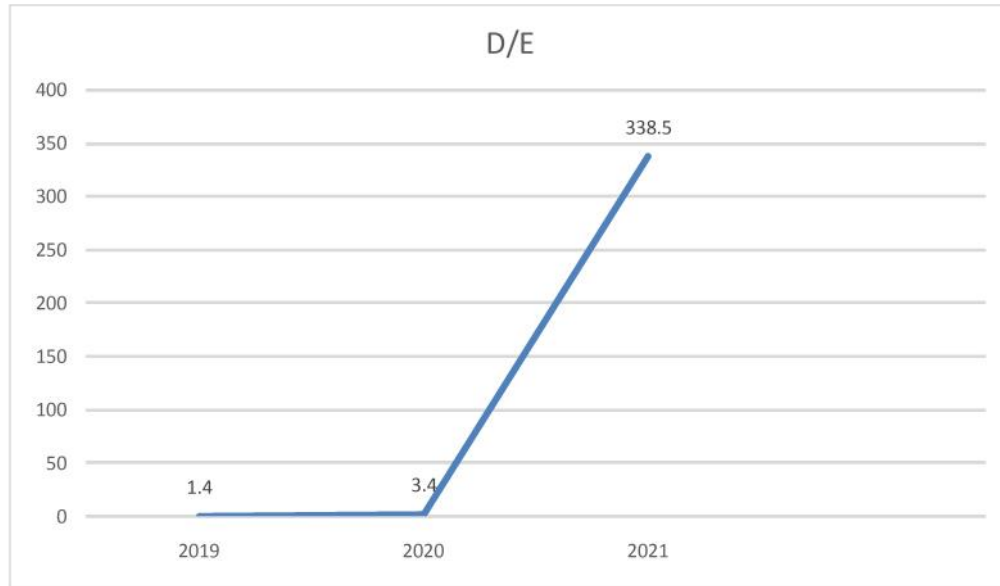


Figure: c.1

Interpretation

- Debt Equity ratio expresses the relationship between long-term debt (external equities) and the equity (internal equities) I.e shareholder's funds. It judges the long term financial position and soundness of long term financial policies of the firm. From a security point of view, capital structure with lower debt and more equity is considered favorable.
- A ratio of 2:1 is considered as ideal, it is also known as leverage ratio.
- Lower the ratio better the security offered to the lender.
- From the graph we can see that debt equity ratio remained favorable under the standard norm before it reached its peak in 2021, which implied a low degree of protection to the owner.
- The ratio shows a greater increasing trend under the year of study.

Debt To Assets Ratio

Ratio	2019	2020	2021
DTA	0.7	0.9	0.99

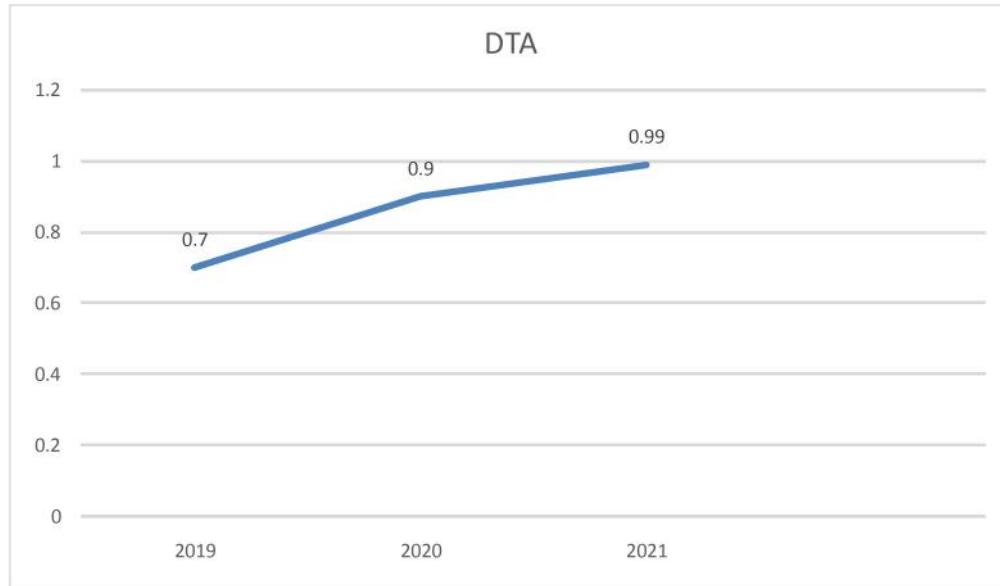


Figure: c.2

Interpretation

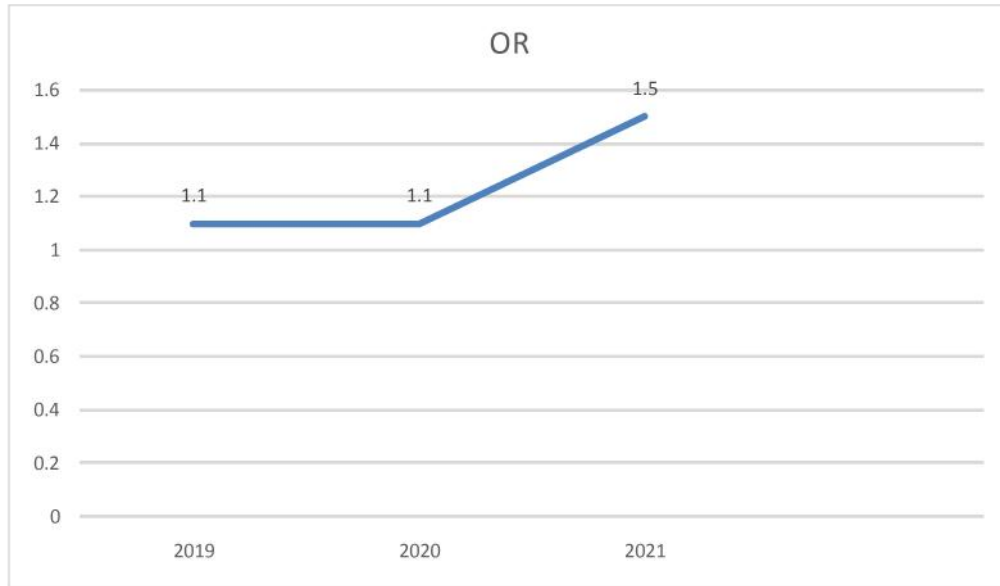
- Debt to total assets is a measure of the company's assets that are financed by debt rather than equity. The ideal ratio is 1:1, a ratio greater than 1 shows that the assets is funded by debt. In other words, the company has more liabilities than assets. A high ratio also indicates that a company may be putting itself at risk of defaulting on its loans if interest rates were to rise suddenly.
- A ratio below 1, meanwhile, indicates that a greater portion of a company's assets is funded by equity.
- Under the period of study, the ratio increased from 0.7 to 0.9 before rapidly increasing to 0.99 for the current year(2021) due to an increased percentage of debt.
- The debt to assets ratio graph shows an increasing trend.

(d) Profitability Ratio

Operating Ratio

Ratio	2019	2020	2021
OR	1.1	1.1	1.5

Figure: d.1



Interpretation

- This ratio is a test of operational efficiency of the company. It is computed to express cost of operations excluding financial changes in relation to sales. It shows the percentage of sales that is absorbed by the cost of sales and operating expenses. A rise in the ratio decreases efficiency, similarly lower the ratio, better the efficiency.
- From the graph it can be said that it is stable in the year 2019 and 2020 and increased in 2021

An increasing trend in the ratio can be seen from the graph.

Profit Margin

Ratio	2019	2020	2021
Profit/loss Margin	0.55%	(0.69)%	(40)%



Figure: d.2

Interpretation

- The profit margin ratio, also called the return on sales ratio or gross profit ratio, is a profitability ratio that measures the amount of net income earned with each rupee of sales generated by comparing the net income and net sales of a company. In other words, the profit margin ratio shows what percentage of sales are left over after all expenses are paid by the business.
- The company's profit margin decreased rapidly from the initial year of study which is depicted by the graph. An increase in the operating expenses of the firm resulted in losses incurred for the years 2020 and 2021. This implies that the company should improve its position while controlling costs.

The graph shows a decreasing and negative trend line of the Profit/loss Margin

Findings and Conclusion of our Study

1. From the above study it can analyzed that, the management of IndiGo Airlines has to investigate into the investment of current assets to meet short term obligations and the cost control policies of the company to decrease operating expenses to increase overall operating profit of the company.
2. During the latter years under the period of study, the company invested heavily in long-term debt resulting in an increased debt to equity ratio and debt to asset ratio which if not looked into could put the already heavily in debt airline into further debt. Apart from the fact that the aviation industry is filled with debt, IndiGo Airlines need to decrease their reliability on debt to finance their operations and instead increase turnover.

3. Based on our objectives and graphical analysis conducted we can conclude that the working capital and liquidity(short term solvency) position of the company is not satisfactory and also witnessed an unfavorable long-term solvency and profitability position that needs to be improved.

It must be taken into consideration that the aviation industry had to shutdown its operations for a specific period during the 2019/2020 financial year due to the Corona Virus pandemic which resulted in heavy losses and could have been the reason for such a situation, but considering the activities undertaken by the company under the period of study the above conclusion has been made through our research.

Website Links:

1. https://en.wikipedia.org/wiki/Aviation_in_India
2. <https://www.goindigo.in/content/dam/goindigo/investor-relations/annual-report/2019-20/Annual-Report-InterGlobe-Aviation-Limited-FY-2019-2020.pdf>
3. <https://www.goindigo.in/content/dam/goindigo/investor-relations/annual-report/2020-21/Annual-Report-InterGlobe-Aviation-Limited-FY-2020-2021.pdf>

A Study on "Artificial Intelligence in Different Fields of Finance"

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ABSTRACT

Artificial intelligence is one of the greatest innovations in technology which has brought a great revolution in almost every field of human activity.

AI is being used in agriculture, security, defense, manufacturing, healthcare, finance and in many more sectors. The use of AI in various fields is helping to achieve a very high level of accuracy and performance.

AI has played a major role in bringing a great change in the field of finance.

The main aim of this research is to highlight the value that AI has created in the different fields of finance.

Key words- Risk assessment, Fraud detection, management and prevention, Credit decisions, Preventing cyberattacks.

INTRODUCTION

Artificial intelligence has helped in upgrading the working and performance of different financial sector in different fields.

Almost all fields of finance have become dependent on AI for managing their day-to-day financial activities.

In this research we highlighted the change that AI has brought in different fields of finance.

METHODOLOGY

A positive approach has been used in this research paper about how Artificial intelligence is bringing a great revolution in the various fields of finance.

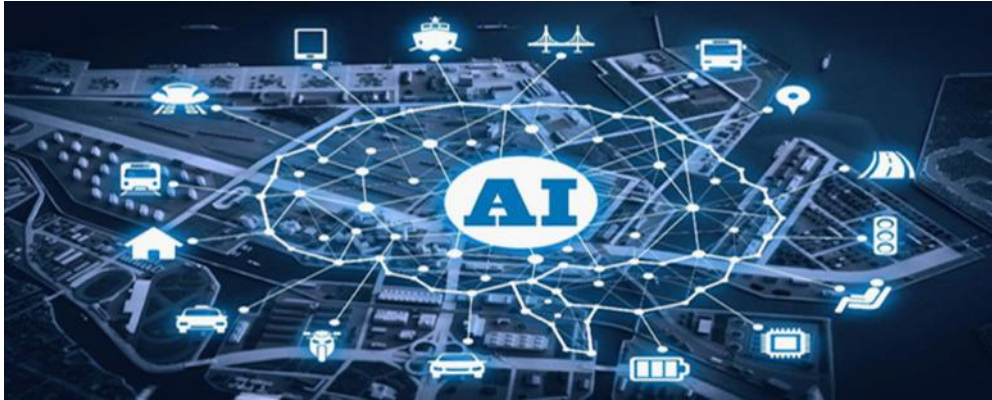
This research highlights how artificial intelligence has helped the financial sector to increase in its accuracy and performance

AI in Personal Finance

Artificial Intelligence has brought an excellent amendment in personal finance these days folks square measure able to keep a tract of their personal monetary activities that embody their investments, loans, policy premiums etc. these days we tend to even have sure apps build with

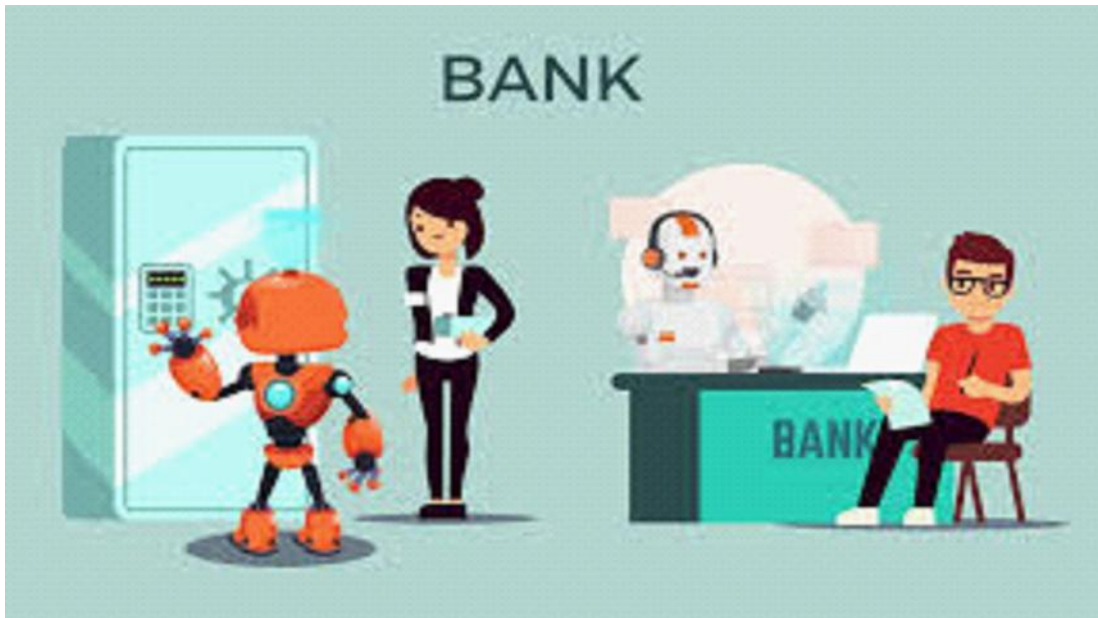
the assistance of AI that help the folks to become additional financially freelance. AI helps folks by providing them sure suggestions, predictions and even quantity of risks looking on their information that helps them to become additional financially freelance. It ceaselessly monitors and offers suggestions on the little scale deciding that eventually helps folks in saving or earning plenty of cash. Following square measure a number of the foremost promising applications of AI in personal finance: -

- a) **Automating the tedious** -Automation has the potential to displace staff associated cause an economic shift. Though some consultants estimate that AI automation can produce additional jobs than it ends, there's little doubt that thousands of staff can realize it not possible to transition into a replacement reasonably men. When it involves personal finance, however, AI automation will take over tedious things. making a operating budget needs plenty of calculations and thought of variables. instead of fastidiously observance such a budgeting set up yourself, you'll be able to apply the assistance of AI software system to craft solutions for you and automatize best practices.
- b) **Observance the problems**- One of the foremost promising options of AI is its ability to observe systems and react to sure circumstances. monetary establishments square measure leverage the facility of this tool to supply unprecedented self-service solutions for his or her customers. Typically, this takes the shape of mobile applications that track disbursement and alert users to seemingly instances of fraud. AI makes this doable by modelling thousands of instances of fraud, then examining incoming information for warning signs in time period. The system appearance for info like purchase quantity, card, and a user's location. From here, it will get a far better sense of however somebody manages their personal finances in order that dishonest activity becomes clear.
- c) **Rising monetary outcomes**- AI may be the key to a financially freelance future for users United Nations agency apply it with care and a spotlight to detail. Like all monetary tools, AI will have mixed results if not created and dead clearly. you must treat your use of AI in fintech the approach you'd treat a digital will: by drafting clear directions regarding what you'd love it to try and do then inventory each purpose useful. AI offers powerful edges for users that apply it to monetary goals. Again, saving cash is one among the foremost necessary monetary outcomes that non-public finance software system will facilitate with. For the industrious generations strapped with student debt, navigating payments may solely be doable in several cases with the assistance of sensible monetary tools. All it takes to manage an efficient budget is persistence and awareness. AI offers these options in lots whereas adapting customized solutions for each user supported their information. within the future, these options are going to be progressively applied within the regular monetary management of the common client, resulting in additional well-read disbursement practices and higher outcomes. Tools like AI in personal finance prove that technical school will create a true distinction in however folks manage their cash.



AI in Banking Sector

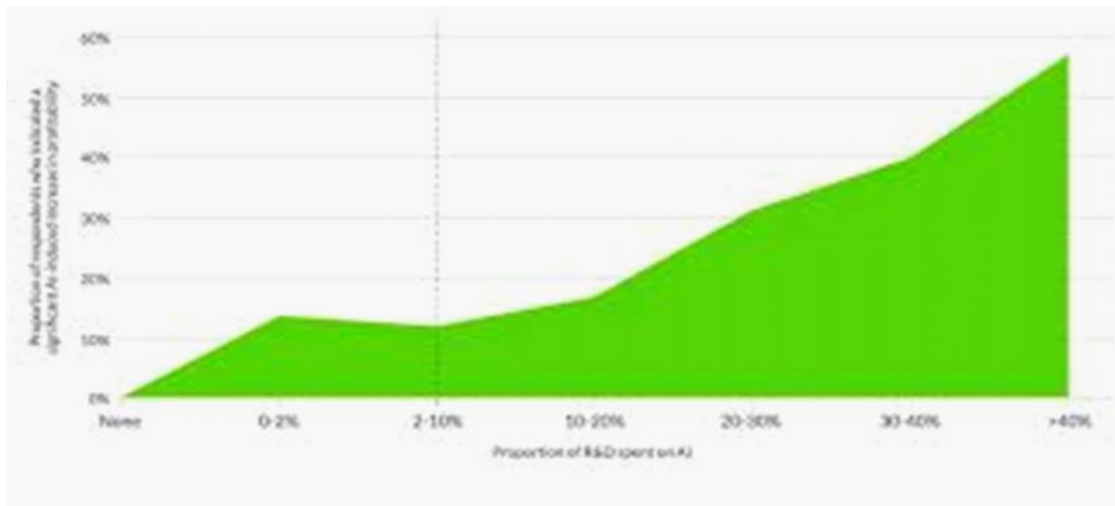
Artificial Intelligence permits banks to manage record-level high-speed information to receive valuable insights. Moreover, options like digital payments, AI bots, and biometric fraud detection systems more result in high-quality services for a broader client base. AI includes a broad set of technologies, including, however aren't restricted to, Machine Learning, tongue process, professional Systems, Vision, Speech, Planning, Robotics, etc. The adoption of AI in numerous enterprises has redoubled because of the COVID-19 pandemic. Since the pandemic hit the planet, the potential worth of AI has grown up considerably. the main target of AI adoption is restricted to rising the potency of operations or the effectiveness of operations. However, AI is changing into progressively necessary as organizations automatize their regular operations and perceive the COVID-19 affected datasets. It may be leveraged to enhance the neutral expertise furthermore. Harnessing psychological feature technology with AI (AI) brings the advantage of conversion to banks and helps them meet the competition exhibit by FinTech players. In fact, regarding thirty second of monetary service suppliers square measure already mistreatment AI technologies like prognostic Analytics, Voice Recognition, among others, in line with joint analysis conducted by the National Business analysis Institute and Narrative Science². AI is that the way forward for banking because it brings the facility of advanced information analytics to combat dishonest transactions and improve compliance. AI formula accomplishes anti-money washing activities in few seconds, that otherwise take hours and days. AI conjointly permits banks to manage Brobdingnagian volumes of knowledge at record speed to derive valuable insights from it. options like AI bots, digital payment advisers and biometric fraud detection mechanisms result in higher quality of services to a wider client base. All this interprets to redoubled revenue, reduced prices and boost in profit.



AI in Corporate Finance

Artificial intelligence is additionally making a good influence in finance. Corporate Companies area unit take help of AI in ascertaining loan risks, maintaining cashflow, preventing frauds and in more aspects that has helped the company sector to extend their performance in overall finance management. per a survey, around seventieth of all monetary firms and companies use AI for numerous functions. AI helps the company firms to cut back their risk of loans by analyzing the current situation of the market and also the company and even predicts the longer-term performance of the corporate and also the market and provides data regarding the quantity of risk the corporate would blank for the loan. It conjointly provides bound steps that if the company follows, it might repay the loan in time. AI conjointly helps the company firms to research the danger of its debtors by analyzing the past Brobdingnagian information of the debtors and even provides a credit score to them It conjointly plays a serious role in maintaining the cashflow of the businesses. It uses algorithms to research and forecast regarding the cashflow statement of the corporate. AI keeps notifying the businesses the steps they need to follow to keep up a decent cashflow system. 3 of the four largest accounting companies pledged to speculate \$9 billion in AI (AI) and information analytics merchandise and coaching over consequent few years. For accounting professionals, this was huge news. it had been Associate in Nursing eye-opening announcement that exposed the specific shift to widespread adoption of recent technologies to support regular business practices among the biggest monetary accounting companies within the world. For the technology trade, the announcement strengthened the advancements and innovations driven by startups over the last decade. It echoed what geographic area entrepreneurs are expression for years - that investing fashionable technologies like AI, machine learning and tongue

process would bring subtle new opportunities for advancement in efficiencies and capabilities to infinite ancient business verticals. The use of AI in accounting, accounting and monetary management for businesses goes on the far side strengthening accounting firms' bottom line; it edges entrepreneurs, business leaders, investors, bankers and different parties concerned in building and growing businesses in many ways. And it's not one thing that solely giant accounting companies and major firms have at their disposal. In fact, many fintech startups area unit take help of these actual technologies to assist startups and early-stage businesses nowadays.



AI in Fintech Industry

AI is additionally making an excellent worth within the fintech business. The term fintech itself refers to a mix of finance and technology. Fintech business could be a new thought that is gaining worth thanks to the technology employed in it that is making a great deal of import to the assorted monetary establishments the world AI within the Fintech market was calculable at USD seven.91 billion in 2020, and it's expected to achieve USD twenty six.67 billion by 2026

AI in fintech business helps in wealth management, risk management, quality management, fraud detection and in more monetary aspects

With the assistance of the difficult algorithms, it analyzes, forecasts and intimates the establishment concerning the crucial steps it's to require to realize quick and secure services with higher client satisfaction and worldwide reach.

POTENTIAL USE CASES OF computing FOR FINTECH

1) ACCURATE DECISION-MAKING

Data-driven management choices at lower value cause a distinct kind of management, wherever insurance leaders and future banking agents can raise the proper inquiries to machines,

instead of to human specialists. Machines can then analyze the info and can come back up with the counseled results, which might facilitate leaders and their subordinates take higher call.

2) AUTOMATED CLIENT SUPPORT

Customers facing systems like text chats, voice systems or Finance Chatbots will deliver human-like client service or knowledgeable recommendation expertise at a coffee value.

3) FRAUD DETECTIONS AND CLAIMS MANAGEMENT

Analytics tools collect proof and analyze knowledge necessary for conviction. computing tools then learn and monitor user's behavioral patterns to spot rarity and warning signs of fraud makes an attempt and incidences. Claims management is build up exploitation Machine Learning (ML) techniques in several stages of the claim handling mechanism. By investing computing and handling a large quantity of information in an exceedingly little amount of your time, insurers will automatize handling mechanism. It will even fasten sure claims, to cut back the interval and additionally the handling prices whereas enhancing client expertise. These algorithms determine patterns within the knowledge to assist acknowledge dishonorable claims within the method. With their self-learning skills, computing (AI) systems will then adapt to new undiscovered cases and more enhance the detection over time.

4) AUTOMATED VIRTUAL monetary ASSISTANTS

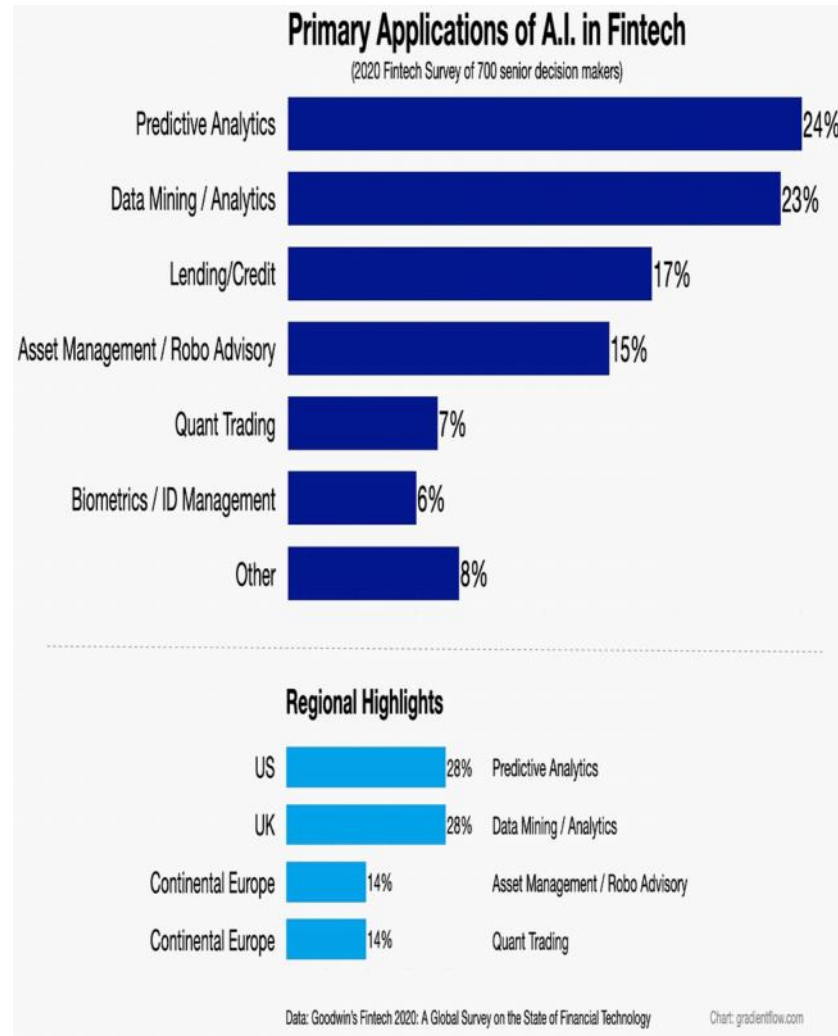
Automated monetary assistants and planners assist users in creating monetary choices. These embrace watching events, stock and bond worth trends in line with the user's monetary goals and private portfolio, which might facilitate in creating recommendations relating to bonds and stocks to shop for or sell. These systems usually referred to as "Robo-Advisors" and square measure progressively being offered each by established monetary firms and Fintech Startups.

5) PREDICTIVE ANALYSIS IN MONETARY SERVICES

Predictive analytics in monetary services will directly have an effect on overall business strategy, sales nurturing, revenue generation and resource optimization. It will function a game changer by enhancing business operations, rising internal processes, and surpassing competitors. Analytics works closely with organizations across a broad vary of industries to assemble and prepare the info, analyze it exploitation our leading-edge algorithms and technology and briskly deploy custom-built, prescriptive solutions distinctive for every client. prophetic analysis will facilitate calculate credit scores and facilitate forestall dangerous loans.

6) WEALTH MANAGEMENT FOR plenty

Digital and wealth management consultive services offered to lower web value market segments, leading to lower fee-commissions good wallets developed exploitation computing monitor and learn user's behaviour and actions. These instruct users to restrain and alter their personal finance disbursal for saving their expenses.



Conclusion

There is no doubt that AI has brought a great change in finance in different fields, and we are increasingly getting dependent on AI for our day-to-day financial activities.

More research and innovation in AI can help to bring a better change in the financial sector which will help in achieving better accuracy and performance in it. AI also helps in saving lot of time and human error in different financial activities.

Which are articles, documents or records and are liable source for authentic data

References

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2. <https://www.businessinsider.com/>

Role of Green Finance in Environment Protection - A Conceptual Study

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INTRODUCTION

Green finance refers to an integrated financial pattern of economic profits with environmental protection, emphasizing "green" and "finance", two of which are controversial issues. Green finance is a phenomenon that combines the world of finance and business with environmentally friendly behavior. It is an arena for many participants, including individual and business consumers, producers, investors, and financial lenders. Green finance can be expressed differently depending on the participant, and it may be led by financial incentives, a desire to preserve the planet, or a combination of both. Contrary to the traditional financial activities, green finance emphasizes more on the ecological environment benefit and pays more attention to environmental protection industry. The study of green finance in academics currently is more concerned with simple concept and lacks detailed studies of green finance regarding to mechanism exploration, market research and so on. Green finance market includes market-oriented mechanism and financial products that can control pollution emission, realize the ecosystem and avoid enterprises from unexpected nature change; the former is represented by emissions trading and the latter has various types, such as environmental funds, weather derivatives, nature-linked securities and ecological options, etc. Green financing is to increase level of financial flows (from banking, micro-credit, insurance and investment) from the public, private and not-for-profit sectors to sustainable development priorities. A key part of this is to better manage environmental and social risks, take up opportunities that bring both a decent rate of return and environmental benefit and deliver greater accountability. Many people use the term Climate Finance and Green Finance interchangeably. The two terms sound similar but have a few differences between them. In fact, Climate Finance is a part of green financing. Climate Finance mainly includes public finance. And, it also includes efforts from developed countries to make financing available to tackle climate change. In contrast, green finance is a wider term and includes all types of financial flows for environmental objectives.

In simple terms, green finance involves engaging traditional capital markets in creating and distributing a range of financial products and services that deliver both investable returns and environmentally positive outcomes. This involves internalizing environmental externalities and adjusting risk perceptions in order to boost environmentally friendly investments and reduce environmentally harmful ones. Promoting green finance on a large and economically viable scale helps ensure that green investments are prioritized over business-as-usual investments that perpetuate unsustainable growth patterns.

TYPES OF GREEN FINANCIAL PRODUCTS:

- A) **Environmental Funds and Biodiversity Funds:** Environmental funds and biodiversity funds offer financial support directly to the projects of conserving biodiversity or indirectly to business activities of protecting the area of biodiversity. According to the practice activities, the environmental funds and biodiversity funds promotion.
- B) **Forestry Securitizations:** The enterprises of forestry exploitation which set up securities transfer all of the business profits to a new legal subjects which then will obtain funds from the investors by issuing securities in the capital market and will loan the revenues to the enterprises of forestry exploitation, for instance, the system of mitigation banking of wetland and endangered species in the United States and the system of tradable native vegetation obligations in Brazil.
- C) **Weather Derivatives:** This new financial products can handle the negative financial losses caused by changes in climate condition. If the level of climate change exceeds the prescribed standard, the enterprise signing weather derivative contract may require a certain amount of compensation. Weather derivatives derived from energy sector in the middle of 1990s.
- D) **Nature-linked Securities:** Nature-linked Securities can transfer the risk of natural disasters and climate change to investors in global capital market. The sponsors of the natural disaster securities generally set up a special purpose vehicle (SPV) and then issue debt securities. SPV and the sponsors follow that SPV agrees to pay compensation to sponsors in the event of natural disasters on condition that the sponsors must pay a certain amount of insurance fee to SPV regularly.
- E) **Green investment funds:** Investment companies and trust funds invest in accordance with the "environmentally friendly", "moral", "green", "social responsibility" or "sustainable" standards, for instance, many investment companies decline investment in securities of companies which produce pollution. Equator principles of green finance promoted more and more fund managers to use environmentally friendly investment strategies
- F) **Debt-forest environment Swaps:** Creditor country and less developed country reach an agreement that the debt of less developed country can be exempted on the premise that less developed country should provide sources of funds to environmental fund that is often important to protect biodiversity. At present, the United States, Sweden and Germany are the most active countries to develop debt-for-environment swaps projects, benefiting more than 30 countries; one of the most influential debt-for-environment swaps project is the one between the government of the United States and Poland that achieved the value of about \$370 million

SIGNIFICANCE OF GREEN FINANCE IN PROTECTION OF ENVIRONMENT

- Encouraging green financing on a massive scale implies that green or environmental initiatives get priority over usual business investments that may or may not be sustainable.
- A focus on such type of finance leads to transparency and a regular flow of investments into environmental objectives.
- The growth of this type of financing will help in the creation of more jobs and business opportunities.
- All this will ultimately lead to better human life and facilities as well as sustainable developments without spoiling or destroying the nature.
- Green finance potentially works towards decreasing environmental pollution, and thus improves the quality of soil, water and air and also protects environmental well-being.
- Global warming, loss of biodiversity, deforestation, desertification, resource depletion can gradually be obstructed by implementing Green economy which will automatically save the earth and its animals from destruction as far as possible.
- Economic growth is also enhanced due to the establishment of new markets for bio fuels and renewable energy resources.
- Establishment of new markets have potential to support international advantages when these new markets will invite funds through exports and also increase domestic sales.
- Creation of more industries means more employment and more employment means more stable society as economically, the people will be secured.
- Agricultural industries will be able to achieve a dignified place due to the emphasis on green technologies.
- Innovation needs innovative skills and this will invite establishment of more educational institutions which will ultimately increase the scopes for the students.

CHALLENGES OF GREEN FINANCE:

- Often short-term time horizon of the investors does not match with the long-term green investments.
- There always remains an issue with regard to proper coordination, cooperation and alignment of financial and environmental objectives. Each would like to pull the trigger to prioritize its own objectives.
- Transition to Green finance is time consuming and will require constant vigilance and efforts, though the effort and time engaged in the process have a worthy outcome.

- Initially the costs of the goods can be very high because establishment of new green industries and their technologies will involve high expense.
- 3. Green and environment friendly products are always more costly than the conventional goods.
- Hard Work, constant effort, extra time and more highly educated faculties will be demanded for the creation of and gradual increase in efficiency of new educational disciplines.
- New Inventions and discoveries will involve extensive researches which will cost large amount of investment by the government.
- Huge Investments require huge funds which may be raised by increasing tax from the citizens.
- During the initial years of development for green economy, the intake of bribe by the dishonest authorities may increase.

PROGRESS AND CHALLENGES OF GREEN FINANCE IN INDIA

- a) **Improvements in general awareness:** There is a paucity of data for assessing the awareness regarding green finance and sustainable development from conventional sources. In this regard, Google Trends can be a powerful tool for understanding the pattern of google searches made in different locations at different point in time. It can help us understand the interest on a given topic, based on the number of searches made in Google. In Google Trends, the information on the number of searches made in Google on any topic is normalized as the proportion of the number of searches made on all topics in a region during the specified period. This normalization removes the bias caused due to the change in overall search activities on Google across time. For example, the number of overall search volume today is much larger than it was in 2004 on account of general expansion of internet accessibility across the globe. Therefore, the absolute number of searches in any topic may not give an insightful comparison of general interest in that topic over time. Evidence based on Google Trends suggests an increase in awareness in green finance and its role in sustainable economic development. We extract the search intensity, i.e. the number of searches as proportion to the overall searches in a country over time, for five keywords: green finance, green bond, ESG, corporate social responsibility and renewable.
- b) **Green lending:** For the data on bank lending to the sustainable projects, we move to the conventional sources such as Database on the Indian Economy by the Reserve Bank that contains publicly available data on policy rates, aggregate credit, sectoral credit and key financial ratios relating to Scheduled Commercial Banks (SCBs) in India. The number of individual SCBs in the sample varies from 88 in 2005 to 95 in 2019. As part of the green finance initiative, the Reserve Bank has included the small renewable energy sector under its Priority Sector Lending (PSL) scheme in 2015. As at end-march 2020, the aggregate outstanding bank credit to the non-conventional energy sector was around Rs 36,543 crore,

constituting 7.9 per cent of the outstanding bank credit to the power generation (Table 2) compared to 5.4 per cent in March 2015. The commercial banks' exposure to the non-conventional energy sector varied among bank groups and the major states in India

- c) **Green bonds:** Green bonds are the bonds issued by any sovereign entity, inter-governmental groups or alliances and corporates with the aim that the proceeds of the bonds are utilised for projects classified as environmentally sustainable. We have used Bloomberg for the detailed information on green bonds issued in India and in other countries by the corporates and governments. For India, we first extracted most bonds issued by the corporate and government since January 21, 2015, irrespective of whether they are green bonds or not. In this regard, we have taken those bonds where the country of risk has been marked as India, irrespective of the issuers' country of incorporation. Our data includes the initial issuance amount in US\$, coupon rate, debt to total assets ratio, and we then looked at whether the bond proceed was to be utilized for green projects or not, for over 5000 bonds issued in Indian market since 2015. For the international comparison, we have extracted the summary information using Bloomberg terminal, without extracting detailed information. India started issuing green bonds since 2015. As of February 12, 2020, the outstanding amount of green bonds in India was US\$16.3 billion India issued green bonds of about US\$8 billion since January 1, 2018, which constituted about 0.7 per cent of all the bonds issued in the Indian financial market. Although the value of green bonds issued in India since 2018 constituted a very small portion of the total bond issuance, India maintained a favorable position compared to several advanced and emerging economies. Most of the green bonds issued since 2015 had maturities of five years or above, but less than 10 years. However, some issuers such as Yes Bank Ltd. (2015), Indian Renewable Energy Development Agency Ltd. (2017, 2019), Rural Electrification Corporation Limited or REC Ltd. (2017), Power Finance Corporation Ltd. (2017), Indian Railway Finance Corporation Ltd. (2017), Adani Renewable Energy Ltd. (2019)15 have issued green bonds with the maturity of 10 or more years. ReNew Power Pvt. Ltd. has issued green bonds with maturity period of less than 5 years in 2019. Around 76 per cent of the green bonds issued in India since 2015 were denominated in US\$. In addition to corporate and government, the World Bank has issued green bonds towards several projects in India from time to time. Based on the Green Bond Impact report (2019) by the World Bank, it is estimated that the outstanding amount of Green Bond proceeds allocated to support the financing of such projects in India is US\$640mn, as on June 30, 2019.

CHALLENGES OF GREEN FINANCE IN INDIA

- A) **Borrowing costs:** The cost of issuing green bonds has generally remained higher than the other bonds in India. Panel a in chart 4 shows that the average coupon rate for green bonds issued since 2015 with maturities between 5 to 10 years have generally remained higher

than the corporate and government bonds with similar tenure. Panel b in chart 4 shows a similar pattern for the INR denominated green bonds. For the US\$ denominated green bonds with tenure of more than or equal to 10 years, the coupon rate was, however lower than the corporate bonds. It may be mentioned that most of the green bonds in India are issued by the public sector units or corporates with better financial health. It is evident from the fact that the private sector issuers of green bonds, on average, reported lower debt-to-assets ratio compared to the non-issuers of green bonds. Their better financial health is also evident from their stock prices.

- B) Borrowing cost and information asymmetry:** High borrowing cost has been perhaps the most important challenge and our analysis indicates that it could be due to the asymmetric information. Therefore, developing a better information management system in India may help in reducing maturity mismatches, borrowing costs and lead to efficient resource allocation in this segment. It may be mentioned that to overcome such information gap, several countries including Australia, China, India and the United States have database related to green building projects in the country. While India does monitor green house gas emissions through various reporting mechanisms including PAT (perform-achieve trade) and RPO (renewable purchase obligations), like many other countries it does not have a national measurement, reporting and verification platform for tracking climate finance.
- C) Market infrastructure development:** Given the large size of domestic market and much smaller penetration of green instruments so far, there remain vast opportunities to be tapped. In this context, some of the studies noted the importance of (a) increased coordination between investment and environmental policies and (b) an implementable policy framework for both national and state levels in addressing the existing frictions. In this vein, some of the policy measures such as deepening of corporate bond market, standardization of green investment terminology, consistent corporate reporting, and removing information asymmetry between investors and recipients can make a significant contribution in addressing some of the shortcomings of the green finance market

CONCLUSION

Green finance is fast emerging as a priority for public policy. In this study we review the developments of green finance in India and our findings indicate that there have been some improvements in public awareness and financing options in India in recent years. Existing literature suggests that a reduction in the asymmetric information regarding Green Projects through better information management systems and increased coordination amongst stakeholders could pave the way towards sustainable long term economic growth. At this juncture, the world is fighting COVID-19 and its impact on global economic growth. Undoubtedly, the immediate policy challenge is to kick-start the global economy. However, the pandemic has also offered an opportunity to all stakeholders to rethink about the policies, and financial and operational strategies

that they have adopted so far and espouse an approach that is more environmentally sustainable in the long run. Green finance is definitely an important mean that can facilitate such a shift towards sustainable economic growth.

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Voluntary Disclosure in Accounting

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For protection of the state and welfare of people, a ruler should collect all types of wealth. By using Sama, dama, danda, bheda he should increase income of the state, strong administration helps in collecting types of taxes for exchequer

- Chanakya

ABSTRACT

Taxes can be a nightmare for the common man, as he is not ready to part with his hard earned money and give it to the government. Taxes are the greatest responsibility that a citizen has towards his nation. It is the discharge of one's financial responsibility towards the country for the provision of all the infrastructure and resources of the nation. Through taxes the common man can turn the very wheels of bureaucracy to make the economic development of the country possible. Taxes are not to be seen as an expenditure or a mandatory payment but as an individual contribution towards the growth and development of the society overall. To better understand taxes one must look at taxation from both the perspectives of the administrator and the tax payer-

1. The taxpayers view:

The taxpayer is the direct beneficiary of the taxation process, as for the part of the income he pays as taxes he receives services from the government. Though the taxpayer does not want to pay taxes as he thinks of them as "unfruitful expenses" that would reduce his income.

Great economists like John Maynard Keynes (the father of macro economics) states that "the avoidance of taxes is the only intellectual pursuit that still carries any reward" to support this approach of the taxpayer.

2. The administrators view:

The administrative body or the tax collector aim at levying taxes at a reasonable rate not to burden the taxpayer. This is done so as to gather funds to carry out activities for increasing the welfare of the citizens, and to strengthen the state.

The topic of the research paper "voluntary disclosure" simply means the full disclosure of the net proceeds of the taxpayer during the financial year. Where the taxpayer does not hide any of his earnings to avoid taxes or reduce his income. The following research paper aims at understanding the various dimensions of the taxpayer's mind, so as to deduce ways to encourage the taxpayer to fully disclose his income, and so as to remove the fear of taxes through tax education.

Introduction

The primary basis for the valuation of tax liability is the net profits or the income from all the sources earned by a person within a financial year. People have a misconception that taxes are calculated on the income but they are actually calculated on the income in the hands of a person after the deduction of all the expenses and liabilities. Hence the amount that is payable per annum is very less. People try to evade taxes by reducing their incomes as much as possible through a number of practices that come under black economy. An estimate states that the Indian black economy is almost between 23 to 26%. It is optimistic to say that it is still lower when compared to the Asia wide average of 33%.

As based on the examinations of research scholars and industry experts, tax evasion is done due to a number of reasons like:

1. Low tax literacy and financial management (only 24% of Indians are financially literate, as per 2021 estimates).
2. Low knowledge of deductions, reimbursement benefits, redemption and depreciation benefits, and the criteria to avail these benefits.
3. Differences in the ownership and management structure of a company.(number of internal and external board of directors in the company).
4. Capital structure of the company. (Debt to equity ratio).
5. Different methods of audit undertaken for the determination of taxable income.
6. Public opinion on the taxation system.
7. Lack of patriotism and duty in citizens.

Majorly it is the financial literacy of the common man and the gaps in the system that cause problems like tax leakages and black economy in the country.

Review of Literature:

1. Voluntary disclosure:

Voluntary disclosure refers to the provision of information by a company's management beyond requirements such as generally accepted accounting principles and Securities and Exchange Commission rules, where the information is believed to be relevant to the decision making of users of the company's annual report. It is more like the full reveal of the company's books of account without any form of tampering or malpractices, where every income and expenditure is revealed with honesty.

2. Welfare

Welfare refers to the statutory procedure or social effort designed to promote the basic physical and material well being of people in need.

3. Bureaucracy

It refers to the complicate procedure of administration where most of the important decision are taken by state officials rather than elected representatives.

4. Tax

A compulsory contribution to state revenue levied by the government on workers income and business profits, or added to the cost of source goods, services and transactions.

5. Standard deductions

A certain amount that reduces the income on which tax is levied upon by the administrative body, hence reducing the tax liability of the tax payer.

6. Black economy

Black economy refers to the portion of the economic transactions that are unaccounted and invisible in the eyes of the taxation department. Such money is unknown and has not been paid tax upon. Black economy is nothing but the economic activities free from the supervision of the government where taxes are not paid.

Reasons for tax evasion

The reasons for tax evasion are very important when it comes to understanding the idea of voluntary disclosure as voluntary disclosure would only become possible when the people are willing to pay taxes. As the economy is a multidimensional environment there are a number of reasons why taxes are avoided. Some of the major reasons for tax evasion are as follows:

1. Tax literacy and misconception:

The amount of tax literacy in the common man is very low and when combined with misconceptions it becomes drastic. Most of the people do not know about the slab system of taxation, or the provision of deductions. Hence they try their best to not to pay taxes by not disclosing their income at all.

2. Treatment of taxes as an expenditure:

The common man thinks of taxes as a compulsory payment which is unnecessary and does not provide him any benefits. Hence the government must conduct campaigns so as to remove such a misconception in the mind of the common man.

3. Lack of benefits to tax payer

Benefits like depreciation and claims and deductions are not available to the salaried employee or the small tax payer hence he cannot reduce the burden of taxes as there are not many provisions for small taxpayers like honors for timely and advanced payment of taxes, and other governmental services.

4. Heavy rate of taxation on commodities like smart phones, electronic devices, fuel, cooking oil, restaurants etc due to excess of duties and vat. This discourages the common man to pay taxes as he has to pay more for normal goods and services which could have been available at a cheaper rate.
5. Non awareness on the benefits of deductions on the premium of insurance, interest paid on loans, loss due to vacancy, etc. hence the common man tries to avoid loans and insurance whereas he can use them as a deduction in his net income.
6. Lack of patriotism and initiative among individuals towards the nation. As only a true patriot and honest man would follow all the rules and regulations and pay taxes.

7. Corruption

People also try to avoid taxes as due to the structural inefficiencies of the administrative body. Hence they think that the money they would pay as taxes would either be stolen away in scams and scandals, or be misspent by corrupt politicians and government officials. Hence they try their best so as to avoid taxes.

Methods of tax evasion

The various methods of tax evasion have a direct relation with the reason as to fundamentally why they are to be avoided. They are the most creative of ways that exploit at best the loopholes in the taxation system of the country, or some methods even try to become invisible in the eyes of the authorities. These methods are labeled to come under the black economy of the nation or the unaccounted part of the economy. Some of the various popular methods of tax evasion are as follows:

1. Under billing or non-billing

To undertake undercutting of prices and reduce the tax liability on the customer, traders often opt to under billing or "reduction of the actual bill amount" of transactions so that the amount of the bill on which the tax is payable reduces and the transaction remains legal or at least the government can have some financial activity visible. As per an estimate the black economy is as much as 14% of the GDP. Or some of the business to business transactions are strictly done in cash and without bills so as to leave no proof of transaction in the eyes of the sales department.

2. Reduction of taxable income

Many traders in order to avoid paying taxes disclose their income only under the statutory limit. They also try to reduce their actual net profits through fictitious losses or expenses.

As per estimates of the sales tax department only 6.25% of the total number of citizens pay taxes honestly, where as almost 94% of the people are above the poverty line. (This is bad as it actually hides the economic development of the country)

3. Disclosure of lesser inventories and turnover

Manufacturing companies show lower closing stock and turnover in a year to reduce the amount of sales tax payable on the turnover. Hence they also show higher stock losses due to expiry even more to reduce their net profits.

4. Undervaluation of assets and higher rate of depreciation

Assets like machinery, plant, and capital investments are undervalued and shown to have heavy operational cost so as to reduce the net profits. Often high rates of depreciation are used to write off the assets.

5. Bribery

Sometimes bribery of officials in the tax department to so as to avoid raids and heat form the official actions is also used so as to avoid taxes where the corrupt officials accept bribes and do not bother the trader until the next time the bribe is to be paid.

These are some of the most common methods of tax evasion. These are done only by the traders and small businessmen as large industrialists have accountants and they get grants and benefits for paying taxes, while salary employees pay taxes through the employer, and the poor and underprivileged cannot pay taxes at all.

Corporate and voluntary disclosure

The corporate sector is by far more transparent in terms of disclosure of income as due to the inclusion of both internal and external directors in the board of directors and vivid ownership structure. Yet despite the volumes of taxes paid, voluntary disclosure is not completely true as even large market giant companies also try to avoid taxes and debt to grow. It was observed by industry experts since the liberalization of the Indian market in 1991 that:

1. It was observed that disclosure is high in companies with low debt as they do not have to make any payments to the debtors.
2. Whereas a company with higher debt tries to hide its profits so as to avoid taxes and so that it does not have to make payments to debtors in the growing period of its life.

3. Multinational companies do not conceal turnover or net profits as they get a lot of opportunities to reduce cost of production from international market. And due to favorable policies of various nations they undertake production internationally where cost of raw materials is low, labor is cheap and taxes on sales are lower.
4. It was also observed that companies with high outside board of directors, and non official board of directors show lower transparency due to lower initiative from these external board members.

Promotion of voluntary disclosure

To promote voluntary disclosure and transparency the administrative body has to keep in mind the reasons why taxes are avoided and then think of ways in which the taxpayer would be willing to pay taxes. For such transparency some the fundamental red tape laws are to be removed and structural changes are to be made. Some of the ways to promote transparency are as follows:

1. Reduce the tax rates on commodities and services so that customer is willing to purchase with bill and overall to pay taxes on his purchase.
2. Promote tax literacy through campaigns and advertisements.
3. Provide additional benefits for honest taxpayers so as to encourage them and other people to pay taxes on time.
4. Make the payment of taxes a necessity for bank credit and loans.
5. Promote transparency in governmental operations through eradication of corruption and proper utilization of taxpayers' money.
6. Increasing awareness and tax literacy among people, promote initiative and patriotic feeling towards the country.
7. Making taxation a part of the basic curriculum to increase the tax literacy among children.
8. Reduce unnecessary governmental expenses like VIP services to small politicians, or the transport to family members of politicians, etc.
9. 200% penalty on the holder of black money, for money laundering, and manipulation of books of account. To discourage malpractices and evasion of taxes.

GST and voluntary disclosure

GST or goods and service tax system is an integrated taxation system which was introduced by the Modi government on 1 July 2017. This in an integrated system of taxation where only one tax is levied on a good or services, it is a visionary system of taxation that aims at increasing transparency and making payment of taxes easier. Some of the major features of the system of GST which promote voluntary disclosure are as follows:

1. One rate of tax on a specific category of commodity. So that there is no confusion or over taxation in the economy.
2. Taxes are paid only by the final customer to the government and the members of supply chain do not have to pay any taxes on sales.
3. Removal of other indirect taxes and interstate taxes so as to make tax estimation easier and so that the taxpayer is not burdened by taxes.
4. Online filing and payment of taxes to make tax payment more cost efficient and digitalized.
5. Information on deductions and claims available on the GST website.
6. Unique GSTIN id for all tax payers for better identification.
7. No liability of taxes on trader, as he can claim the tax payable from the customer.

Overall the system of GST has made taxation hassle free and more efficient. Now the taxpayer can pay his taxes on time and online, so as to save his time and expenses. Now the taxpayer is also willing to pay taxes due to the reasonable rate of taxes, rebate, and benefits like deductions and depreciation, etc.

Conclusion

The conclusion can be drawn that, for an economy to grow and prosper, for its people to live happily, taxation needs to be bifocal and rational. The government and taxation department must think of the welfare of the taxpayer so as to not burden them and, make them satisfied while paying taxes.

The taxpayer's satisfaction is the primary necessity to introduce transparency and voluntary disclosure of income in the economy. Not only the collection of taxes but the initiative must be taken so that the money of the taxpayer is spent well and not misused or stolen by any politician or officials. Hence the cycle completes and the taxpayer would become more and more responsible towards his duty to pay taxes for the overall welfare of the economy as a whole.

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Lack of Financial Literacy-A Self-Centered Trap Resulting in Stagnant Economy

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ABSTRACT

India is an economy with huge income inequalities where they are people either with deep pockets or empty pockets. India is a developing country where finance is a core for all activities. Knowledge in finance is necessary for every person from affluent class to homeless because without it you cannot survive in the world. This knowledge in finance is termed as financial literacy which place the significant role in raising a personal financial position of a person and giving him a better life. Insufficient knowledge of finance can be harmful for individuals as well as the entire the entire economy, due to lack of financial knowledge of below income individuals and youth they are not competent enough to make decisions concerning the finances leading to creation of self centred traps . Self Centred traps is where a person only care to satisfy their needs and wants while being ignorant to their finances and trapping themselves in debt or bankruptcy. The bad decision leads to loss of money and burden on the government. They are many issues which result in financial burden to stop these issues can be rectified by creating awareness on how to manage funds by financial planning, savings and many other activities. Financial literacy is important for every individual in India to get financially independent and responsible.

Keywords: income inequalities ,financial literacy, self centred trap , financial burden.

Introduction

Financial literacy in simple is the knowledge that helps people in managing the financial activities in such a way that it creates a proper financial balance. Financial literacy is a core life skill as it is an aspect that is going to make a child independent when he grows up. The youth in India today have a very low knowledge about Finance. They have no or zero interest in any finance activities. The use should have a proper knowledge about earning and spending ratio. India has become a country where youth does not understand the value of finance and it is due to reasons like an awareness of financial prospects that they need to take care of in future, no proper knowledge is given to children by the parents while being brought up ,not being taught anything in schools about financial education, being carried away by people suggesting wrong decisions due to not having a right mindset to make financial decisions and losing money ,

individual's fear of keeping money in banks. Thus, no proper investment of earnings by youth will lead disturbance in their financial management and loss in the finance of a country as each individual earning and decisions contribute to the nation's income. Proper education in finance gives an individual an insight to make right decisions concerning his finances. This saves them from creation of Self Centred trap for youth in which they keep drowning until they are in loss of funds. Thereby resulting in Stagnant Economy

Objectives

To spread awareness about the need for financial literacy and effects of insufficient knowledge about finance on economy.

Review of Literature

In reference with international journal of science and technology Management by Ms. Deepa Thumma and Ms. Swetha Madhabattula

Financial Literacy refers to knowledge and skills related to money management. It includes the ability of balancing the cheque book, manage a credit card, prepare a budget, takeout a loan and buy insurance (Jacob, Hudson & Bush, 2000).

Financial literacy plays "a key role in preventing individuals from becoming involved with fake financial transactions or engaging in financially destructive behavior". Financial literacy plays "a key role in preventing individuals from becoming involved with fake financial transactions or engaging in financially destructive behavior". Students must become proficient in exhibiting self-discipline, flexibility to financial setbacks and willingness to delay enjoyment in the face of temptation and easy credit opportunities. At the same time, students now a day are leaving the college with a job opportunity and they will have the financial freedom immediately after their studies. Teaching financial literacy to youth is very important as Helps build a secure financial future. By incorporating emergencies in your financial plan, you are ready to face unseen circumstances head on and help them to be prepared for financial emergencies. People who are financially literate are cautious to buy financial products that they do not understand and thus do not buy them. Financial education is effective and helps people to move closer to their goals.

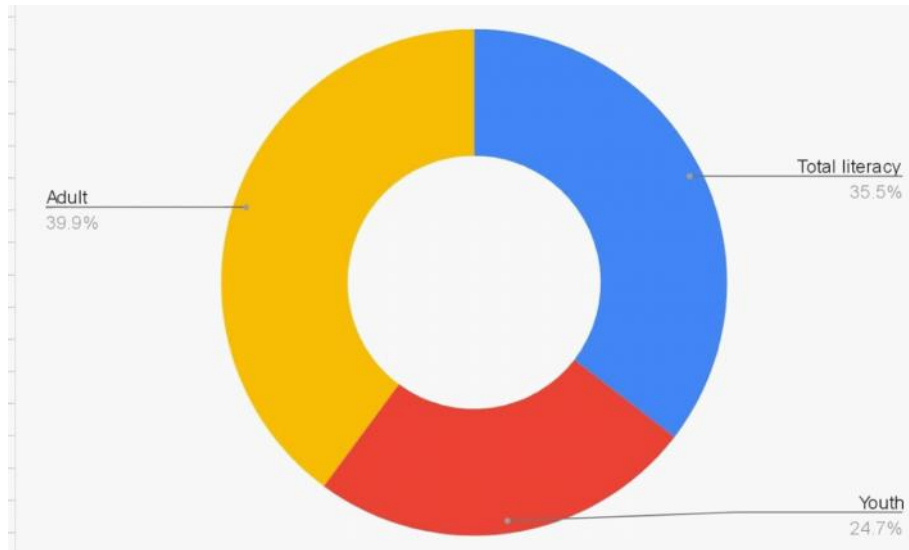
- **Stagnant Economy-** According to Investopedia "is a condition of slow or flat growth in an economy. Stagnation often involves substantial unemployment and under employment, as well as an economy that is generally performing below its potential. Periods of stagnation can be short lived or long lasting, and can result a range of economic and social factors."

Research Methodology

In India 24% of people between age group of 25 to 45 are financial literate but they are many still unknown to financial management. In youth only 16.7% are financially literate. In adults

only 27% of adults are financially literate and rest are illiterate. India literacy rate is very less compared to other countries.

In every locality only 3 out of 10 people are financially literate.



Financial illiteracy as a Self-Centered trap resulting in Stagnant Economy

Financial illiteracy is an issue which requires serious attention by people. It is leading people to make wrong decision and put their earnings in risk. Due to lack of financial knowledge rich are becoming richer and poor are becoming poorer. No proper investment is leading to a creation of a self Centred trap by individuals which is engulfing their finances to stop this education of finance is very important. Finance Management cannot be taught overnight it should be a habit developed from a young age so that when you are grown up you have a proper knowledge managing funds. They should be taught the importance of saving and focus their attention on investing. Many find managing of finance difficult due to lack of knowledge. The building of financial literacy can be started from a very young age. The main problem of youth is they spend more than they earn. They are depending more on credit sources of funds. They don't recognize the difference between needs and wants. No proper management of can slow down the economy growth. Financial illiterate youth can be caught up in bad acts in order to make easy money like gambling, drugs and many other ways.

A few investing lessons for the better financial life of an individual, it is important to start early to teach managing of funds. A child can be given pocket money and show them how to spend or invest it and give them financial goals. Letting them learn about financial literacy at that age will help them shape their earnings, saving and shopping habits and understand the need for managing money. By teaching that no amount is small and if utilized properly can give great benefits, schools should also start give financial education.

The financial education will help them to invest and save accordingly leading to improving their financial status in economy and in the development of the economy .

Financial literacy during COVID CRISIS

The knowledge of finance in COVID times Financial literacy is related to many needed financial behaviours. In the Covid-19 pandemic, individuals faced severe financial challenges. Job loss, pay cuts, and other adverse effects that strained their incomes. In those time management of funds was very essential due to more cash outflows than cash inflows. Financial literacy was very important during that times.

Conclusion

Youth today faces difficulty in maintaining successful financial life. The paper has focused on why youth are lacking financial literacy and its role in developing economy. The youth is spending higher and higher with no limit causing self Centred traps. It also suggests the steps to be taken to build and improve financial literacy. There is a growth of financial education in India is gaining importance due to change in financial environment. The wrong investment decision taken by individuals lead to suicide at young age due to financial burden hence one sure about their investments. The practice of investment should be developed from a very young age so their can master Management of funds by the time they grow up. To teach financial literacy first value of money should be taught. "Spend wisely and save abundantly ."

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Impact of Covid - 19 on Digital Banking in India

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ABSTRACT

Improving understanding of the economic consequences of the COVID-19 epidemic has analyzed the differences between disasters from 2008-2009 and disasters that increased with the epidemic. The bank gadget has always been there during the crisis, both in 2008 and 1930, however in this case the state of affairs is one of a kind for the sake of truth now, we are facing a problem this is associated with system efficiency news. In the previous crisis, the banks were taken over considered as part of the problem, however, in this case, seen as part of the response. This method increases the strength banking position within the coronavirus crisis as well strategies used by banks that contribute to the overall economy. The epidemic has revolutionized the stadium's economic system completely and has had a huge impact on many businesses. The banking machine does an important job in this case because, in fact, it is a very important issue from a financial point of view. In recent years, the banking system has become increasingly popular - redesigned to meet customer expectations and demanding a reduction in value. The COVID-19 epidemic has expanded the digital in even a bank machine However, they want innovation and virtual strategies to have been an important factor in the bank even before the epidemic began. We also offer a view based on an Overview of interview texts and a top summary of important features that reset the banking device over time in the context of the COVID-19 epidemic. Books about the COVID-19 epidemic.

CHAPTER 1 - INTRODUCTION

1.1 INTRODUCTION TO DIGITAL BANKING

The novel coronavirus outbreak has caused a crisis of significance that has by no means known to have happened earlier than. It has introduced a good-sized trade in the lives of those who are stricken by it. No one wishes to be a pupil to remember that this pandemic might be leading us to a giant alternate inside the manner we stay and behavior our day-by-day groups of life.

It would no longer be incorrect to assume that we will be intruding into a way of life that would be very extraordinary from how we lived and performed ourselves before; having said that one of the areas that we may additionally examine a sea of trade is "Digital Banking".

Among all the things the Covid-19 might also have a remodeling effect on digital banking. While it can be used in lots of extraordinary methods online and some other place, the time period digital banking, essentially, combines online and cell banking services under one umbrella.

Online banking manner getting access to banking capabilities and offerings via your bank's website from your pc. You may log into your account to check your stability or pay your power invoice. You can get admission to extra banking capabilities, which include making use of a mortgage or credit score card, at many banks through your online banking portal.

Online banking lets you sit down at your computer and tackle lots of your non-public finance desires without ever having to leave your house, something for which the family puppy is probably most grateful.

Mobile banking method the use of an app to get admission to many of the ones identical banking capabilities through cell gadgets including smartphones or tablets. These apps are proprietary, issued with the aid of the bank where you preserve your account, and generally use the same login records as your online banking portal.

Designed for humans at the cross, cell banking apps generally tend to encompass the maximum used banking characteristic together with cellular take a look at deposit, finances transfers, and bill payment. They additionally often have convenient capabilities like peer-to-peer payments through structures like GPAY. Banks additionally can also use their cell apps to send customers banking indicators which include fraud detection and occasional balance notifications.

As mobile gadgets won reputation and adoption, banks had been recommended to put their offerings at their customers' fingertips and create their personal mobile banking apps.

Together, online and mobile banking creates the digital banking umbrella, giving human beings entry to banking anyplace they will be-or, in a few cases, anyplace they're graced with comfortable Wi-Fi and robust cell sign.

The ongoing pandemic in India has caused a sharp boom in virtual banking, and consequently, raised the expectations of consumers who want immediate and customized services. A large number of people staying at home are turning to digital channels, both online and cellular, to meet most of their banking necessities. As a result, conventional visits to branches and face-to-face interactions with the bank body of workers had been reduced.

Since March 2020, however, banks have accelerated their virtual footprints across the banking space.

1.2 NEED OF THE STUDY

1. To know the behavioral changes during the payment from digital banking platform after Covid 19 outbreak.

2. To know what changes were brought in the payment process?
3. To know the point of view of the common person and shopkeeper.
4. To understand the compatibility of mobile payment usage.
5. To improve and advance the user-friendliness of the digital banking platform.
6. To get information on how digital banking helped shopkeepers and small businesses.

1.3 STATEMENT OF THE PROBLEM

The traditional paper money payment and traditional banking method has many drawbacks such as:

- **INFLATION**- Printing too much paper money as required to sustain moderate growth can lead to high rates of inflation.
- **FRAGILITY**- Paper money is susceptible to accidental tearing, shredding, burning, and being run through the laundry.
- **CORRUPTION** - Traditional paper money payment also leads to corruption and fraud.

Traditional banking has many drawbacks such as time-consuming, slow process, operating expenses, and high commissions.

Also, Covid - 19 made all the businesses go online as a Complete lockdown was declared by the Government of India from 21/03/2020.

Not only due to government implemented lockdown but also due to the fear of people about the new unknown virus people largely preferred to pay online, this was a major shift of consumer mindset from paying mostly in cash transactions to completely changing to a cashless economy.

This not only had an impact on the Banking sector but also on India's Economy as a Whole.

1.4 RESEARCH OBJECTIVES

1. To find out how COVID - 19 has impacted the number of users using Internet Banking Methods Such as UPI Payments, Wallet, and other applications.
2. To research how the COVID - 19 has affected the merchants in the aspect of digital payments.
3. To check on the effects experienced by banks operating in India after COVID - 19 based on the number of online bank transactions
4. To know the Policies which were passed that encouraged digital banking transactions.

1.5 LITERATURE REVIEW

1. Dr. Vandana Sachdeva and Ms. Tina Jain in March 2021, conducted a research on the Topic "STUDY ON IMPACT OF COVID - 19 ON ACCEPTANCE OF DIGITAL PAYMENTS" in which they had taken into account and studied various E- Banking Services in India, Explored various advantages of cashless transactions, examined the impact of demonetization on selected digital banking transactions and identified impact of covid-19 on selected digital banking services. The Overall Conclusion was that digital Transactions Increased during this period due to Covid- 19.
2. Mihaela Roxana Marcu in the year September 2021, published a report on the topic "The Impact of the COVID-19 Pandemic on the Banking Sector" and the goal of this study was to add to academic management research by looking at banking techniques used during complex crises, with an emphasis on the current pandemic. To better understand the economic effects of the COVID-19 pandemic, they looked at the distinctions between the 2008-2009 financial crisis and the pandemic-induced crisis.
3. Benjarut Chaimankong, Mayookapan Chaimankong, Kittisak Jernsittiparsert and Paitoon Chetthamrongchai in March 2021 published a report on "THE IMPACT OF COVID-19 ON THAI CONSUMER BEHAVIOUR IN USING DIGITAL BANKING" and had concluded that although Thai People were traditionally using cash transactions but after the Pandemic Induced due to Corona Virus, Thai People were showed a shift to digital transactions.
4. Dr. Asif Perwej on 28th October, 2020 Published a Research on the topic "THE IMPACT OF PANDEMIC COVID-19 ON THE INDIAN BANKING SYSTEM" and gave a detailed information on how covid - 19 had impacted the working of traditional banking systems in India and how it has forced them to accept and follow the change.
5. Jain, Sarupria and Kothari in the year 2020 studied "The Impact of COVID-19 on E-wallet Payments in the Indian Economy" and examined how COVID-19 has boosted the Indian economy, particularly in industries such as food and drinks, entertainment, and others. After the demonetarization, and with the government's ongoing attempts to improve the economy, digital payment services have witnessed a large increase, jumping from 5% to 30%. The entertainment and hotel business makes a significant contribution to the economy, accounting for over 40% of total GDP.
6. Adarsh and et. Al in 2018 According to their report "Transformation towards E-wallet Payment Systems relating to Indian Youth," there are around 80.5 crore users of digital wallets in India, with youth constituting the largest number of users. The study focused on students at Indian universities and performed a survey in which they were asked a series of questions in order to determine the impact of digital payments on students' everyday spending

following the implementation of demonetization. They discovered that over two-thirds of young people prefer to do their cellphone recharges and ticket bookings online since it is less time consuming and convenient. They also discovered that numerous cash back, loyalty, and point redemption programmes entice people to make digital payments and take advantage of the greatest deals available.

7. Tiwari and Iyer in 2018 they said in their paper "Adoption of Digital Wallets by Petty Vendors Post Demonetization in India: A Prediction Approach" that the implementation of demonetization has resulted in a considerable increase in the use of digital wallets by petty vendors. India's marketplaces, particularly small traders, have been impacted hard. The researchers looked at the purchase process. As well as 223 distinct small merchants from two Indian cities' demographic viewpoints. They looked into it. During the introduction of digital payment, such suppliers confront a number of problems and benefits. Methods. It was discovered that there has been a major movement in India's marketplaces in both sectors. There are two types of sectors: unorganized and organized. Some small business owners were struck hard and were forced to switch to digital payments, whilst many vendors' livelihoods were jeopardized owing to a lack of knowledge about technology and how to use it. They urge that the government raise public awareness about the need of teaching people about technology and digital payments so that these merchants feel comfortable incorporating digital payment services into their operations. Some sellers were willing to implement digital services and change their payment methods in order to stabilize their business.
8. Ms. Rashi Singhal in 2021 also studied on "IMPACT OF COVID-19 ON DIGITAL PAYMENT SERVICES AT TOWNS AND VILLAGES" has started with a positive note that in India after Demonetization many small business in Towns and villages started to accept digital payments in India and Covid - 19 has only improved the number of Digital Payment transaction in India.
9. Ms. Rashi singhal and Abhilash Guptain 2021 in there study on 'Impact of COVID-19 on digital payment services at towns and villages' stated there was an use of digital payment services post pandemic by Indian people such as businessman's as well as by households but the wave of Covid-19 has increased the use of digital applications in economy especially at towns and village level. Now-a-days most of the small businessman's, shopkeepers even those who earn their livelihood through selling of their items using hand carts or hawkers.
10. Vally Suma and Divya Hema, M. Thirupathi, Dr.G. Vinayagamoorthi, Dr. Sp. Mathirajin 2018 proposed "digital payments in India with perspective of consumer adoption" that digital payments services got hike after the happening of demonetization which gave rise to use of BHIM and UPI applications with a presence of full transparency. The researches have conducted a primary survey for 183 people from Hyderabad region of India and

analyzed their data through application of a technique that is Chi-square. They founded that technological deployment in case of digital payments has raised banking performances that is competent to attain objective of cash less economy. They further analyzed that banks are required to bring some measures that are effective in order to create awareness while using security or technology.

11. Balaji and Vijaykumarin 2018 analyzed the concept of "Diffusion of Digital payment system in Rural India" and mentioned the significance of cashless country in context to Southern Indian economy through application of a specific research tool that is Structural Equation Modelling. The researchers have collected some data from people who belong to rural areas of South India and founded that there are some people who are still unaware about the economy which is moving towards cashless country and were very much reactive while mentioning for their responses. On the other hand they founded that digitalization is now a priority of survival, the economy of digitalization has a significance impact on social lives of people. The adoption of digital payment services by rural community will enhance south India and contributes in installing computerized systems in areas.
12. Simran Jit Kaur, liawat Ali, M. Kabir Hassan, Md Al Emranin 2019 in there study on 'Adoption of digital banking channels in an emerging economy: exploring the role of in branch efforts' stated that customer-centric efforts at bank branch can improve the customers' overall satisfaction and trust by developing and strengthening the personal relationship with customers. In other words, understanding the needs of customers and delivering tailored products to customers builds customers' trust in the bank and strengthens the bank-customer relationship. Trust on digital banking was reported as a function of customer's perceived trustworthiness of a bank.
13. M. Thirupathi, Dr.G. Vinayagamoorthi, SP Mathirajin 2019 'Mentioned in their study on Effect Of cashless payment methods' A case study perspective usage of digital payment apps day by day getting more familiarity in our country with 440 percentages increased after demonetarization in 2016. As per Reserve Bank of India (RBI) and National Payments Corporation of India (NPCI), the cashless transactions had been more intensive in familiar channels such as NEFT, Mobile Wallets, Mobile Banking, BHIM, Banking Cards and Internet Banking etc... Internet, Mobile, Android and Ios is most required for each digital payment apps to do any transactions. In recent days' the number of users has been increasing day by day With more number of young and adults, particularly the usage of digital payment apps by student and employees who is working under government and private sector. in overall all the digital payment apps is most benefit to the users in terms of quick payment, avoiding to carry physical cash, save time, high secured payment, getting discounts and offer, easy recharge and green payment system etc...Hence the posture of Indian citizens is shift which is preference a excellent begin-up for cashless or less coin based economy. This will induce India towards more digital and developed economy.

14. Siby K M, Assistant Professor in 2021 stated in 'A Study on Consumer Perception of Digital Payment Methods in times of Covid Pandemic' that The digitalization drive in payment methods since demonetization has made remarkable progress even in times of Covid pandemic. The present study analyzed primary data collected from 107 respondents from Ernakulum district of Kerala. The present study was an attempt to analyse the consumer perception of digital payment methods in times of the Covid pandemic. The study based on the sample data concludes that irrespective of various demographic factors such as gender, age, education, profession, and monthly income, people tend to use digital payment methods in times of Covid pandemic. The demographic profile of the respondents showed that 66% of the respondents belong to the age category of 20-30, 75% of the respondents are students and 85% of the respondents belong to a monthly income category of below Rs.20000/- These factors have not inserted any dampening effect on the use of digital payment methods in times of Covid pandemic. The high digital literacy prevailing in Kerala with deep mobile penetration and easy accessibility of the Internet has indeed played a significant role in the digital revolution of payment methods even in times of Covid pandemic.
15. SINGH in 2017 in his study showed that how digital payment and digital wallet in India was get popularized due to demonetization. As there was a tremendous growth in the usage of internet and the no. of smart phone users were also increasing so people found it convenient to use as an alternative for cash. In this study he also pointed out that how different digital wallet companies were having competition to enter and expand the Indian market as it was the best opportunity for them to establish their company. It was also predicted that in future India will become a cashless economy and with digitalization people will surely adopt the digital mode of payment. ANOVA was used in this study to show that there is no significant variance in the consumer perception with respect to its demographic factors.
16. Pandey and Rathore in the year 2018 in their study discussed the impact of digital payment system. Due to modernization and globalization it was very important for the people to accept the modern method of payment. The study is based on secondary data and various literatures from past papers and government data. All data collected has been analyzed and used to find the impact and adoption of digital payments by the people.
17. Shivathanu B. in the year 2019 in his study adoption of digital payment system after demonetization emphasized on how the digital payment system was used by the people or accepted by the people during demonetization. It was based on a conceptual framework where the sample size was 766 .The data analyzed suggested that behavioral intentions and innovation resistance had an impact on the actual usage.
18. Dinesh, T. M., Kiran Kumar Reddy, and Suhasini, K. in the year 2018 in their study on 'Demonitization and its Effects on Digital Payments exploratory data analysis was conducted and data for the study was collected from NPCI web portal for the period May-2016 to

October-2017. The study revealed that there was a considerable effect of demonetization on digital payments which are more visible in RTGS and mobile transactions.

19. Dr. N. Rakesh, Dr. K. Suresh Kumar, Dr. S. SatheeshKumar in the year 2018 in their study on "UPI - THE GROWTH OF CASHLESS ECONOMY IN INDIA" examine analytical and critical method of research is used in the study. And data is collected from the secondary sources such as journals, government websites and news articles. Electronic transactions have increased. This could happen only with extensive recognition and acceptance of popular instruments such as credit and debit cards, net banking and e-wallets by the Indian population. But surprisingly, UPI came out to be the real distinct advantage.
20. Dr. Shilpa Bhimrao Gaonkar in the year 2018 stated in the study "Moving towards Cashless India" revealed that various new instruments are emerging. Benefits of going cashless increased transparency, efficiency and convenience, easier tracking.

1.6 HYPOTHESIS

Covid-19 did not have any impact on the number of digital payments in India.

1.7 SCOPE OF THE STUDY

This study covers the utilization of digital banking services by the survey respondents. The main focus of this study is to learn how covid-19 has impacted the number of users using internet banking methods and also to know how it has affected the merchants to switch from traditional payment methods (i.e cash payments) to digital payments. The study also focuses on the effects experienced by the banks operating in India after covid-19 based on the number of online bank transactions and the government policies which regulate and encourages digital banking transactions.

RESEARCH METHODOLOGY

1.8 SAMPLE SIZE

The Total Sample Size Taken for the Project is 250.

1.9 SAMPLING TECHNIQUES

For sampling, primary data collection for Objective 1 and objective 2 we used a simple Random sampling method also known as the probability sampling method wherein the samples were taken randomly from the given set of population.

Population: we limited our Target Population to people from ages 18 and above. The main reason for this was that most of the users of digital banking were from this age group also minors are restricted for using such services although there are some loopholes they are still only a handful of them.

1.10 DATA COLLECTION

The data used for the study comprises both Primary data and secondary data.

The primary data was collected for objectives 1 and 2 of the research by conducting a survey through Google forms.

The secondary data was collected for objectives 3 and 4 of the research from various articles on the internet about the impact experienced by the banks operating after covid-19 based on the number of online banking transactions and also about the policies which were passed by the government to encourage online transactions.

1.11 STATISTICAL TOOLS

1. **Regression analysis:** Regression analysis is a powerful statistical method that allows you to examine the relationship between two or more variables of interest.
2. **Correlation:** The correlation coefficient is a statistical measure of the strength of the relationship between the relative movements of two variables. The values range between -1.0 and 1.0.
3. **Chi-square test:** A chi-square test is a statistical test used to compare observed results with expected results. The purpose of this test is to determine if a difference between observed data and expected data is due to chance, or if it is due to a relationship between the variables you are studying.
4. **Analysis of variance (ANOVA):** Analysis of variance, or ANOVA, is a statistical method that separates observed variance data into different components to use for additional tests. A one-way ANOVA is used for three or more groups of data, to gain information about the relationship between the dependent and independent variables.
5. **Percentages:** A relative value indicating the hundredth parts of any quantity. One percent (symbolized 1%) is the hundredth part; thus, 100 percent represents the entirety and 200 percent specifies twice the given quantity.

1.12 LIMITATIONS OF THE STUDY

Digital payment systems have played an important role despite certain limitations. People have used a variety of methods to bring increased payments to beneficiaries - financial accounts (banking and portfolio), as well as digital vouchers, e-wallets, and other methods that do not offer a complete range of financial services. Others have taken advantage of this crisis to expand access to finance, including using the KYC with categories to facilitate the opening of bank accounts and mobile phones. Customer reviews with such active boarding systems have enabled new accounts to be opened since the launch of COVID-19. Such regulatory planning and innovation may be a good legacy of the COVID era.

It may be that some or most people do not know about digital payments as they may not be using a mobile phone or an android computer. The current study was conducted on the basis of possible secondary data to obtain an effective conclusion. The current report has a number of limitations such as the fact that the research is based on secondary resources that can be continuously developed through the collection of basic information through personal research. However, the purpose of the study was to analyze the impact of COVID-19 on the adoption of digital payment services.

1.13 FINDINGS

1. Nearly 85% of the people are using digital banking.
2. Every user feel the increase in spending after using digital payment as there is no physical object lost.
3. Digital payment is considered more safer than cash transaction because of theft and transaction proof.
4. Digital payment also is more convenient in payment process as payment can be done from anywhere and anytime.
5. Around 70% of the payment in shops are done through digital mode and also made it clear that Covid-19.
6. Customer demanded shops with no digital payment acceptance to have the mode of payment cause it is the need of the hour.
7. Digital payment is considered more systematic and can be kept as an instant proof of evidence of sending and acceptance of money.

1.14 SUMMARY

To improve the comprehension of the economic outcomes of the COVID-19 pandemic we analyzed the variations among the disaster from 2008-2009 and the crisis precipitated through the pandemic. The banking gadget has continually been in the middle of the crises, both in 2008 and in the 1930s, however this time the state of affairs is one-of-a-kind due to the fact now, we're facing a crisis this is associated with systemic fitness issues. In the preceding crises, banks were taken into consideration as part of the problem, however, this time they're perceived as part of the answer. This method increases the position of banks inside the coronavirus crisis and the strategies adopted via banks impact the complete economy. The pandemic has modified the arena economic system absolutely and impacted enormously most businesses. The banking machine performs an essential function in this case due to the fact it's far a key issue from a financial factor of view. In the latest years, the banking system has adapted constantly - it has been reinvented to keep up with customer expectations and the want for value reductions. The

COVID-19 pandemic has multiplied digitalization in the banking machine even though, they want for innovation and virtual strategies have been a vital aspect in banking even before the pandemic had commenced. We gift furthermore an opinion based on a narrative literature overview and a summary of the maximum crucial elements that remodel the banking device at some stage in the COVID-19 pandemic context. The literature regarding the COVID-19 pandemic.

1.15 RECOMMENDATIONS

Awareness of the use of digital solutions such as smartphone-based transactions and the use of credit/debit cards in PoS solutions remains an ongoing problem in rural areas. The government, together with the Reserve Bank of India (RBI) has implemented and initiated many programs such as Pradhan Mantri Jan Dhan Yojana to encourage investment, especially in rural India. Despite all efforts, some people still do not have access to banks. To overcome these challenges, awareness campaigns and training camps should be organized in rural areas to educate people about the benefits of having bank accounts and making digital payments. Make every bank responsible for establishing a branch-level training team consisting of skilled bankers and volunteers to train local merchants and inform citizens about digital payments and the benefits of investing in bank account numbers via mobile and Aadhaar.

All government departments and officials should engage at regional, block, and tehsil levels to raise awareness and promote digital payments. Additional promotional schemes should be introduced to both retailers and customers to promote digital payments. Monthly service costs on PoS machines and operating costs charged by banks for digital payments should be reduced or borne by regional/regional/central government institutions.

Network problems, poor mobile access, and internet access are major challenges in rural areas, thus preventing access to digital forms of transactions. The expansion of digital infrastructure is needed, especially in rural areas to provide better internet connectivity and sufficient bandwidth to improve digital payments.

People are less concerned about security concerns related to digital payments such as fraudulent use of payment networks and data theft. Therefore, in order to gain the trust of citizens, online security agreements need to be strengthened in order to receive digital payments.

The Aadhaar Powered Payment System (AePS) is widely used in rural areas, and biometric students are an integral part of the Aadhaar-based payment system. It is best to ensure that biometric quality students are available in the market. Dialing industries where informal workers work and payments in them occur in cash.

1.16 CONCLUSION

Based on the research we have done, we can conclude that our hypothesis was not correct, and Covid - 19 did have an impact on the digital transactions in India.

With our study, we came to find out that after covid 19 the number of online transactions increased to a drastic level because of which many merchants also had to change their primary mode of accepting money from the customers. Not only this we found that due to this impact, but banks were also forced to invest and improve their servers and back-end software's to meet the increased demand of the customers.

Also, we came to know the policies which were passed earlier by the Government of India as well as the Reserve Bank of India also contributed to this sudden shift as people were motivated to perform more cashless transactions.

Sustainable Accounting - A Study on Corruption and Governance

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ABSTRACT

Corporate field is the backbone of economic growth for a country. Over the years, every country including India, has witnessed accelerated economic development and growth with the assistance of its business and industrial units. But it is often noticed that this growth is obstructed by a few critical factors like corruption, which pierces its way through various loopholes and disintegrates a nation's financial health and wellness both internally and externally. Hence to rescue every country from this obstacle, and ensure its unstoppable economic growth, the concept of sustainable accounting has been determined. According to the sustainability of accounting, corruption and governance in the business world are the two sides of the same coin, for it is apparent that for one of them to prevail another has to be defeated.

Key Words: Accounting, Corruption, Governance, Sustainability

INTRODUCTION

Sustainable accounting, the term that is bulldozing its way into the corporate world is now gaining its prominence rapidly. It usually means the practice of measuring and making a report of a company's social, economical, and environmental impacts or effects of a company. It includes all the strategies and techniques that are capable of connecting a company's efforts to form a sustainable framework and it arises from the requirement of ensuring that accounting contributes to social, environmental and economical continuity.

As sustainable accounting is a derived component from sustainable development that aims at contributing its share of sustainability in the corporate world, it does have its own hindrances which obstruct sustainability from prevailing in the business field. Amongst others, corruption is one of the most salient hurdles in the journey of sustainable accounting that can set back sustainability not just economically but also socially in the corporate field to a great extent. Hence, this study mirrors the influence of corruption in the corporate world of India and how governance can play a crucial role in eradication of corruption in the corporate field and enhance sustainable accounting economically.

OBJECTIVES OF THE STUDY

To study the impact of corruption in the field of business in India.

To determine whether corruption can be a boon to the economy.

Role of corporate governance to eradicate corruption in the business world and promote economic sustainable accountability.

RESEARCH METHODOLOGY

The data is secondary in nature and is collected from various journals, research articles, websites and survey reports. The current study has been prepared based on two questions - how corruption affects sustainable accounting in the corporate world; and how governance can be utilized or implemented to prevent corruption in business units.

IMPACT OF CORRUPTION IN THE FIELD OF BUSINESS IN INDIA

Corruption in literal sense means dishonest or fraudulent conduct by those in power, typically involving bribery, but in the business world, corruption usually involves corporate scams and scandals that burn a huge hole in not just a country's economy but also in its financial health as well, giving it a new name as corporate corruption.

How Corporate Corruption Influenced India's Economic Trends

Corporate corruption in India has been a great influencer for its financial wealth and wellness. It has been the root cause for the country to lose its wealth by not just thousands or lakhs but an enormous amount of millions and billions have been robbed by various industrialists and businessmen by using loopholes in the policies of the government in the form of corporate scams and scandals over the years. The following scams and scandals reflect that corruption has now become a pervasive aspect of the Indian corporate and bureaucratic system.

Coal Allotment Scam at an approximate cost of 186000 Crores, 2G Spectrum Allocation Scam costing 176000 Crores (approx), Delhi Commonwealth Games 2010 (CWG) Scam that costed approx. 70000 Crores, Black Money Stashed by Indian Corporate Houses at approx. cost of 70000 Crores approx., Hawala Scam costing 8000 Crores (approx), Satyam Scam at a cost of 14000 Crores (approx), Stock Market Scam (3500 Crores approx. cost) and Kingfisher Revival Scam 2012-2016 (Cost 9000 Crores approx).

CAN CORRUPTION BE A BOON?

Corruption may be ethically unsavory, but, according to some economists, in some exceptional cases it may also serve to be economically beneficial. In a country where elaborate bureaucracies make it hard to start companies, import or export goods, or simply get a passport, bribes can cut through red tape, serving as what's called 'speed money' and therefore help them

in completing their operations efficiently and effectively. But it is useful only in the short run, as in the long run, a business unit cannot remain legal and stable if all of its operations are conducted illegally. It makes it next to impossible for the stakeholders to trust the organization when the organization is not transparent.

Magnitude of the Corporate Corruption

During the time period of 1990-1999, the country witnessed an escalation of corporate scams involving crores of rupees. It must be admitted that despite the government's liberal economic policies there had been many instances wherein some of the policies and schemes (particularly the banking rules) of the government were heavily misused by the corporate houses. A union of big corporate houses, politicians and bureaucrats have matured under the neoliberal regime and made our system more vulnerable to cronyism and criminality. The result being the bulk of the population suffers from stagnant and insecure living standards making the Indian government ineffective in eradicating poverty which resulted in the rich are becoming richer, the poor becoming poorer.

ROLE OF GOVERNANCE IN ERADICATION OF CORPORATE CORRUPTION

Governance is the act or process of governing or overseeing the control and direction of something by forming various laws and policies. When these mechanisms of governance are executed in companies and business units then it is termed as corporate governance.

According to Gillan and Starks (1998) corporate governance is the system of laws, rules, and factors that control operations at a company. These policies and rules help a business unit run its operations in a corruption-free way.

It is believed that the firms in highly corrupt nations tend to have poor corporate governance whilst countries with a lack of sound corporate governance can breed corruption. Wu (2005) examines the relations between corporate governance and corruption using country-level data, and finds that countries with corporate boards that effectively reflect the interests of the shareholders and actively prevent accounting irregularities experience less corruption. Also, Wu (2009) argues that good corporate governance can decrease firm bribery.

The range of corruption in a firm depends upon the rigidity of its governing policies, rules and regulations. A strong corporate governing structure in a firm leaves a very low or less possibility for corruption to prevail and assists the firm in its smooth functioning, and hence resulting in enhancement of economic sustainable accounting.

Relationship between Corporate Governance and Corruption

Corporate governance and corruption are inversely related. It means, a stabilized corporate governance in a firm implies a low rate of corruption. Similarly if the rate of corruption is high, it indicates that its governance is inefficient and ineffective.

CONCLUSION

This study states that for the concept of sustainable accounting to have its prominence in the corporate world, it should be capable of surmounting the difficulties caused by crucial threats like corruption. Every business unit should and must have a very strong and inflexible corporate governing structure which lays down and implements its rules and regulations very strictly and does not leave any loopholes for doing any illegal or unauthorised activities inside or outside of the firm.

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A Study on Augmented Application of Humanoid Robots

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ABSTRACT

Artificial Intelligence (AI) can be defined as the ability of the computer or a robot to do tasks that are usually done by humans as they require human intelligence. The scope of AI has been constantly been developing, and has proven some tremendous results right from carrying out simple programs to complex like medical diagnosis, computer search engines etc. The main purpose of this research is to briefly explain how humanoid robots can be used to help create a cleaner society by reducing human effort, cost, and most importantly in a significantly short period of time. This paper also gives a brief detail of different types of robots and their practical applications and developments.

Key words: Robotics, Artificial Intelligence, Humanoid Robots, Search Engines.

INTRODUCTION

Artificial intelligence, as a combination of computer science and databases, is the intelligence exhibited by machines, opposite to the natural intelligence of humans. It is concerned with developing smart machines that are capable of performing human-like tasks. One of the sub area of AI is "robotics" which simply involves automated operating machines that have the ability to replace or reduce human effort. In simple, robotics is the engineering discipline which involves designing, construction and operation of robots.

When it comes to types of robots that are being created, Humanoid robots have been advancing and have shown a greater usefulness in the professional industry. Right from serving at a restaurant to acting as an aid at home robots have been significantly used. There are many companies that are constantly researching on making these prototypes into a better versions that are compatible for doing tasks that are on the whole similar to that of humans. Basically, humanoid robots resemble the human body that also copy human motion and interaction. Like any other robots, they automate tasks.

HONDA Company has also been doing research on robotics since 1986, and has gone straight into developing one of the advanced humanoid robot "ASIMO". As stated "asimo" configuration allow it to operate freely in the human living space. It would be of practical help to humans with the ability of five finger arms as well as its walking function.

There are enormous advantages of human robots, and some of them are still under research. Right from digital class room teaching, professional space, games and sports, medical diagnosis etc., they are being developed and used constantly.

OBJECTIVES OF THE STUDY

To understand the concept of artificial intelligence and its involvement in 'robotics' so as to amplify some of the major uses from it.

To understand how 'humanoid robots' can be used for a cleaner society.

To understand the ways in which humanoid robots affect the economy

REVIEW OF LITERATURE

Before diving into the topic, understanding and knowing about different types of robots and their practical application would give a clear idea on how robots can be used in many ways, and mainly clarifies on how they are efficient to work in regards to the research as well.

- 1) **Humanoid robots:** As said humanoid robots copy human actions and behavior. They are similar to humans in terms of appearance, and are programmed in such a way, it resembles human behavior and actions, some of which may include: running, walking, guarding etc.
- 2) **Pre-programmed Robots:** Some simple tasks/activities are already programmed into these robots. Considering the robotic machines in factories and industries, they are designated to certain tasks and do it in a proper order according to the program.
- 3) **Augmenting Robots:** The robots that can add to the lost human abilities or enhance it are augmented robots. They are the future and can turn things into reality. Some of them include prosthetic limbs, or hearing aids, etc.
- 4) **Robot software:** A computerized program which carries tasks like resolving problems, queries through chat box. Though this cannot be considered a robot as it does not have a physical mechanical body.

RESEARCH METHODOLOGY

The data is secondary in nature and is collected from various journals, research articles, company sources, websites and survey reports.

APPLICATIONS OF ROBOTS

There are a lot of tasks which are so boring yet require a lot of precision, time. Therefore some of the tasks can be partially or completely replaced by robots which can help humans save a lot of time and money. Practical applications of robots in day to day life can include various activities, and there is a lot of research going on some new ways of applications as well.

- 1) **Space exploration:** Space exploration has been one of the hardest things for the humans to do, as it is difficult for living organisms in the outer space. But when it comes to robots, they can be easily utilized. Not only that, they have higher chances to remain intact in space, but also sends some precise information, like pictures.
- 2) **Agriculture:** Agriculture in India is a major source of food. It is proven to be a very diligent and tiring job and requires mechanical power and aid. There are many robotic tools created in agriculture sector that help for easy cultivation.
- 3) **Military:** Right from "drones" to "Modular Advanced armed Robotic systems" robots have been very useful in military as well. Robotic tools in military can be used for spying, detecting location, systems that confuse grenade launchers etc.
- 4) **Manufacturing:** In several industries robots are being used for the manufacturing of goods and involves various difficult tasks such as welding, assembling, packing etc..
- 5) **Food preparation:** Few of the restaurants have started using robots in the preparation of meals and serving, which not only saves a lot of money but also attracts customers as well.

There are several other applications of robots in the fields of customer service, entertainment, health care, and security.

HUMANOIDS FOR A CLEANER INDIA

India ranks 168th out of 180 countries in terms of cleanliness according to researchers at Yale and Columbia University, who say the country faces serious environmental health risks, including poor air quality.

There may be various factors involved like pollution, industrial waste, waste from household, waste being dumped into water bodies, damaged roads, deforestation etc.

And each of these issues can be resolved by human efforts, but it takes a larger amount of time and a large human resource as well. When resolution of these issues is done with the help of humanoid robots, a significant change can be observed within a short period of time and also aids in sustainable finance, and help in numerous ways. Some of them include:

- **Picking and segregating of the waste:** Waste has been scattered across various streets, and it involves the work of large human resource to remove. Hence Humanoid robots can be replaced to do these tasks which basically involves picking the waste and then segregating them and recycling them. Though there is a lot of research that has to be done on humanoids and commanding them, these ideas can be considered none the less.
- **Planting trees:** We have never heard of humanoid planting trees and taking care of them. But if humanoids help in planting trees when it is significantly important for the environment with/without any human intervention, it can help greatly by improving the greenery across the country and thereby reducing the pollution.

- Constant monitoring the air quality index(aiq), soil quality, water pollution: A humanoid robot if able to detect these issues, it can be resolved with certain remedial measures. Water pollution, soil pollution, can disturb the ecosystem. Hence humanoids can help detect those.

These are few ways humanoids can be used in treating the waste, and help in walking towards a cleaner society.

WAYS IN WHICH HUMANOID ROBOTS AFFECT THE ECONOMY:

- 1) **Productivity growth:** Productivity growth involves three major things, they are: increase in the quality of labor, increases in capital and total factory productivity. Machines helps in the increase of Productivity. The companies which were in the early stages of adopting robots have observed about 5.1% increase in the productivity levels. It is known that 1% increase in robot density can be correlated with 0.8% increase in productivity.
- 2) **Gross Domestic Product(GDP):** when productivity increases, the GDP also increases. A successful deployment of robots would help in increase of GDP rate.
- 3) **Job creation:** With the development of robotics, jobs can be created in the tech sector thereby improving the economic conditions as well.
- 4) **Robots and Manufacturing:**

Globally, the sectors which have the ability to over come cost barriers, tend to produce more robots. Industries like food and beverage, chemical, automotive etc. require large no. of robots where as education, construction, utilities, textile manufacturing mining etc.. require fewer of the robots. Though there are some industries that are slow to adopt robots, there is an significant increase in automation and manufacturing throughout the globe.

Using the "Global Economic Model" robot related economic shocks were stated by the OXFORD ECONOMICS that:

- 1) An increase/decrease in total of the productivity resulted from adopting more or less robots in industrial sector.
- 2) There may be a fall or rise in business investment, considering different levels of expenditure on industrial robots.
- 3) In terms of Employment, fewer or more workers may be required under high or low scenarios.

The overall impact on economy can be derived from these.

Robots have a great potential to boost economic growth and productivity, but also effects the job market polarization, unemployment, wages.

Though humanoid robots involves few disadvantages of its own like waste from mechanical parts, repairs, reducing human jobs etc. if used effectively and efficiently, it helps in the greater development.

CONCLUSION

On the whole, Humanoid robots have a great role in the development of the country in terms of Environment as well as Economy. If certain tasks such as cleaning the streets, treating the waste etc. are replaced by robots which can work for a longer hours without getting tired unlike humans, then we can observe a cleaner India in a very short period of time which in turn help the Government as well as the citizens.

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A Study on Financial Statement Analysis of Visaka Industries

CHAPTER 1

ABSTRACT

The main purpose of this study is to determine, forecast and evaluate the best of economic conditions and company's performance in the future. The other purpose of this study is to analyse the financial statement and then give information for financial managers to make through decisions about their business. The financial statement applies tools, analytical techniques and required methods for business analysis. It is a diagnostic tool for evaluating financing activities, investment activities and operational activities as well as an assessment tool for management decisions and other business decisions. The analysis of financial statements, respectively the analysis of the financial reports are used by managers, shareholders, investors and all other interested parties regarding the company's state. Managers use financial reports to see the situation in which the company stands and then provide information to shareholders, to see how reasonable are the investments made in the company. To potential investors, the analysis of the financial statements of the company is very important, because, first they want to know the actual state of the company and then decide whether to invest or not.

KEYWORDS: Financial analysis, financial reports, decision making, profitability, liquidity.

FINANCIAL STATEMENT ANALYSIS

INTRODUCTION

Financial statement are prepared primarily for decision making. They paly a dominant role in setting the framework of managerial decisions. But the information provide in the financial statement is not an end itself as no meaningful conclusion can be drawn from these statements alone. The information provided in the financial statement if of immense used in marketing decisions through analysis and interpretation of financial statement. Financial analysis is "The process of identifying the financial strengths and weakness of the firm by properly establishing relationship between the items of the balance sheet and the profit and loss account". There are various methods or techniques used in financial analysis such as comparative balance sheet statements, trending analysis, common size statements, schedule of changes in working capital, funds flow analysis, cost volume-profit analysis, ratio analysis etc.

MEANING AND CONCEPT OF FINANCIAL ANALYSIS

The term "Financial analysis is known as analysis and interpretation of financial statements refers to the process of determining financial strengths and weakness of the firm by establishing strategic relationship between the items of balance sheet, profit and loss account and other operative data\].

According to Metcalf and Titard "it is a process of evaluating the relationship parts of a financial statements to obtain a better understanding of a firm's position and performance.

According to Myers "Financial factors in a concern as disclosed by a single set of statements and a study of the trend of these factors as shown in a service of statement.

ADVANTAGES AND DISADVANTAGES OF FINANCIAL ANALYSIS

ADVANTAGES

1. The Ability to Detect Patterns

Financial statements reveal how much a company earns per year in sales. The sales may fluctuate, but financial planners should be able to identify a pattern over years of sales figures. For example, the company may have a pattern of increased sales when a new product is released. The sales may drop after a year or so of being on the market. This is beneficial, as it shows potential and sales patterns so executives know to expect a drop in sales.

2. A Chance to Budget Outline

Another advantage of using financial statements for future planning and decision making is that they show the company's budgets. The budgets reveal how much wiggle room the company has to spend on launching products, developing marketing campaigns or expanding the current office size. Knowing how much money is available for planning and decision making ensures that the company does not spend more than expected.

3. Evaluation of Past Performance

Financial statement analysis evaluates the past performance of business such as sales, cash flows, income, return on investment etc. by using different techniques like trend analysis, vertical analysis, ratio analysis etc.

4. Indication of Current Position

Financial statement analysis indicates the current financial position of the business in terms of profitability and operational efficiency.

5. Prediction of Future Performance

Financial analysis provides the data of past and current financial position of the business. These data and information are the bases to predict future earnings and growth rate of the business.

6. Planning and Decision Making

Financial statement analysis evaluates and compares the past and present performance of the business. It helps the management in planning and decision making process.

7. Tax Determination

Financial statement analysis shows accurate financial position and profitability of the business. So, it helps to determine tax liabilities of the company.

8. Credit Decision

Financial statement analysis helps the bankers to make credit decision by providing up-to-date information regarding profitability, solvency, liquidity and efficiency of the business firm.

DISADVANTAGES

1. Based on Market Patterns

One disadvantage of using financial statements for decision making is that the data and figures are based on the market at that given time. Depending on the market, it may change quickly, so executives should not assume that the numbers from a previous financial statement will remain the same or increase. Just because a company has sold 5 million copies of a product during one year does not guarantee it will sell the same amount or more. It may sell much less if a competitor releases a similar product.

2. At-One-Time Analysis

Another disadvantage is that a single financial statement only shows how a company is doing at one single time. The financial statement does not show whether the company is doing better or worse than the year before, for example. If executives decide to use financial statements for making decisions about the future, they should use several financial statements from previous months and years to ensure they get an overall picture of how much the company is doing. The financial statement becomes a continuous analysis, which is more useful than using a single statement.

3. Ignores Qualitative Aspect

Financial statement analysis checks only quantitative or monetary aspect of the business. It totally ignores qualitative aspect.

4. Historical Data

Financial statement analysis is done with the help of historical financial data provided by financial statements. So, it may not be a base or indicator for future estimation, planning, forecasting and decision making.

5. Biasness

Financial statement analysis may suffer from the biasness of the analysts. This may mislead the users.

6. Does Not Provide Solution

Financial statement analysis only identifies the finance related problems of the company. It fails to suggest the solutions.

7. Difficult To Compare

Different companies may follow different accounting principles (like different depreciation methods, LIFO method, FIFO method etc). In this situation it is impossible to compare different financial statement accurately.

8. Price Level Change

Effect of price level change cannot be adjusted in financial statement analysis.

TYPES OF FINANCIAL ANALYSIS

Financial analysis is broadly classified into different categories. The classification is picturized in the following flow chart.

TYPES OF FINANCIAL ANALYSIS

EXTERNAL ANALYSIS

This analysis is done by outsiders who do not have access to detailed internal accounting records of the firm. These outsiders include investors, potential investors, creditors, government agencies, credit agencies and the general public. For financial analysis these external parties to the firm depend almost entirely on the published statements.

INTERNAL ANALYSIS

The analysis conducted by persons who have access to the internal accounting records of a business firm is known as internal analysis. Such analysis can therefore be performed by executives and employees of the organisation, as well as the government agencies that have statutory power vested in them. Financial analysis for managerial purpose is the internal type of analysis.

HORIZONTAL /DYNAMIC ANALYSIS:-

Horizontal analysis is a comparison of financial data of a company for several years. The figures for this type of analysis are presented horizontally over the number of columns. The figures of the various years are compared to with standard or base year. A base year is a year chosen as beginning point. This type of analysis is also called "dynamic analysis" as it is based on the data from year to year rather than on data of any one year.

VERTICAL /STATIC ANALYSIS:

Vertical analysis is a study of relationship of the various items in the financial statements of one accounting period. In this type of analysis the figures formed in the financial statements of a year are compared with a base selected from the same year statements. It is known as "Statistical analysis" or common size. Financial statements and financial ratios are two

Tools employed in vertical analysis. Since vertical analysis considers data for one time period only

METHODS USED FOR FINANCIAL STATEMENTS ANALYSIS:-

1. Comparative Statements
2. Common Size Statements
3. Funds Flow Analysis
4. Cash Flow Statement
5. Ratio Analysis

COMPARATIVE STATEMENTS

The comparative financial statements are the statements of the financial position at different periods of time. The elements are shown in comparative form so as to give an idea of financial position at two or more periods. Generally two financial statements (balance sheet and income statements) are prepared in comparative form for financial analysis purposes.

Comparative Income Statement

Income statements provide the details about the results of the operations of the business, and comparative income statements provide the progress made by the business over a period of a few years. This statement also helps in ascertaining the changes that occur in each line item of the income statement over different periods.

The comparative income statement not only shows the operational efficiency of the business but also helps in comparing the results with the competitors, over different time periods. This is possible by comparing the operational data spanning multiple periods of accounting.

The following points should be studied when analysing a comparative income statement

1. Compare the increase or decrease in sales with a relative increase in the cost of goods sold.
2. Studying the operational profits of the business
3. Overall profitability of the business can be analysed by an increase or decrease in the net profit.

Comparative Balance Sheet

Comparative balance sheet analyses the assets and liabilities of business for the current year and also compares the increase or decrease in them in relative as well as absolute parameters.

A comparative balance sheet not only provides the state of assets and liabilities in different time periods, but it also provides the changes that have taken place in individual assets and liabilities over different accounting periods.

The following points should be studied when analysing a comparative balance sheet

1. The present financial and liquidity position (study working capital)
2. The financial position of the business in the long term
3. The profitability of the business

COMMON SIZE STATEMENTS

The Common Size Statements, balance sheet and income statement are shown in analytical percentages. The figures are shown as percentages of total assets, total liabilities and total sales.

The total assets are taken as 100 and different assets are expressed as a percentage of total. Similarly, various liabilities are taken as part of total liabilities.

Common Size Balance Sheet Statement

The balance sheet provides a snapshot overview of the firm's assets, liabilities, and shareholders' equity for the reporting period. A common size balance sheet is set up with the same logic as the common size income statement. The balance sheet equation is assets equal's liabilities plus stockholders' equity.

The balance sheet thus represents a percentage of assets. Another version of the common size balance sheet shows asset line items as a percentage of total assets, liabilities as a percentage of total liabilities, and stockholders' equity as a percentage of total stockholders' equity.

Common Size Income Statement

The income statement (also referred to as the profit and loss (P&L) statement) provides an overview of flows of sales, expenses, and net income during the reporting period. The income statement equation is sales minus expenses and adjustments equals net income. This is why the common size income statement defines all items as a percentage of sales. The term "common size" is most often used when analysing elements of the income statement, but the balance sheet and the cash flow statement can also be expressed as a common size statement.

FUND FLOW STATEMENTS

The Fund flow statement is a statement, which shows the movement of funds and is a report of financial operations of a business undertaking. It indicates the various means by which funds

were obtained during a particular period and the ways in which these funds were employed. In simple words, it is a statement of sources and application of funds also called "where got and where gone statement".

A company prepares a Profit and Loss (P&L) statement and balance sheet, then what is the need for funds flow statement? The P&L Statement and Balance sheet are two statements that portray the financial position for the past and current year. They do not explain why the financial position has changed. That's where the fund flow statement is required and its need for long and short-term funds. It also explains the following:

- Fund Sources or where the funds came in from with their sources.
- Fund application or where the long or short-term funds have been used.

CASH FLOW STATEMENT

The cash flow statement is one of the most revealing document of a firms financial statements, but it is often overlooked. It shows the sources and uses of a firm's cash as it moves both in and out. When analysing a company's cash flow statement, it is important to consider each of the various section that contribute to the overall change in cash position in many cases, a firm may have negative overall cash flow for a given quarter, but if the company can generate positive cash flow from its business operations, is not necessarily a bad thing. Below we will cover cash flow from investing activities, one of the three primary categories in the statement of cash flow.

The cash flow statement paints a picture as to how a company's operations are running, where its money comes from, and how money is being spent. Also known as the statement of cash flows, the CFS helps its creditors determine how much cash is available (referred to as liquidity) for the company to fund its operating expenses and pay down its debts. The CFS is equally as important to investors because it tells them whether a company is on solid financial ground. As such, they can use the statement to make better, more informed decisions about their investments.

RATIO ANALYSIS

Ratio analysis is a technique of analysis interpretation of financial statements. It is a process of establishing and interpreting various ratios for helping in making certain decisions. It is only a means of better understanding of financial strengths and weakness of a firm.

Users of financial statement analysis

Trade creditors

Trade creditors are interested in firm's ability to meet their claims over very short period of time. Their analysis will therefore be the evaluation of firm's liquidity position.

Providers of long term debts

On the other hand suppliers are concerned with the firm's long term solvency and survival. They analyse the firm's profitability overtime, its ability to generate cash to be able to pay and repay principal and relationship between various sources.

Investors

Investors are those persons who invested their money in the firm's earnings. They restore confidence in endorse firms that show steady growth in earnings. As such they concentrate on the analysis of the firm's present and future profitability.

Management

Management of the firm would be interested in every financial aspect of the financial analysis. It is their overall responsibility to see that the resources of the firm are used most effectively and efficiently and that the firm financial condition is sound.

Objectives of the study

The objective of the project it's to analyse the financial statements and interpret the same. Objectives can be broadly categorised as follows:-

1. To study the financial position of the organization and analyse its implications on short term and long term solvency.
2. To study the profitability of the organization and its ability to manage operating financial risks to enhance shareholders wealth.
3. To study the trends in various components in financial statements.
4. To analyse the movements of cash.
5. To disclose to the extent possible other information related to financial statements that are relevant to statement users 5.
6. To analyse the ability of a company to meet its financial obligations.

Scope of the study

The financial statement analysis uses the quantitative analysis approach, which constitutes inferential experimental and simulation approaches. This study make use of inferential approach only. The purpose of inferential approach to this study is to form a database from which inference of a characteristics off or the relationships between the various components in the financial statements. This study, as its no scope, deals with the collection, analysis, comparison and interpretation of the annual financial statements of the concern. For the past four years (2 013-17). It also deals with a comparison of the firms average with that of the industry.

Methodology

Study of the short- term financial position of the concern it's done. Through the computation of current ratio quick ratio, working capital turnover Ratio, inventory ratio, inventory conversion period, debtor's turnover ratio, debtor's Collection. Creditor's turnover ratio and creditor's payment period.

Study of the long- term financial position of the concern is done through The computation of debt equity ratio interest coverage ratio proprietary ratio, Ratio of fixed assets to the proprietor's, fund capital turnover ratio and total assets Turnover ratio.

Study of the general profitability of the concern involves the computation of hey Gross profit ratio, net profit ratio, operating ratio and operating profit ratio.

Study of the overall profitability of the firm involves the computation of Returns on shareholders' investment return on the net capital employed , return On gross capital employed, return on equity share capital EPS and coverage For equity shareholders.

Study of the capital structure of the organization involves the computation of capital- earnings ratio, ratio of reserve to equity capital and network to debt.

The study of the change in the composition of the components of the financial statements involves the preparation of common- size statements, Comparative statements trend analysis statements.

The study of the inflows and outflows of cash in the organization is done by preparing the cash flow statement.

The study of the company's ability to meet its financial obligations using leverage ratios

Database

The study is based on the data base.

For a detailed study of its financial statements documents and system ratios and finally

To recognise and determine the position of the company

Data which is used to prepare this report

The secondary data which was already prepared so these data only used reach the aims and objectives of this project. This data has been collected from the financial reports of the company.

Limitations of the study:-

Some of the important limitations of this financial analysis are:

1. The financial statements used in the study based on transactions of a monetary nature only, ignoring the qualitative aspects involved.

2. Lack of standardization in the computation of ratios is another limitation encountered in this project.
3. Reliance on financial statements, which are prepared following certain rigid, time honoured conventions principles and rules that may have ignored the actual situation of the transaction.
4. It does not give any clue for future.
5. Changes in accounting procedures may often make financial analysis misleading.
6. It is only based on mathematical interpretation of the figures and ignore the factors such as management style, motivation for workers leadership etc.
7. Different people may interpret same analysis in different ways.
8. Analysis is only a means and not the end itself. The analyst has to make interpretation and draw his own conclusions.

Need of the study

According to study it is a process of identifying, measuring and communicating economic information to permit informed judgments decisions by users of the information. It involves recording, classifying and summarising various business transactions the end products of business transactions are the financial statements comprising primarily, the position statement or the balance sheet and income statement or the profit and loss account. Financial statement is a collection of data organised according logical and consistent accounting procedures. Its purpose is to convey understanding of some financial aspects of a business firm. It may show opposition at the moment in time, as in the case of the balance sheet, are me reveal a series of activities over a given period of time, as in the case of the income statement.

Financial statements are prepared primarily for decision making. They play dominant role in setting the framework of managerial decisions. Nevertheless, the information provided in the financial statements it's not an end in itself it has no meaningful conclusions can be drawn from these statements alone. However the information provided in the financial statement ease of immense use in making decisions through analysis and interpretation of financial statements. Financial analysis is the process of identifying the financial statement and weaknesses of the firm by properly establishing relationship between the items of the balance sheet and profit and loss account. Purpose of financial analysis east to diagnose the information contain zero in financial statements so as to judge the profitability and financial statements of the firm. The financial statement analysis is an attempt to determine the significance and meaning of the financial statement data show that forecast may be made of the future earnings ability to pay interest and debt maturates and profitability of a sound dividend policy.

A Study on the Effects of White-Collar Crimes on the Indian Economy

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INTRODUCTION

"Crimes committed by people who enjoy the high social status, great repute, and respectability in their occupation."

- EDWIN HARDIN SUTHERLAND

An American criminologist, sociologist, Edwin Hardin Sutherland coined the term white-collar crime in 1939. Edwin stated that white-collar crimes will have a greater impact on society rather than other crimes, as it affects the financial stability of the people and it brings a huge loss to the economy, which is harmful to any developed or developing countries in the world.

According to Dr. S. Radhakrishnan, "The practitioners of evil, hoarders, the profiteers, the black marketeers, and speculators are the worst enemy of our society. They have to be dealt with sternly. However well placed important and influential they may be, if we acquiesce in wrongdoing, people will lose faith in us." In general, white-collar crimes are committed by people with high social status whose major motive is to gain financially. Irrespective of the gender these crimes are committed using unethical practices in their fields leading to a breach of trust. They don't intend to commit any crime which is a violent or physical threat. These crimes include money laundering, embezzlement, insider trading, tax evasion, bribery, cybercrime, corporate crime, forgery, etc.

In India, the rate of white-collar crimes is rapidly increasing. We have different types of white-collar crimes which leads to a huge economic loss of the country. If we look into our history, these crimes were committed even in those days like robbery, fraud, wrongdoing. Advancements in technology have even increased this crime rate and many new dimensions of crimes are coming into the picture. The sole objective of these crimes is financial gain such as land, money, gold, and other financial objects. The crimes in India are increasing at a fast pace due to the developments taking place in every sector of the country.

In recent days, crimes are usually committed digitally with the latest technologies, where it's difficult to trace the culprit. These are mostly self-driven crimes for improving their financial and social status. These crimes have a wide range of impacts on the economy. Inflation, scarcity of resources, the decline in GDP, overall economic development are some of the effects of white-collar crimes. In India, the reasons for committing these crimes may be greed, competition, lack of proper laws, lack of awareness, modern technology, necessity. Implementation of stringent laws must be the immediate call by the government to reduce the rate of these crimes.

As per the report of, The economic times, India ranked 78th position on Transparency International's corruption perception index (CPI) out of 180 countries. The corporate world will have a greater impact because of these crimes. There is a need to control white-collar crimes for the overall development of our country.

TYPES OF WHITE-COLLAR CRIMES

White-collar crimes are of various types, according to the nature of the crime they have committed these are categorized. Many types are there around the world but below are the few types of crimes that we visualize frequently in our country.

1. Money laundering:

In India, Money laundering has been defined under Section 3 of the Money Laundering Act, 2002. The crime of money laundering is also called "Hawala Transaction" in India. The act of money laundering is done by a person who tries to convert his/her illegal money into legitimate money i.e. legal money and thus in this way, the crimes of money laundering take place, and the person who commits this act is called a money launderer. Money launderers are very smart and cunning and they do their job in such a manner that not even the investigating agencies can trace the real source of the money. This is how people who invest their black money in the capital market succeed at converting black money into legal or white wealth.

There are three major steps involved in money laundering:

- **Investment:** This is the first step in the act of money laundering and in this process, the launderers will invest their black/illegal money into various black markets through various agents or banks and in the form of cash. These processes are done either by formal or informal agreements.

- **Manipulating the details:** This is the second step in the act of money laundering and this step, the launderer will hide all of his real income details, and to do so, the launderers, often deposit their money in the form of bonds, stocks, etc. into a foreign bank, to safeguard their white-collar criminal activities, Launderers will prefer to invest in those banks that do not reveal the identity or the details of the account holder. This will help the launderer in the manipulation of the information regarding the source of the money and about its owner.
- **Making what is illegal, legal -** This is the final step in the act of money laundering and in this process, The launderer will bring in his black or illegitimate money into the market which is finally converted into legal or legitimate money, and then introduce it into the financial world.

2. Tax evasion

Tax evasions mean evading the payment of tax to the government. It is an illegal activity where a person or an organization deliberately avoids paying the actual tax liability. It can be either the non-payment or underpayment of tax due.

To determine whether the tax evaded was intentional or coerced, many factors are taken into consideration like the financial position, manipulation or concealment of the assets, etc.

Tax evasion can be done in various ways, I.e through smuggling, filing incorrect income tax returns, making fake financial statements, not showing proper income, manipulating receipts, saving money outside the country, offering bribes, etc.

According to the Tax Justice Network(TJN), \$10.3 billion are lost annually in the form of tax evasion in India. Tax is the major revenue for any country. Due to these tax evasions, the economic status of the nation gets affected. This leads to inflation which indirectly affects the GDP of the country. In this way, the rich become richer, and the poor remain poor.

The income tax department of India has introduced income tax reward schemes to informers of tax evasion, special bearer bond scheme, voluntary compliance scheme, and more to reduce tax evasions. It has to reduce the tax slab rates, initiate a well-organized tax structure to reduce these.

3. Insider trading

Insider trading means where an insider, who has all materialistic information of the markets which is non-public, trades to manipulate the share prices and with the sole objective of profit-making. Insider includes the director, senior officers, or any person or entity of a company. This can be performed in legal and illegal ways. It is the buying and selling of shares of publicly traded companies by some other party that knows non-public information.

Insider trading is considered to be a legal action when this trade is executed with SEC (U.S Securities and Exchange Commission) / SEBI (Securities and Exchange Board of India)-in the

case of India, permission. It should submit the report to the authorities regularly after the trade practice.

If it is carried out illegally I.e trading using information unknown to the public and without any legal permission which leads to manipulations in the market, then it is a punishable offense.

Insider trades are regulated in India under SEBI Insider trading regulations, 2015. This type of trading affects the capital market of any country's economy.

4. Copyright infringement

Copyright infringement, in India, has been defined under section 51 of the copyright act, 1957 which has two clauses. Section 51(a) talks about the primary acts of infringement and section 51(b) about the secondary acts of infringement. It can also be termed plagiarism.

Copyright is a private domain owned by the owner of the copyright which is protected by law from any infringements later.

A copyright is infringed when someone has not obtained a license or permission from the owner of the copyright. There are exceptions to the infringement of copyright under Section 52 of the copyright act, 1957 such as:

- Personal or private use (includes research)
- Criticism or review, whether of that employment or the other work.

According to section 51 of the copyright act, 1957 any person or entity that commits the following acts like theft, hijacking, bootlegging a copyrighted work can be sued for it and will be imprisoned for 6 months with a minimum fine of 50K and so on.

When it comes to creature works such as sound recordings, cinematography, musical works, dramatical works, artistic works is where copyright comes into action. A copyright owner can seek damages for unpermitted use of their original work.

5. Cybercrime

Cybercrime is where computers are used as an instrument to perform illegal activities such as fraud, stealing identities, or violating privacy. It is also known as computer crime. As there is advancement in technology in every field, humans have access to every activity in one place. We can perform all our daily activities online like shopping, data storage, gaming, networking, education, and all. As everyone is dependent on online facilities, it has become very easy for criminals to perform illegal activities. There are different types of cybercrimes:

- Identity theft
- Phishing
- Social engineering
- Cyberstalking

Cybercrime is conducted by profit-driven cybercriminals or hackers. Some of these crimes target directly the computer systems, to insert viruses, to disable them, and some of the target networks to disseminate malware, unlawful information, pictures, or other things. Around 6500 cases have been recorded in 2021 in our country and only 12% of the cases are resolved as per the records.

6. Racketeering

Racketeering is a type of organized crime in which the perpetrators set up a coercive, fraudulent, extortionary, or otherwise illegal coordinated scheme or operation (a racket) to repeatedly or consistently collect a profit.

Originally and often still specifically, racketeering may refer to an organized criminal activity in which the perpetrators offer a service that will not be put into effect, offer a service to solve a nonexistent problem, or offer a service that solves a problem that would not exist without the racket. However, racketeers may offer an ostensibly effective service to solve an existing problem. The traditional and historically most common example of such a racket is the "protection racket", in which racketeers offer to protect a business from robbery or vandalism; however, the racketeers will themselves coerce or threaten the business into accepting this service, often with the threat (implicit or otherwise) that failure to acquire the offered services will lead to the racketeers themselves contributing to the existing problem. In many cases, the potential problem may be caused by the same party that offers to solve it, but that fact may be concealed, with the intent to engender continued patronage for this party. It is thus used as a method of extortion.

Examples of crimes that may be alleged to be part of a pattern of racketeering activity include:

- A protection racket is a form of extortion whereby racketeers offer to "protect" property from damage in exchange for a fee, while also threatening (possibly in a veiled way), in part or whole, to execute the kind of damage they claim to be offering protection against.
- A fencing racket is an operation specializing in the resale of stolen goods.
- A numbers racket is any unauthorized lottery or illegal gambling operation.
- Money laundering and other creative accounting practices are misused in ways to disguise sources of illegal funds.
- Organized, coordinated, and repeated or regular theft operations, including pickpocketing, burglary, smash and grab, home invasion, gasoline theft, metal theft, train robbery, armed robbery, bank robbery, and art theft
- Organized retail crime and shoplifting

7. Counterfeiting:

The act of imitation of something authentic that takes place to steal, destroy or replace somebody's original work is called counterfeiting. Under Section 28 of the Indian Penal Code, 1860, Counterfeiting was defined as a criminal act. It is the process of gaining profits from illegal transactions and deceiving a person who believes that the representation which is made to him is true and the imitated work is of more value and that's where this counterfeiting takes place. Under Section 489B of the Indian Penal Code, 1860; The crime of using counterfeiting is generally related to coins and currencies and is a punishable offense. Counterfeit products are those products that carry fake logos and brand names and in some products, harmful chemicals have also been found which are very dangerous and lead to the death of the person using them.

In India, The cases of counterfeiting coins have experienced a serious rise and it's very dangerous for the economic boom of various businesses that produce these products. On 4th July 2019, three people were caught by the Special Task Force of Kolkata upon finding fake Indian rupees with them whose total face value was rupees 6,50,000. In Rajkot, two people were caught recently with 1,080 counterfeit currency notes having a face value of 21.60 lakh, as per the Times of India report. The first economy where coins were used as a medium of exchange was in the Indian economy and those coins were minted in silver, gold, and copper which were manufactured under the control of the State authority. In ancient India during the Mauryan era of rule, Acharya Chanakya or Kautilya introduced a rule which said that the one who counterfeits the coins would be penalized. He used the word 'Nanaka' for counterfeit coins and the ones who manufactured it was called 'Kutarupa Kara'.

8. Corporate crime

Corporate Crime is crimes committed by or for corporations or businesses which act to further their interests and have a serious physical or economic impact on employees, consumers, and the general public. Corporate crimes are the crimes that are committed by the men/women of high-class society during their business or occupation. It is an illegal act done to achieve an illegal objective known as Wrongful Gain or to avoid payment of legal or formal dues, to retain money or property, etc. All of this encompasses criminal and civil violations. Ex: Mundra scam, Enron scam, Satyam scam

Types of Corporate Fraud

- Fraudulent Financial Statements
- Employee Fraud
- Vendor Fraud
- Customer Fraud
- Investment Scams
- Bankruptcy Fraud

- Misappropriation of Assets
- Corruption

The advancement of science and technologies in the last few decades has created a new form of crime which is known as 'White Collar Crime'. And due to personal greed, one section of this crime has shown tremendous growth, i.e. Corporate Fraud. Corporate fraud is responsible for most of the economic loss in society. The people of the nation also lose their trust in the investment in the private sector. Where the private sector can help in huge economic growth, nowadays it is more indulged in the field of Fraud.

9. Embezzlement

Embezzlement is known as financial fraud and it is a process in which the party retains assets to convert these assets. This is done by the party or parties who were endowed with the assets with a completely different purpose or intention. Embezzlement is widely used in a manner that indicates that it's a form of theft of money. Embezzlement can occur by a person who is a trusted individual for a party or a company and is initially only a small percentage of the funds and resources. Embezzlement is a small portion of not getting detected. This happens without the knowledge or consent of the person being affected and can continue for years if not detected.

10. Market manipulation

Market manipulation is a form of market abuse, which involves the conscious and intentional effort to impede the free and fair functioning of a market. One of the types of market manipulation is a misrepresentation of a particular service or commodity and creating a false image concerning that product or service in the minds of the customers. Market manipulation occurs when someone tries to change the supply and demand of a security and its prices with an impact on a company to deceive investors and other stakeholders. Market manipulation is very hard to detect.

LAWS AGAINST WHITE-COLLAR CRIMES

To control white-collar crime, and to make sure victims get proper justice, laws against these crimes have to be amended and to be followed strictly. There are different acts and laws amended for different types of crimes.

Money laundering

State and federal money laundering laws differ significantly in the potential penalties associated with them. Money laundering convictions typically result in -

1. PRISON

Money laundering can either be a felony offense i.e. a major mistake or a misdemeanor offense i.e. a minor mistake. A misdemeanor money laundering conviction can result in a jail sentence up to a year long, while felony convictions have penalties of a year or more in prison.

Whereas when a person is a repeat offender, where the money laundering was a part of an ongoing criminal enterprise, or where the laundering was related to terrorist activities, prison sentences can last 35 years or more.

2. FINES

Misdemeanor convictions typically allow for fines up to no more than a few thousand dollars, a federal conviction for money laundering can result in fines of up to \$500,000 or double the amount of money that was laundered, whichever is greater.

3. PROBATION

Probation sentences are possible for money laundering convictions. Courts impose probation sentences that last a specific amount of time, typically at least one year, but sometimes as long as three years or more.

Certain probation terms include regularly reporting to a probation officer, allowing the officer to conduct random home checks, taking random drug tests, and not committing other crimes.

If any violation is done regarding the probation then the court can revoke it and order the person to serve a prison term, lengthen the probation period, impose additional fines, or impose other penalties.

Tax evasion

If the act is performed intentionally then under section 271(C) of the Income Tax Act, 1961, the person is responsible to pay 100% to 300% of the tax amount that has been evaded.

Insider trading

If any person performs insider trading then it is a punishable offense under the securities and exchange board of India act, 1992 and SEBI (Prohibition of insider trading) regulations, 1992. They can be penalized for INR 250,000,000 or 3 times the profit earned by the party under insider trading, whichever is higher. If any person tries to break the act, then imprisonment can be extended to 10yrs.

Copyright infringement

Under section 51 of the copyright act, 1957, if a person utilizes the copyrighted work then they can be penalized up to 50,000 & more and can be imprisoned for 6 months.

Cybercrime

Section 65 - Tampering with Computer Source Documents. Penalties if found guilty can be imprisonment up to 3 years and/or up-to Rs 2 lakh fine. An example of such crime is: Employees of a telecom company were held guilty by the court for tampering with the Electronic Serial

Number of cellphones of another company that had locked the handset before selling it to work with its SIM only.

Section 66 - Hacking with computer systems or unauthorized usage of computer systems and networks. Punishment if found guilty can be imprisonment up to three years and/or a fine of up to Rs 5 lakh. An example: When a criminal hacked into an academy network by unauthorized access of broadband and modified the passwords of users to deny access. The criminal was punished under Section 66 of the IT Act.

Section 66C - Identity theft using passwords, digital signatures, biometric thumb impressions, or other identifying features of another person for fraudulent purposes. An example is - when a criminal obtained the login and password of an online trading account and transferred the profit to his account by doing online transactions in the trading account in an unauthorized manner. The criminal was charged under Section 66C.

Section 66D - Cheating by Personation Using Computer Resources. Punishment if found guilty can be imprisonment up to three years and/or up to Rs 1 lakh fine. An example: A criminal who posed as a woman and tried to seduce a businessman to extort Rs 96 lakh from him by creating a fake email Id and trapping him in a cyber relationship. The criminal was arrested and charged under Section 66D and various other IPC sections.

Section 66E - Taking pictures of private areas, publishing, or transmitting them without a person's consent is punishable under this section. Penalties if found guilty can be imprisonment up to three years and/or up to Rs 2 lakh fine.

Section 66F - Acts of cyber terrorism. Guilty can be served a sentence of imprisonment up to life! An example: When a threat email was sent to the Bombay Stock Exchange and the National Stock Exchange, which challenged the security forces to prevent a terror attack planned on these institutions. The criminal was apprehended and charged under Section 66F of the IT Act.

Section 67 - Publishing Obscene Information in Electronic Form. In this case, the imprisonment is up to five years and a fine up to Rs 10 lakh. An example: When an accused from Mumbai posted obscene information about the victim on the internet after she refused to marry him. The criminal was implicated under Section 67 of the IT Act in addition to various sections of IPC.

The law enforcement agencies can take recourse to the following IPC, 1860 sections if the IT Act is insufficient to cover specific cyber offenses:

Section 379 - Punishment for theft for up to three years and/or fine. Since many cybercrimes are committed using stolen mobile/computers or stolen data this IPC Section comes into the picture.

Section 420 - Cheating and dishonestly inducing delivery of property. Cybercrimes like creating Bogus websites, cyber frauds are punishable under this section of IPC with a seven-year jail term and/or fine. This section of the IPC deals with crimes related to password thefts for committing frauds or creating fraudulent websites.

Section 463 - Making false documents or false electronic records. Crimes such as Email spoofing are punishable under this section with imprisonment of up to seven years and/or fine.

Racketeering

Under the RICO statute, the maximum penalty for racketeering includes a fine and up to 20 years in federal prison. An individual may also have to turn over illegal profits or other property gained from racketeering. Each count of racketeering is punishable by up to 20 years of incarceration. However, racketeering is punishable by life imprisonment if the predicate crime is punishable by life imprisonment (such as murder). The court can also impose a fine of up to twice the defendant's illegal.

Counterfeiting

Under federal law, counterfeiting is a class C felony, punishable by up to 12 years in prison and/or a fine of as much as \$250,000.

Corporate crime

As per the PC Amendment Act Bill 2013, Section 9(1)- A commercial organization shall be guilty of an offense and shall be punishable with a fine, if any person associated with the commercial organization offers, promises, or gives financial or other advantages to a public servant intending- (a) to obtain or retain business for such commercial organization; and (b) to obtain or retain an advantage in the conduct of business for such commercial organization: Provided that it shall be a defense for the commercial organization to prove that it had in place adequate procedures designed to prevent persons associated with it from undertaking such conduct.

(2) For this section, a person offers, promises, or gives a financial or another advantage to a public servant if, and only if, such person is, or would be, guilty of an offense under section 8, whether or not the person has been prosecuted for such an offense.

Market manipulation

Market manipulation is unjust and fraudulent and is banned under section 12- A of the SEBI Act. The fine can range from 10 lac rupees to 25 crores or three times the amount involved.

Embezzlement

Section 447 of The Companies Act 2013 covers corporate frauds. Punishment for Embezzlement is imprisonment for a minimum of 6 months and can go up to 10 years. The fine

involved cannot be less than the amount involved and can go up to three times the amount Embezzled.

EFFECTS OF WHITE-COLLAR CRIMES

White-collar crimes have a greater impact on everyone in India. More than anyone, people with low social status get affected because of these crimes. Customers, employees, organizations, society, economy are affected because of white-collar crimes. Indirectly the victims of these crimes are the public. It affects the purchasing power of the public, national GDP also gets affected indirectly.

Effect on customers: A customer is an individual or business that purchases another company's goods or services. Customers are important because they drive revenues; without them, businesses cannot continue to exist. Customers have a very main concern regarding the products that they use i.e. if they are safe or not and this is one of the main reasons for the rates of increase in white-collar crimes.

Consumers have long been recognized as one of the major groups of victims of white-collar and corporate crime, although many of the activities which harm them are not widely regarded as 'crime'. They tend to attract less publicity and have been subject to less academic research, particularly in comparison with major financial frauds or cases involving mass harms.

Moreover, there has been a tendency to view consumers as a relatively undifferentiated group, all of whom are likely to be victimized. This article identifies a wide range of crimes that affect consumers and explores some of the characteristics of victims and offenders, arguing that while all consumers are at risk, the impact of consumer crime, like other forms of crime, reflects wider patterns of structural inequality and falls most severely on the most disadvantaged.

Effect on employees: Employees are the main members of the organization. If any type of white-collar crime is committed by anyone from the organization, it has a greater effect on the employees. The company's reputation would be lost which would even affect employees. Employees may not get proper pay, or else even lose their job after the crime committed by some others in the organization, this will depend upon the intensity of the crime and the final court judgment.

Effect on business

White-collar crime costs businesses a lot of money. To make up for the shortfall, these businesses boost the price of their goods, which reduces the number of consumers that buy them. This is based on the law of demand, which asserts that, with other factors being constant, whenever the cost of an item rises, demand falls, and whenever the cost falls, demand grows. The value of a product is inversely proportional to its demand in the market. As the organization is suffering losses, the remuneration received by the staff is comparatively less. The firm often

removes people from their jobs as well. The firm and the higher-level management find it rather tough to repay their debts.

Effect on society

White-collar crimes have a large impact/effect on society. It does not just affect the criminals but everybody else in society. White-collar crimes also known as socio-economic crimes, destroy people in many ways. It is known as a socio-economic crime as it has a direct impact on society. These crimes cause huge losses on businesses which has a direct impact on the consumer in the society. Frauds and scams are the main things seen here eg: banking scams, fodder scams, hawalascams, etc. By these scams, the economy of the country gets shambled. Hence, to make up for the losses done price increase takes place. Once all the prices increase gradually it starts causing problems to the people in the society to make up for the expenses. These crimes have a great impact on society, it causes huge losses in various fields from the cost of commodities to securities and insurance. A small financial fraud affects businessmen, investors, and the government. As known, there are various effects of white-collar crimes on society few of them are listed below

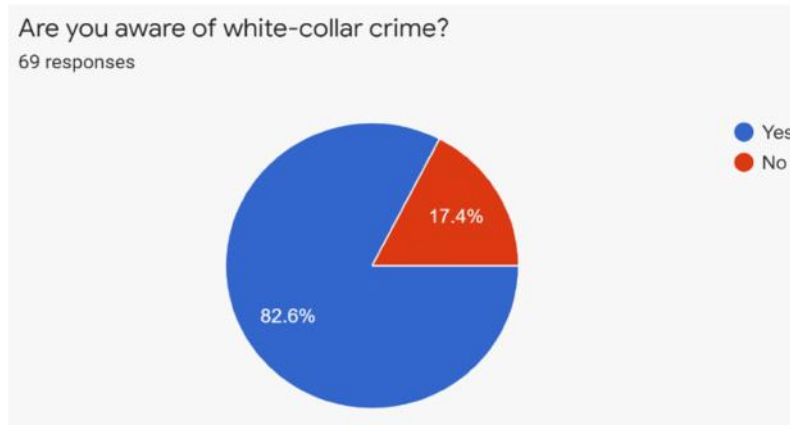
- endanger employees through unsafe conditions
- imprisonment (accusing innocent people)
- home detention
- community fraud to people
- tax evasion
- threatening the country's economy by bank frauds
- financial losses to the society
- restitution
- forfeitures

Effect on the Indian economy

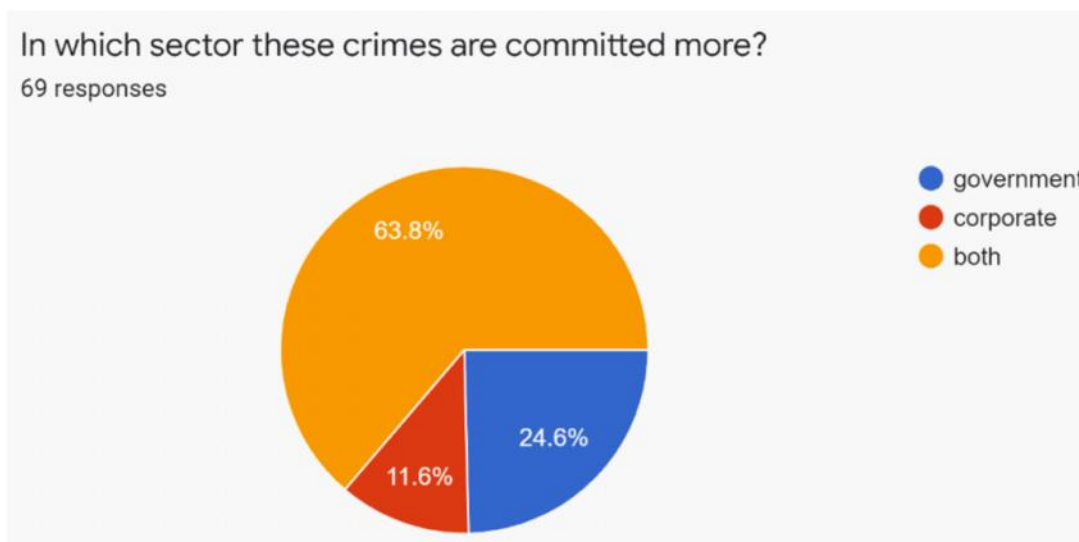
India has a mixed economy, where both public and private sectors co-exist. It is a huge, complex, growing economy. White-collar crimes are also called socio-economic crimes, as it directly affects society. These crimes cause huge losses to the society and economy. To recover these losses they would increase the cost of the products which would affect the purchasing power of an individual, this directly affects the GDP rate of the country. They may increase the tax rates, insurance rates, products rate to cover the loss that occurred. The GDP rate decreases as the rate of white-collar crimes increases because they cause a huge loss not only to the company, customers but also to the economy as a whole.

FINDINGS

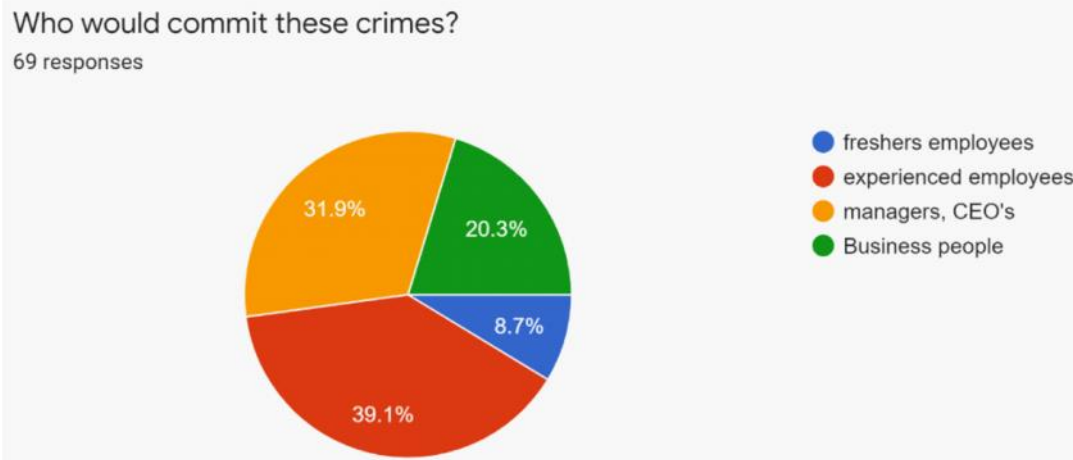
A Survey with a sample size of 69 has been conducted to know the public opinion on white-collar crimes, their impacts on society. Below are the findings:



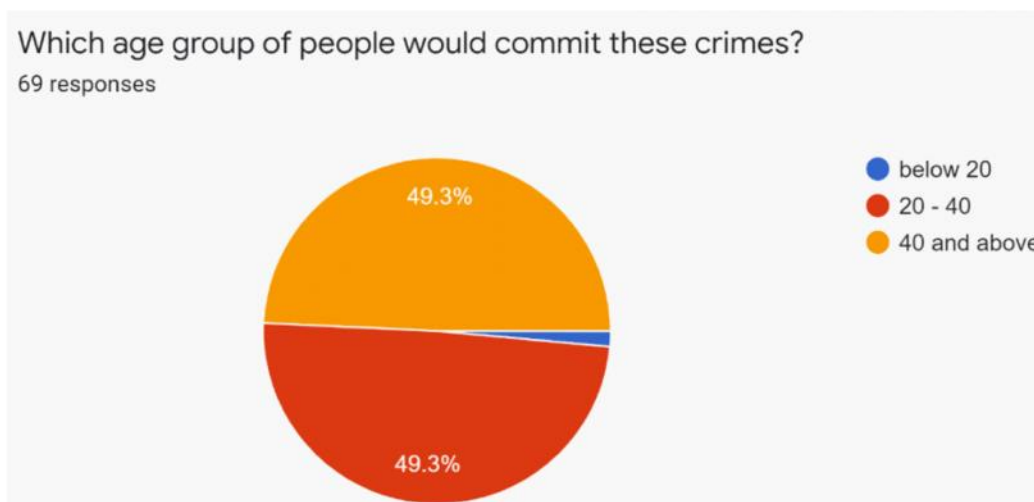
White-collar crimes are usually committed, but go unnoticed. According to the survey, 82.6% of the population are aware of it, and 17.4% are not. More than 50% of the population is aware of these crimes, yet there are no proper controlling steps taken by the authorities.



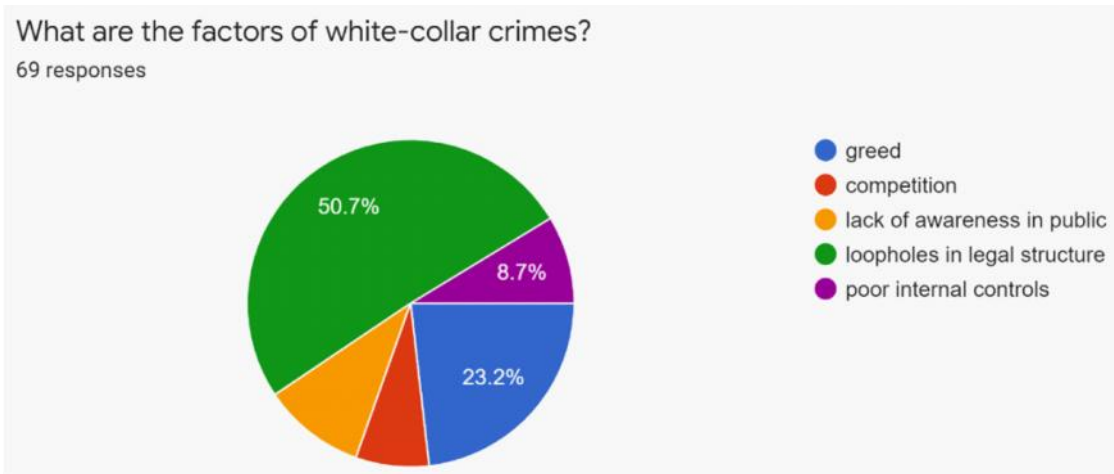
Usually, white-collar crimes are committed in every sector of the economy. As per the survey results, 24.6% of the public opinion is that these crimes are mostly committed in the government sector, 11.6% think that these crimes are committed in the corporate sector and the rest 63.8% think these are committed in both the sectors equally. Irrespective of the sectors, the crimes are committed with the main objective of financial gain.



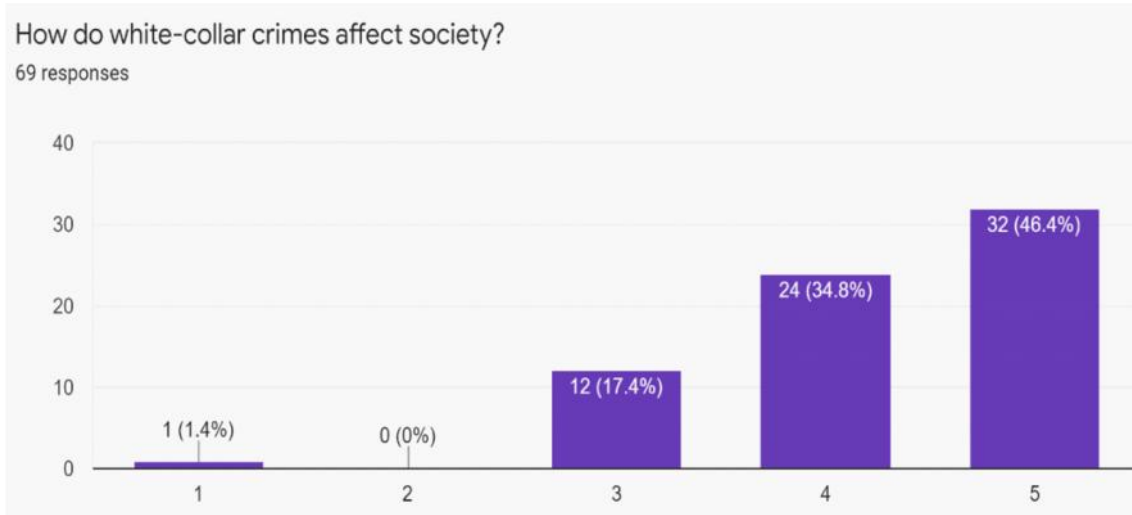
White-collar crimes can be committed by anyone aware of the loopholes in the organization structure. According to the survey, 8.7% of these crimes are committed by the fresher employees, 39.1% are by experienced employees, 31.9% are by managers, CEOs of the organization, and 20.3% are by business people i.e, it may be the business owners. If we go with the results, mostly these crimes are committed by experienced employees because they know the whole structure of the company and can easily carry out their work. Around 91.3% of the crimes are committed by experienced ones like managers, CEOs, business owners.



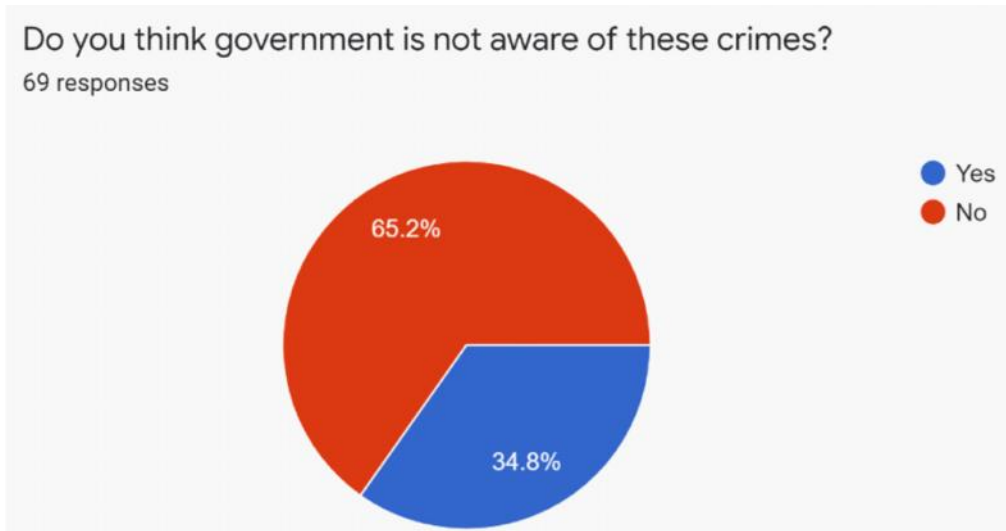
Usually, people who commit these crimes are older because younger people below 20 years won't commit these, as they would be completing their education, only 0.4% chances are there for them to commit these. And as per the survey, 49.3% of public opinion is that around 20-40 age group would commit these crimes and the other 49.3% think that 40 and above age group people would commit these. As they get older, their experience gets increased, and are very likely to commit crimes.



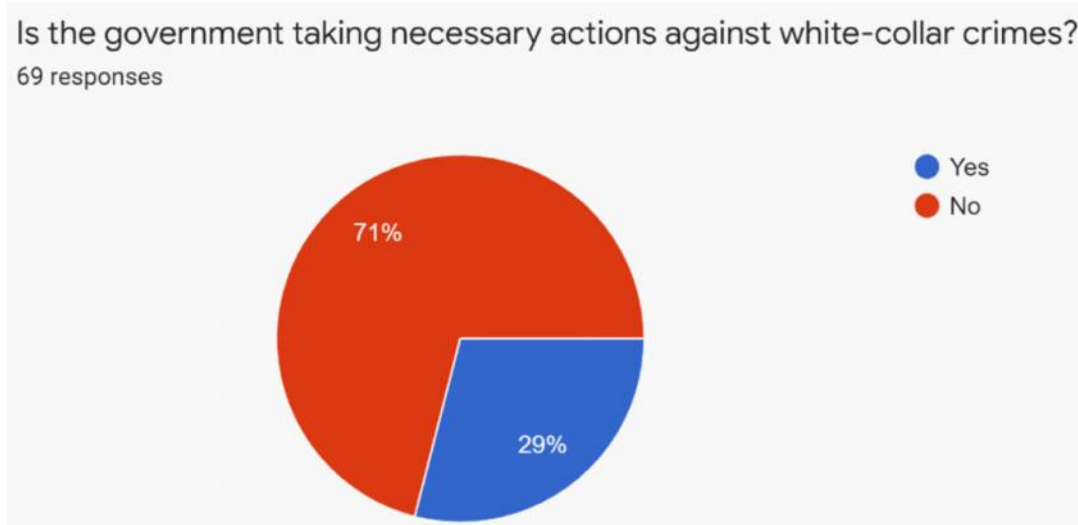
White-collar crimes are committed due to various factors. But majorly, greed, competition, lack of awareness in public, loopholes in the legal structure, poor internal controls are the factors for committing these crimes. As per the survey results, 23.2% of crimes are committed out of greed, 7.2% for competition with others, 10.1% because of lack of awareness in public, 50.7% due to loopholes in the legal structure, 8.7% because of poor internal controls. If we observe many commit these crimes because there are many loopholes in our legal structure and the criminals can easily get out of this.



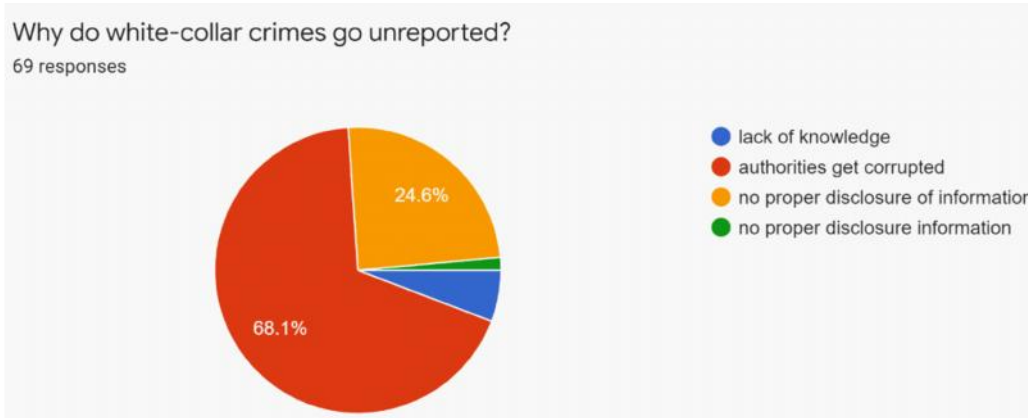
Usually, it may be any crimes, that indirectly affect society to a great extent. As per survey results, if we rate it to 5, 46.4% of the public has rated it to 5, 34.8% of the public rated it as 4, 17.4% of the public gave a 3 rating. According to this study, people think that these crimes have a great impact on society and the economy.



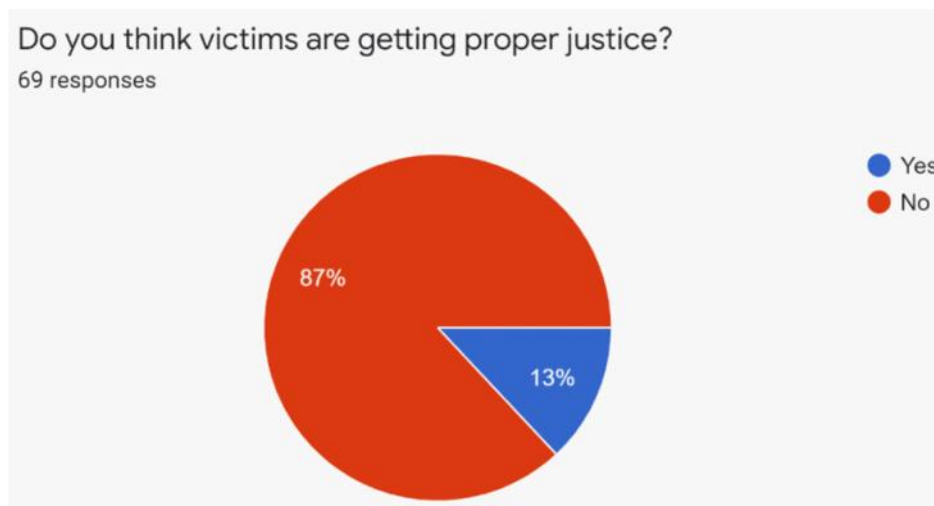
As per the survey results, 65.2% of the public opinion is that government is aware of these crimes and 34.8% think that government is not aware of these crimes. Government is aware of all the activities, crimes taking place in society but yet it is not taking any serious steps to control these crimes.



When a crime is committed, a case would be filed and a deep investigation would be done by the authorities. All the pieces of evidence would be produced in the court and if the crime is proved then the court would punish the criminals and the government has to take certain actions as directed by the court. According to the survey results, only about 71% of the public thinks that the government is taking necessary actions against these criminals. And remaining 29% think that still many actions should be taken by the government to control these.

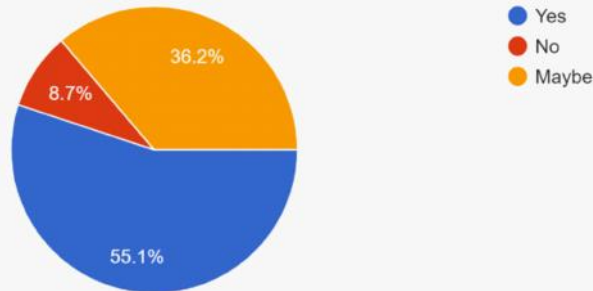


Usually, these crimes are not revealed by the government or the organization because they may lose the faith and trust of the customers, the public. They go unreported because of various reasons. As per the survey report, authorities getting corrupted is the major reason for these crimes going unreported. As higher authorities also would be part of it, so they may manipulate the authorities and close the case. There would be no proper disclosure of the information to the public about these crimes because of many reasons like authorities may get corrupted or else false information may be provided to rescue the company. Lack of knowledge on these crimes in the public is also a reason for them to go unreported.



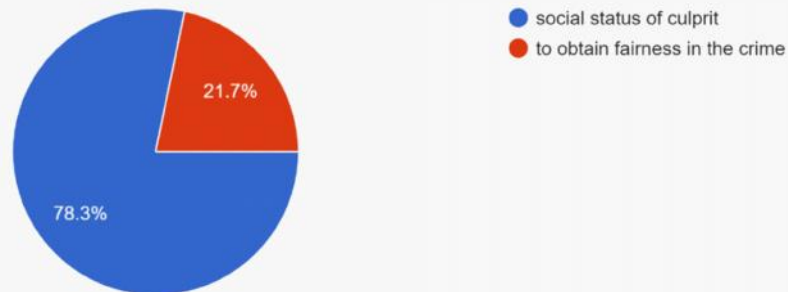
From the Survey that we have conducted, we can see that 13% of the people who have taken part in the survey think that the victims are getting proper justice and whereas 87% think that justice is not served properly. The victims are not getting proper justice in India because of the legal structure and lack of proper awareness in the public regarding the seriousness of these white-collar crimes and even if some of the victims are getting the justice that is being delayed due to various reasons, and the government should look into it for better crime-free future.

Do you think white-collar crimes have a greater impact on the economy than other crimes?
69 responses

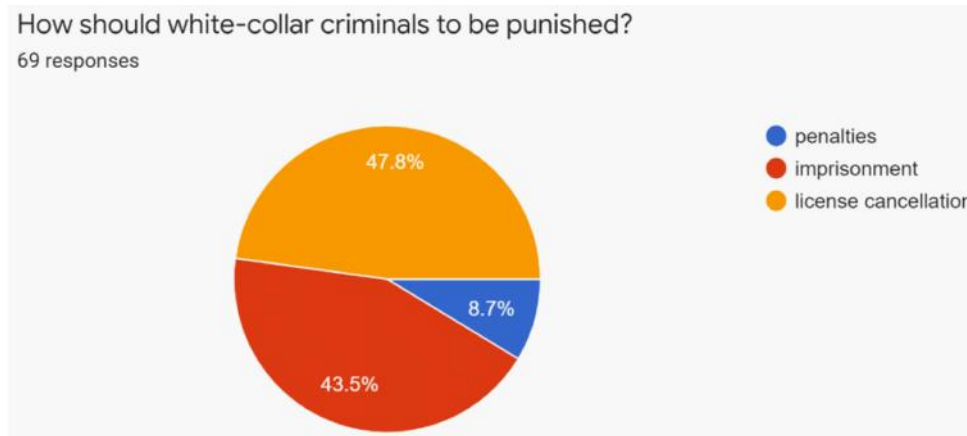


In the above pie chart, we can observe that 55.1% of the people who participated in the survey are certain that white-collar crimes have a huge impact on the economy than any other crimes in the country and whereas 8.7% think that it doesn't have any kind of impact and whereas 36.2% think that it may or may not have an impact on the economy of the country. White-collar crime can endanger employees through unsafe working conditions, injure consumers because of dangerous products, and cause pollution problems for a community.

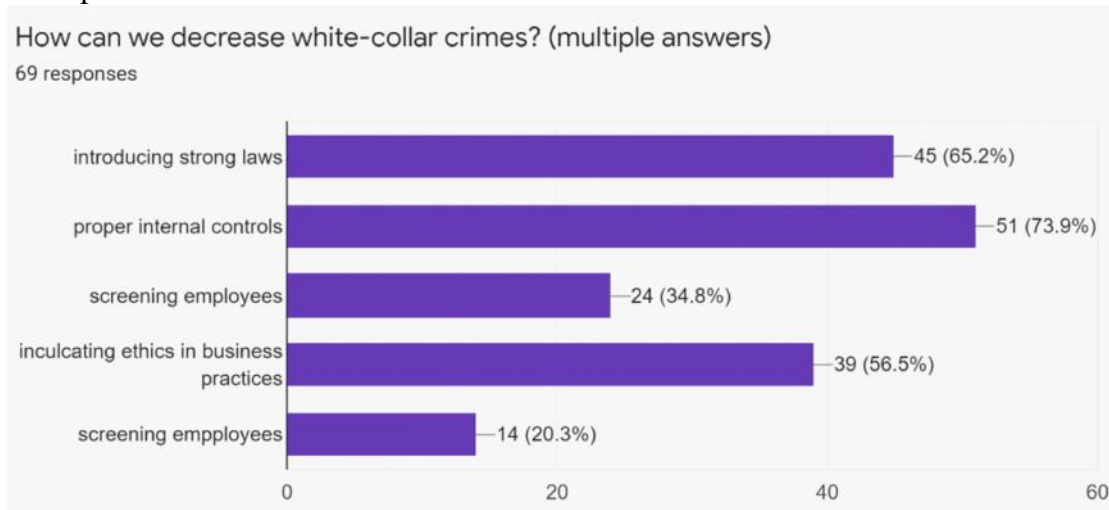
White-collar crimes are treated differently, because of:
69 responses



Here in this Pie chart, we can observe that 78.3% of the people who participated in the survey think that these white-collar crimes are treated differently because of the social status of the culprit and whereas 21.7% think that it is done to obtain fairness in the crimes committed. Having knowledge and a high position in society can't guarantee a person to keep away from white-collar crimes. The more capability the person has the more damage he/she made when this capability is used in commercial criminality. So, it is very important for teaching the public not only just the skills and knowledge which will find a job in future, but also teaching them what is the correct morality and values in society.



To control white-collar crimes, punishments should be stringent and implemented properly. According to the survey results, white-collar criminals are to be punished majorly by canceling their licenses. About 47.8% of public opinion is to cancel the licenses of these criminals so that they can't commit these crimes again. Their license can be canceled to the extent of the loss they have caused to the society like up to 5yrs, 10yrs or complete cancellation. Secondly, 43.5% of the survey results go for the imprisonment of the criminals. According to the crime, they have committed the tenure of the imprisonment would be declared by the court, sometimes it may go up to life imprisonment. Only 8.7% of the public wants to punish these criminals with penalties as they may think that punishing them with just penalties would not be enough as they cause a huge loss to society through their crimes. So, along with penalties imprisonment or license cancellation can be posed to the criminal.



White-collar crimes bring a huge loss to the company and also to society. To decrease the loss that occurred due to these crimes government and organizations have to take the necessary

steps. As per the above graph, organizations have to introduce proper internal controls to avoid these crimes. They also need to regularly screen their employees and inculcate ethical values in them. The government has to bring stringent laws or else make sure the existing laws are followed strictly so that criminals would have fear about our judicial structure.

White-collar crimes are solved by the FBI in the United States of America. And in India, the Central Bureau of Investigation (CBI) investigates the case and the supreme court of India would give its final judgment.

CONCLUSION

White-collar crimes in India, are increasing rapidly. If these crimes are not controlled it would bring a huge loss to the country. For the development of our country, these crimes have to be decreased and the criminals should be punished accordingly. There are many types of crimes, and every company should be monitored by the authorities to avoid these crimes to occur. There are different laws related to the crimes, but the only thing is they have to be implemented correctly by the authorities. These crimes have a great impact on the nation's economy, India is a developing country, due to these crimes the development should not be diverted in the wrong direction. The public knows all the crimes happening in our country but is not at a stage to react to them because of many reasons. These crimes have to be minimized for the better future of our country

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Online Vs Offline Education

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INTRODUCTION

In the words of Allan Bloom,

"Education is the movement from darkness to light."

Education is the key to knowledge that has enlightened everyone in terms of truth and wisdom. Education is that freedom where everyone acquires equal rights and equal representation in terms of every aspect.

In accordance with the data, there are certain facts and figures that are necessary for us to know the overall statistics of education in India. Which includes:

According to the Census 2001, as many as 560,687,797 persons in the country are literate. Of these 336,533,716 are males and 224,154,081 are females. While the overall literacy rate works out to be 64.8 %, the male literacy rate is 75.3% and that for females is 53.7%, showing a gap of 21.6 percentage points between the sexes at the national level. The gap is more in the rural areas. In the urban areas, higher literacy rate has been recorded both for males and females and the difference among the sexes is lower (13 percentage points). Kerala, Mizoram, Lakshadweep, Goa and Chandigarh occupy the top five positions in literacy while Dadra & Nagar Haveli, Uttar Pradesh, Jammu & Kashmir, Arunachal Pradesh, Jharkhand, and Bihar, are at bottom.

Most people nowadays know that online learning is a much cheaper and more convenient option than what universities offer. Recently, there has been a heated debate concerning the benefits of offline education, which is also known to be less stressful. In this article, we will discuss the advantages and disadvantages of these two types of studies so that you can decide which option suits you best.

Online education is much cheaper than offline learning. This is because the colleges and universities that offer online education charge a fraction of what they would pay to their students if they were in school. However, no one can deny that many people prefer to join offline learning as it provides a more personal experience, as well as better learning opportunities. There are pros and cons of both options and you need to weigh them out beforehand so that you can make a decision on the type of education you prefer the most.

NEED FOR THE STUDY

In this study we would be covering the horizons of online and offline education in detail and thereby choose the best time alternative for education. Pre and Post COVID we have seen a lot of chaos with respect of education and the way it took a toll on their mental health. Students were lethargic and the way they started taking this was way unimaginable. This paper sets an aim to make them all realise about the education that they all deserve and the way we can increase the education vastness and experience within the students. Offline classes promote group projects with other students, and it helps the students to learn new skills. Online education makes students more introverted as they connect with other students only through online chatting, not face-to-face interaction. Despite the lockdown, many educational institutions have taken timely steps to continue the flow of education by holding online classes for students. Interestingly, online classes have helped students during lockdown more than ever before.

Although online learning has become the preferred method for the majority of students, it's important not to dismiss the benefits of offline learning too. With online learning, students and teachers benefit from a more casual, flexible approach. Being unrestricted in regard to location and times means every learner can benefit from the courses. With offline learning, it's easier to ensure students are paying attention to the training. Some students also find it easier to retain the knowledge and skills they've learnt through offline learning than they do with online learning. As there are benefits to both learning options, it makes sense to offer a combined online and offline learning.

OBJECTIVES

1. To study the complexities faced by the lecturers.
2. To study the perception of students towards offline and online education.
3. To understand the flexibility faced by the students and lecturers during online and offline classes.

RESEARCH METHODOGY

1. **PRIMARY DATA** - Where we have used Google Form to record the students responses and their perspective with respect to education being online or offline.

The data being collected is a fresh data where we are taking students' opinion so that we can base our study in a better way, as they say "IT'S BETTER TO SEEK ANSWERS FROM THE SOURCE ITSELF".

SCOPE

The Scope is all over India.

LIMITATIONS

1. **Generalisation** - As in we are taking only students' opinion which is string but it cannot assure accuracy in terms of the response rate.
2. **Time** - Considering the studious students, who want to build up a strong profile for their masters in Universities abroad, online classes have ensured better time and stress management. On the contrary, it has ensured an imbalance.
3. **Location**- Since it is not possible for us to place to place for collecting information in another place, it is always better to surf the internet for accurate limitation for a better idea.

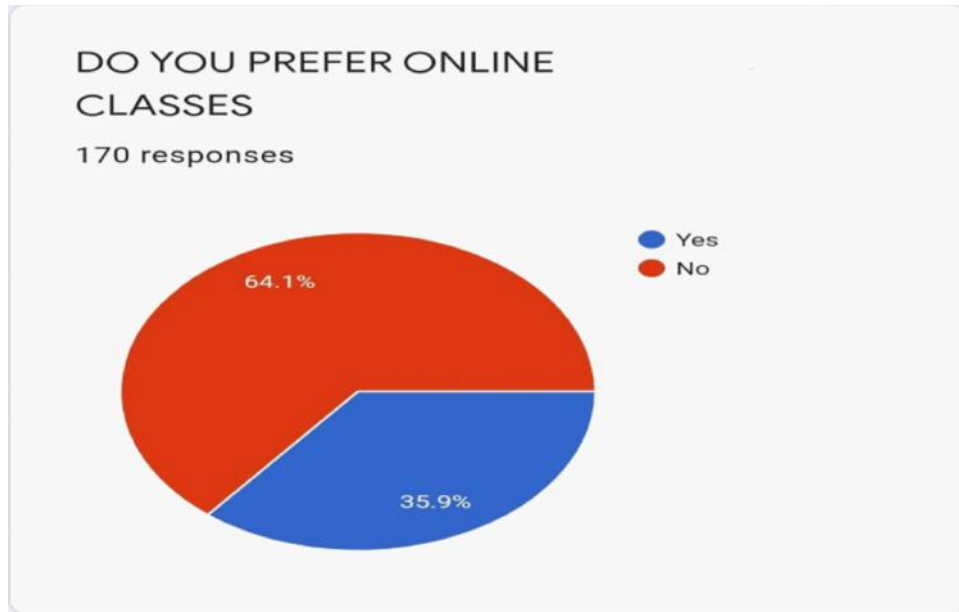
REVIEW OF LITERATURE

According to Allo (2021), the impact of pandemic on education has become an important topic for researchers, considering the situation caused by COVID 19, virus. Besides, students gives positive perception about e- learning and find it useful. Teachers must be able to adopt to technological development in the education process, convey knowledge by e- learning. Khalif et al (2020) found that perceived usefulness, perceived ease of use, self- confidence, and subject matter norms have a significant positive effect of the use of e- learning in students. Administration and development of internet infrastructure are some of the important features need to be implemented to prevent intruptions, especially during video conferencing.

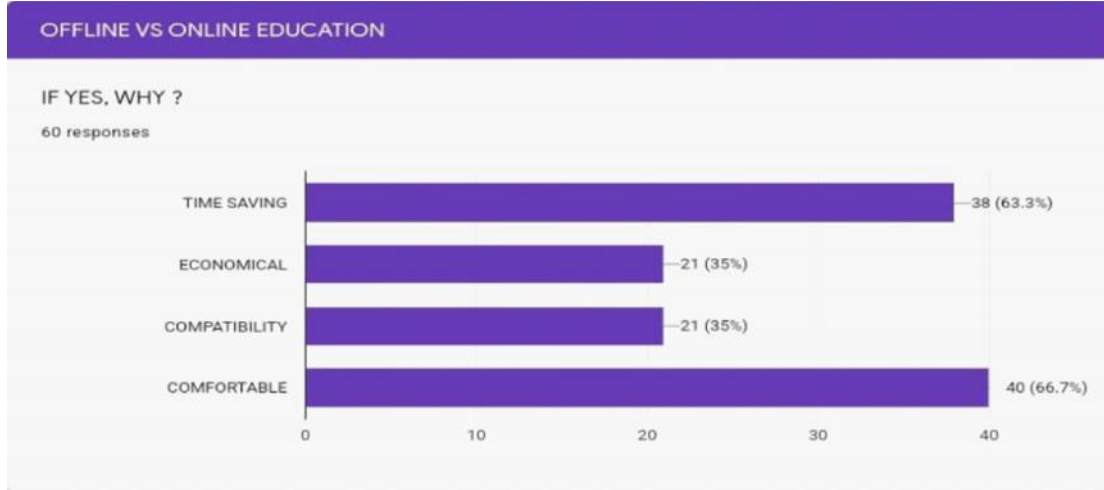
In research conducted by Dhawan (2020), online learning is as panacea in times of COVID 19 and noticed how online education system are being forced to engage in pandemics around the world while others are still stuck with offline system. Dhawana(2020) has reported the ed- tech start- ups are growing rapidly in delivering online learning and integrating multimedia. The study of Parkes, stein and reading (2015), examined how equipped higher education institution adopt e- learning and state that, while students are ready to cope with technologies employed in online schools, they are not as ready as they appear to be. The students do not have enough knowledge to think critically in managing the skills of technologies and during online learning including organizing methods, accuracy and concise response and summarization of thoughts. According to Rachmah(2020), more students prefer offline learning over online learning, because students would understand better the materials being taught through offline teaching method. Listening abilities of students improve better in offline classrooms.

DATA ANALYSIS

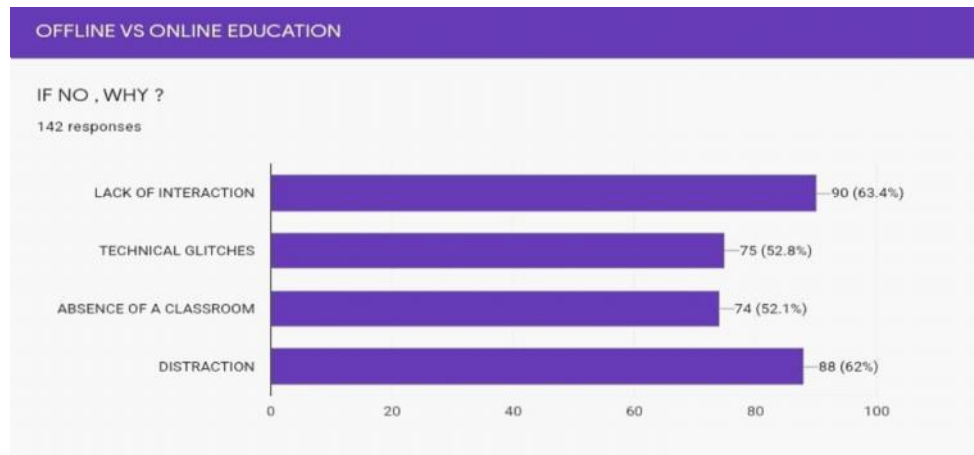
We have collected data using a Google form and these are the metrics we have derived:



The questionnaire succeeded in collecting 170 responses. Out of the received responses, 64.1% of the students were in favour of Offline Education whereas 35.9% of students preferred Online learning.



According to the research, out of 170 students 60 students selected online learning and 40 students stated their reason for adopting online learning as it is more comfortable and convenient. Rest of the 20 students stated their reason as it is time saving, economical, and compatible.



Out of 170 responses, 110 students were in favour of Offline learning as the level of interaction between lecturers and students is to a great extent which cannot be experienced in Online education. There were many technical glitches faced by students during online learning. Absence of classroom environment and distractions faced by the students were some of the key reasons for students to choose Offline learning over Online learning.

30 students revealed their comfort for both the cases and they were like minded for both Online and Offline education.

FINDINGS AND CONCLUSIONS

1. As per the research, out of 170 students selected online learning over offline learning and stated their reason as it is more comfortable and convenient.
2. Some of the students also expired online learning over offline learning as it is time saving, economical and compatible.
3. Students who were in the favour of offline learning stated their reason for choosing offline learning as the level of interaction between teacher and student is the high. Technical glitches faced by the students, absence of classroom environment and distraction during the online classes were being the key reason to choose offline learning over online learning.
4. Out of 170 students 30 students reveal their comfort in both the situations as they are like minded for both online learning and offline learning.

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The Challenges Facing Due to Online Learning of Indian Students

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ABSTRACT

As a result of COVID-19 outbreak, the online teaching and learning have been introduced. Since lockdowns may be needed again in the future to respond to new waves, the online learning will be a new normal. This study list out the challenges faced due to online learning of Indian students, and design a high- impact solution that uses digital technology to solve the identified problems.

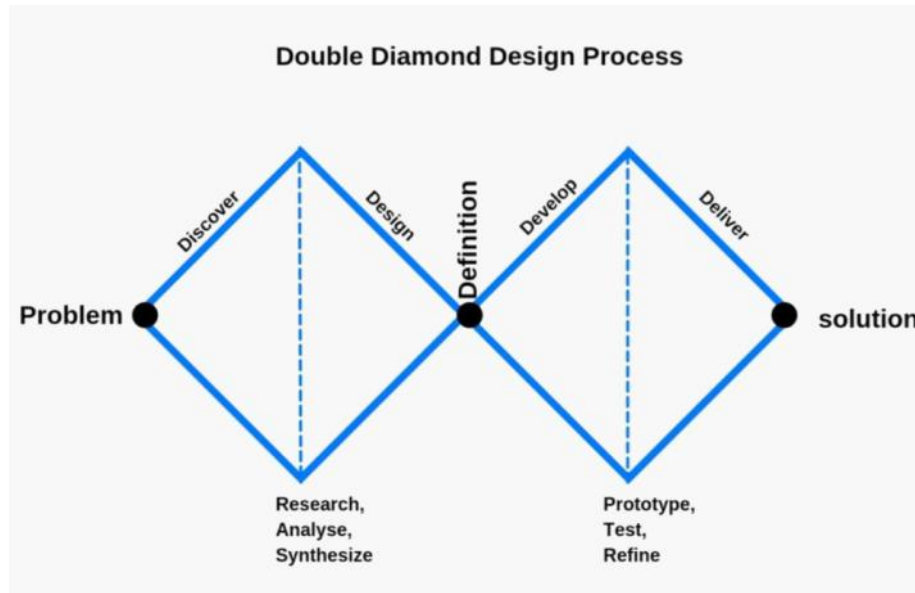
Introduction

The COVID-19 pandemic is having a profound impact, not only on people's health, but also on how we live, learn & earn. Online learning has various benefits, like time saving, easy access, cost saving etc. Along with that, many problems too. For students, moving from the traditional method of learning (classroom) to hybrid learning (online) makes the learning process radically different. There are several challenges to online learning, like internet issues, lack of human interaction, compatibility problems, various distractions, health problems etc. After conventional classroom learning, students find it hard to adapt to the online learning world immediately. Once they encounter difficulties in online learning, students start losing hope. So the problem that I have decided to work on is the challenges facing due to online learning of Indian students.

Methods

I have followed the double diamond design process through out the research to design the solution for the concern problem.

Double Diamond Design Process: This model has four stages: Discovery, Definition, Development and Delivery. Together, these stages work as a map, researchers can use to organize their thoughts in order to improve the creative process.



Secondary Research

Browsing the internet, searching the news articles, following the social media platforms like Twitter and collecting various reviews about online learning helped in understanding the challenges facing by the Indian students due to online mode of learning and this set a base for my primary research.

Primary Research

I conducted an in-depth interview with the students to understand their point of view, and identify their needs and requirements. To identify the pain points & get more insight on the problems faced by the student community, I conducted a survey and majority of the students were not interested in the online mode of learning.

Problems Identified

Routine style of teaching make online classes boring (less interesting)

Every day students opening up their Laptops/Mobiles and listening to continuous lecture makes online classes boring.

Online classes lacks interaction

There is no interaction/ collaboration between students which make them feel isolated.

Lack of control and distractions

Since everything is in online, student can easily tend to distract from online classes.

Envisaged Solution

To address the problems identified, I finalised on creating a digital solution since India is on rise of digitalization for the masses and phones have become ubiquitous. By creating a digital solution which would be accessible from various devices across India, is an application: "Edu-game"



The features of the proposed digital solution are listed below:

Gamification in online classes

The concepts are learnt while playing games

Accessible to students of all ages

The students of schools, diploma, graduation can use this app to learn their concepts

Weekly quiz contests and amazing rewards to the winners

This will enable students to participate enthusiastically

Weekly leaderboard display

This increases competitiveness and makes challenging to the students

Chat, Voice call & Video call option availability

The Students can interact with their friends anytime

Make friends across India

The students of similar age group, of same class, education are suggested from various states of India, this helps in Collaboration and Networking.

Conclusion

Edu- game is the gamification of online learning. The gamified experience will encourage students to learn concept easily. Online collaboration will increase the networking of students, the weekly competitions, leader board & reward programs will make the e-Learning challenging and help students to achieve their goals.

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A Study on "Contribution of Banks to Financial Inclusion"

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ABSTRACT

In a country, where the vast majority of the population is still very poor, financial inclusion is of great significance to them. Financial inclusion has important implications for monetary and financial stability. For the poor, access to finance and ensuring the optimum utilization of the resources they possess is a major challenge.

Financial inclusion is the delivery of financial services at affordable costs to vast sections of the low income groups. Even after 69 years of independence, a large section of Indian population still remain unbanked. 40% of the Indians do not even have a bank account. This malaise has led generation of financial instability and pauperism among the lower income group who do not have access to financial products and services. The banks have thus undertaken necessary steps to provide credit to vulnerable groups such as low-income groups and other weaker sections at affordable rates.

This study focuses on how the banks took an initiation to take these financial services to the people mainly low-income group people and about the recent policies introduced by the Government like latest insurance policies with the support of RBI and its effect on Financial Inclusion.

Keywords: Security Schemes, Commercial banks, RBI, Government, Financial Inclusion, Pradhan Mantri Jan-Dhan Yojana (PMJDY)

INTRODUCTION

Financial inclusion implicates the provision of financial services to the inaccessible parts and to all sectors of society and the recent trend has shown that under the PMJDY, 43.04 crore accounts have been opened with deposits amounting to Rs.146,231 crore upto August 18, 2021. The programme leverages on the existing large banking network and technological innovations to provide every household with access to basic financial services, thereby bridging the gap in the coverage of banking facilities. It goes way back from the nationalisation of RBI to the modern day where a variety of schemes are being offered. The banks have tried its best to improve financial inclusion via its numerous programs as- PMJDY for example. The State bank of India has laid active efforts in opening PMJDY accounts and has been a strong proponent of the RuPay card. The insurance schemes PMSBY, PMJJBY; the pension schemes for all as the

Atal pension yojana, etc. to fund the start-ups are like MUDRA bank. There are still gaps like in the slow implementation of some schemes example in Jan Dhan Yojana many accounts are latent around 17% of the zero balance accounts remain unused since they were started, the Rupay card must be used one in period of time to get its benefits, the insurance schemes evolve the payment of premiums which are hard to be given by the absolutely destitute and many times the poor are unable to fill up forms due to illiteracy to get benefits out of it.

Public awareness about the benefits of schemes is needed, proper regulations for ensuring the timely implementation is required example by fixing targets as done in PMJDY. This can make the dream of untainted financial inclusion and inclusive development a reality.

BENEFITS UNDER PMJDY

1. One basic savings bank account is opened for any person not having a bank account.
2. There is no requirement to maintain any minimum balance i.e. zero balance accounts have been introduced
3. Your deposit earns a certain interest in PMJDY accounts.
4. A RuPAY Debit card is provided to PMJDY account holder.
5. Accident Insurance Cover of Rs.1 lakh (enhanced to Rs. 2 lakh to new PMJDY accounts opened after 28.8.2018) is available with RuPaycard.
6. An overdraft (OD) facility up to Rs. 10,000 is provided to eligible account holders.
7. PMJDY accounts are eligible for Direct Benefit Transfer (DBT), Pradhan Mantri Jeevan JyotiBima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY), and Micro Units Development & Refinance Agency Bank (MUDRA) scheme.

REVIEW OF LITERATURE

According to Demirg-Kuntetal. (2014) discussing the Global Findex Database 2014, 62% of adults worldwide have an account at a bank or another type of financial institution or with a mobile money provider, up from 51% in 2011. Between 2011 and 2014, 700 million adults became account holders while the number of those without an account dropped by 20% to 2 billion. Account penetration differs enormously between high-income and developing countries in the aggregate: 89% of adults in high-income countries, but only 24% in low-income countries, report that they have an account at a formal financial institution. For long the positive relationship between financial development and growth has been established. The accumulating body of evidence supports the assessment that developing inclusive financial systems is an important component for economic and development progress. Financial markets are supposed to make the match between savers and users and to allocate capital toward the highest productive usage

(e.g., Mankiw and Ball 2011). In their study Campos and Dercon (2014) sum up the latest findings on the relationship between finance and growth, so far considered as causal and unidirectional from finance to growth:

- (i) The long-run effect of finance on growth is positive and dominates the short-term effect that tends to be negative (Kaminsky and Schmukler, 2003; and Loayza and Ranciere, 2006);
- (ii) The relationship may be non-linear: beyond a certain threshold (calculated to be above 100% of GDP) finance is associated with negative growth (Berkes et al. 2012);
- (iii) Distribution is important: household credit seems to have little growth payoffs, while private 1 sector credit has large growth payoffs (Beck, 2013);
- (iv) Financial development reduces income inequality and exerts a disproportionately positive impact on the bottom quintile;
- (v) Different financial liberalisation policies have contrasting effects on income inequality. Delis et al. (2013) report that capital stringency and supervisory power regulation lower inequality, while market discipline and activity restrictions may exacerbate it.

CRISIL Inclusix is a CRISIL initiative. Published in June 2013 with support from the Ministry of Finance, Government of India, and the Reserve Bank of India. It is a metric used to assess India's development in the area of financial inclusion. CRISIL Inclusix is India's first index-based comprehensive measure of financial inclusion. It's a relative index with a range of 0 to 100 that integrates three important basic banking service criteria - branch penetration (BP), deposit penetration (DP), and credit penetration (CP) - into a single statistic. CRISIL assesses financial inclusion at the national, regional, state, and district levels against a set of benchmarks. For each of the three factors, a CRISIL Inclusix score of 100 reflects the optimum state.

A growing literature shows that financial inclusion can have a significant positive effect for individuals. Several studies have demonstrated that the lack of financial access can lead to poverty traps and inequality (Banerjee and Newman, 1993; Galor and Zeira, 1993; Aghion and Bolton, 1997; Beck Demirg -Kunt and Levine, 2007). Similarly an expanding literature highlights the positive consequences of access to saving instruments: on savings increase (Aportela, 1999; Ashraf et al. 2010a), on productive investment (Dupas and Robinson, 2009), on consumption (Dupas and Robinson, 2009; Ashraf et al., 2010b), and female empowerment (Ashraf et al., 2010b). Researchers are also looking at the beneficial effects of access to credit and insurance products (Karlan and Morduch, 2010; Banerjee et al., 2010; Roodman, 2012). A growing number of randomized evaluations suggests that financial services do have a positive impact on a variety of microeconomic indicators, including self-employment business activities, household consumption, and well-being (Bauchet et al. 2011), the effects encountered depending on the financial service considered. For instance regarding credit products, two main patterns stand out: small businesses do benefit from access to credit while the linkage to broader welfare is less clear

(Banerjee, Duflo, Glennerster, and Kinnan 2010 and 2013). As per insurance products, recent randomized evaluations in India and Ghana of weather-based index insurance showed strong positive impact on farmers because the assurance of better returns encouraged farmers to shift from subsistence to riskier cash crops (Cole, et al. 2013; Karlan, Osei-Akoto, Osei, and Udry 2014).

OBJECTIVES OF THE STUDY

1. To know present scenario regarding financial inclusion.
2. To study the PMJDY progress.
3. To Identify the Challenges of financial Inclusion

PRESENT SCENARIO

The Reserve Bank continued its efforts towards fulfilling the financial inclusion agenda during the year. In this direction, the Committee on Medium-Term Path on Financial Inclusion suggested improvements in the governance system as a means of strengthening credit infrastructure and augmenting the government's social cash transfers to the poor, propelling the economy on to a medium-term sustainable inclusion path.

The Financial Inclusion Plan (FIP) provides a structured and planned approach to financial inclusion with a commitment at the highest echelons within banks in terms of Board approval of the plans. Financial inclusion efforts are aimed at giving economic security to underprivileged individuals and families. Banks and financial services such as savings accounts, term deposits, loans, insurance, and remittance facilities are frequently unavailable to these areas. Banks have built up their presence in these areas over time by constructing new rural branches, installing ATMs and digital kiosks, extending credit through General Credit Cards (GCC) and Kisan Credit Cards (KCC), and deploying banking correspondents, among other things.

Inclusion is being effected on a broad scale as a result of the adoption of technology in core banking and the rapid development in alternative distribution channels. During the last seven years, significant progress has been accomplished, with the number of rural branches increasing from 33,000 to over 50,000 and basic savings accounts increased from 73 million to 533 million. Deposits increased from Rs.55 billion to Rs.977 billion in these accounts.

Financial inclusion has been high on the RBI's priority list. It remains a top goal, with numerous programmes and a variety of Fintech services being developed to cover the last mile and assist the rural population. All people require basic financial services. For the unbanked millions, traditional banking is not always a viable alternative. Digital India is banking on people's willingness to use the internet in order to establish the groundwork for a cashless, digital economy. The Digital India initiative has received almost \$18 billion in funding. It seeks to deliver services including last-mile internet connectivity, increased access to banking services, public Wi-Fi, internet access in 2.5 lakh villages and smart cities.

Notably, India's Aadhaar programme is seen as a leader in the implementation of financial inclusion, as innovations based on it are projected to enable widespread access and adoption of services among the financially excluded.

PRADHAN MANTRI JAN DHAN YOJANA PRESENT STATUS-

(All figures in Crore) as on 23/03/2022

Bank Name / Type	Number of Beneficiaries at rural/semi urban centre bank branches	Number of Beneficiaries at urban metro centre bank branches	No Of Rural-Urban Female Beneficiaries	Number of Total Beneficiaries	Deposits in Accounts (In Crore)	Number of Rupay Debit Cards issued to beneficiaries
Public Sector Banks	22.15	13.30	19.56	35.45	126213.56	27.07
Regional Rural Banks	7.17	1.08	4.77	8.24	32719.70	3.40
Private Sector Banks	0.70	0.60	0.71	1.30	4698.12	1.10
Grand Total	30.02	14.97	25.04	45.00	163631.38	31.57

Disclaimer: Information is based upon the data as submitted by different banks

CHALLENGES OF FINANCIAL INCLUSION:

1. Non availability of Internet connection across villages is one of the main issues banking sector is facing today. Digital India initiative by the government: is a step towards this direction.
2. Financial illiteracy is another roadblock in implementing financial inclusion initiatives. Even though phase 1 of Jan Dhan yojana includes increasing financial illiteracy among the people, still there is a lot more to be done.
3. Because of high NPAs, banks shy away from starting bank accounts and giving loans to poor people.
4. Unavailability of infrastructure facilities like ATM counters, bank branches is another issue. Generally banks set up their branches in densely populated areas to cover their cost of operations which is practical but there's a huge part of the population that is scattered in rural areas. Furthermore, RuPAY card needs to be used once in a while so that it does not get deactivated. But if ATM counters are not available nearby, people shy away from taking RuPAY cards.
5. Time consuming and tiresome procedures by the banks to obtain their services is another issue. It is easier to get money from a moneylender in an emergency rather than filling out forms and waiting for days to receive the money. So stress free processes and procedures in banks will make them more attractive to the customers.

6. Priority Sector lending targets may not reach the deserved, as banks shy away from lending money to the poor. So to achieve targets they give loans to the undeserved, who make fraud documents to receive the same. For example, gold loans are available for lower rate for farmers. But people who doesn't even do agriculture, receive these loans, using their contacts at banks. So here PSL gets diverted away from the deserved to the undeserved. Government should look into this issue and make sure that loans are provided to the deserved applications and strict actions are taken against the fraud applicants and bank officials who support it.
7. Large operational costs of banks because of lower profit margins; Payment banks and Small finance banks aim to work with lower running costs. This also leads to banks levying high charges for simple activities like ATM withdrawals, processing fees etc. which makes people more burdened.
8. Need for more aggressive marketing of the schemes by banks.
9. Low and irregular income is another factor because many people from rural areas are involved in seasonal employment jobs and hence it leaved them with very little savings, most of it being utilised on expenditure and day to day activities. However efforts have been made in this area through the introduction of zero balance accounts but awareness still needs to be spread.
10. The availability of credit through formal channels is another challenge. Despite strong growth, only 200 million borrowers had access to credit through formal channels. As a result, CRISIL Inclusix credit penetration index remained low. There is also a high level of self-exclusion due to the existence of informal credit sources at their convenience.
11. Bank norms require you to submit statutory documents when opening an account. The vast majority of poor people, such as immigrants and tribes, do not have legal documents and therefore do not have access to formal financial services. Obtaining legal documents is a costly and time-consuming process.

CONCLUSION

Financial inclusion is a continuous process, not a one-time activity. It is a massive undertaking that will require concerted and collaborative efforts from all stakeholders, including financial institutions, regulators, the private sector, and the general public. From today's scattered efforts across the country, it should gain traction, grow in geometric proportions, and mature into a concentrated and successful movement. All stakeholders must be passionately involved, dedicated, and committed if this is to be accomplished. It necessitates a huge attitude shift in the minds of all parties involved - bankers, bureaucrats, regulators, and so on - as well as raising awareness at all levels. At the same time, the importance of technology in the overall scenario cannot be underestimated. We must acknowledge that technology is more important than ever in the social

integration of all social and economic classes. Accessibility, affordability, suitability, and benefits determine how deep financial inclusion penetrates the village's social structure. Financial inclusion can empower even the weakest sections of society and dramatically change their destiny.

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Future Pathway - An Attempt to Fathom Economic Sustainability

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ABSTRACT

Seeing the increasing rate of pollution by the overuse of resources and not properly disposing of them, sustainability has become one major concern in life, and in a country like India, there is a need for using resources efficiently rather than effectively. In the last year, during the pandemic, we were faced with many different environmental issues that persist even today. There is no doubt that efforts regarding this matter have not been made, however, by prioritizing the immediate needs of people, disposable bio waste and carbon waste have been ignored resulting in the breach of all three barriers of sustainability. One major barrier to it is expectations from both business and nation. A nation must know how to handle and teach its citizens how to dispose of waste during such times of crisis. There are better ways to work on this waste and recycle it with better prize money, greater infrastructure while simultaneously creating employment opportunities. The following are 3 ways to deal with the situation of economic sustainability. Bricks from disposable bio wastes can help us make good quality products and would improve employment opportunities with better infrastructure. Another example is micro-farming which is also known as urban farming, where farming is done on a residential or commercial property which is roughly less than 5 acres. By practicing micro-farming one can concentrate on food quality and security which ultimately leads to a significant improvement in public health and also an increase in local economic growth. This method can also be beneficial in metro cities where one owns small acres of land, on which he can grow a variety of crops that can contribute to economic and sustainable development.

Therefore, sustainable development is a very essential and important part of our lives, and practicing it leads to economic sustainable development.

Keywords: Economic sustainability, wastes, development, opportunities, bio wastes.

Introduction

"Economic sustainability refers to practices that support long-term economic growth without negatively impacting social, environmental, and cultural aspects of the community." - University of Mary Washington, Economic Sustainability. Practicing Economic sustainability is still a goal of many businesses in today's world and as we know, the economic pillar has the most innovative potential to combine sustainable practices, technology, and money-making tools by which we

can balance the other two pillars too. A variety of economic sustainability examples are taking hold around the world. In many places, businesses and governmental agencies are improving their sustainability practices to reduce their carbon footprint. Additionally, enterprising companies are manufacturing products or technology that actually benefit the planet in some way. Some have even embraced tenets of economic sustainability at the expense of some degree of growth. The top economic goal for most nations is the continual, never-ending growth in regards to GDP. That is, stagnant and falling GDP must be avoided at all costs.

Objectives

- To focus on the key causes of economic sustainability.
- To raise awareness of the importance of economic sustainability.
- The study focuses on the creation of employment opportunities for skilled people.
- To analyse how the above opportunities would help in the development of the nation.

Best out of waste

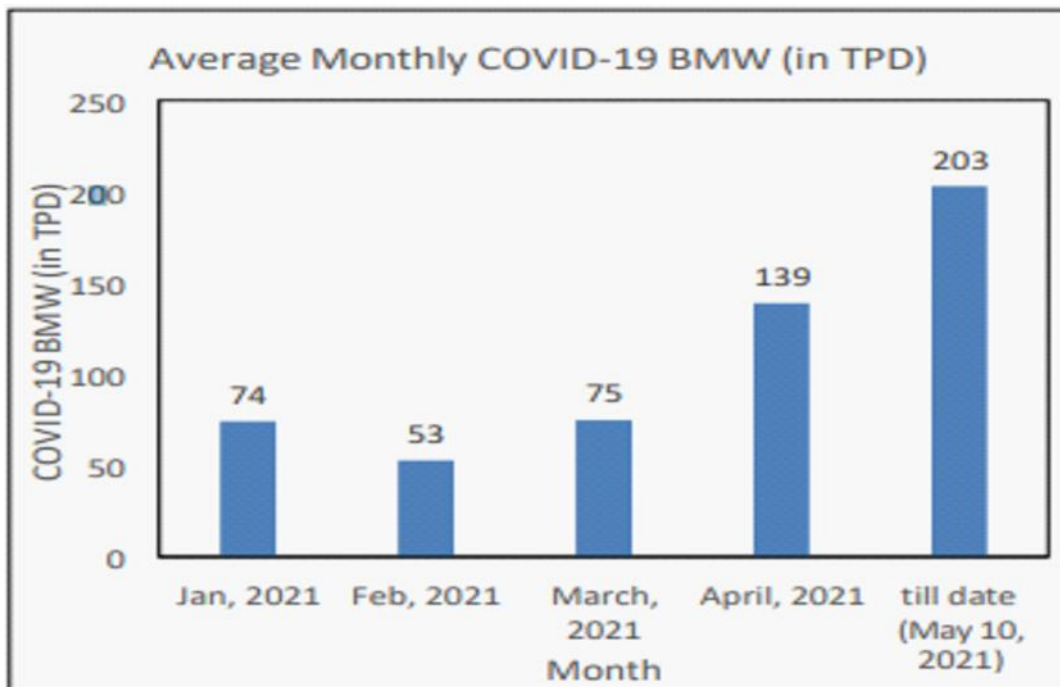
According to sources, India accounts for 18% of the World's total population and 12% of the total global waste. Seeing the increasing rise in population and waste generation, it is clear that India in its future is going to face many environmental, economical, and social challenges. Despite the present and potential solutions, India is still lagging when it comes to taking action and initiating. As we all know everything is interrelated and starts with the earth. Our primary aim should be to keep the environment clean and neat for living which indeed would help us to keep our minds free and open for many different opportunities.

The unlimited human wants and limited resources have created chaos and pollution all over. By Staying united, the nation could work on creating sustainable ways of using waste to develop resources.



Bricks from bio waste

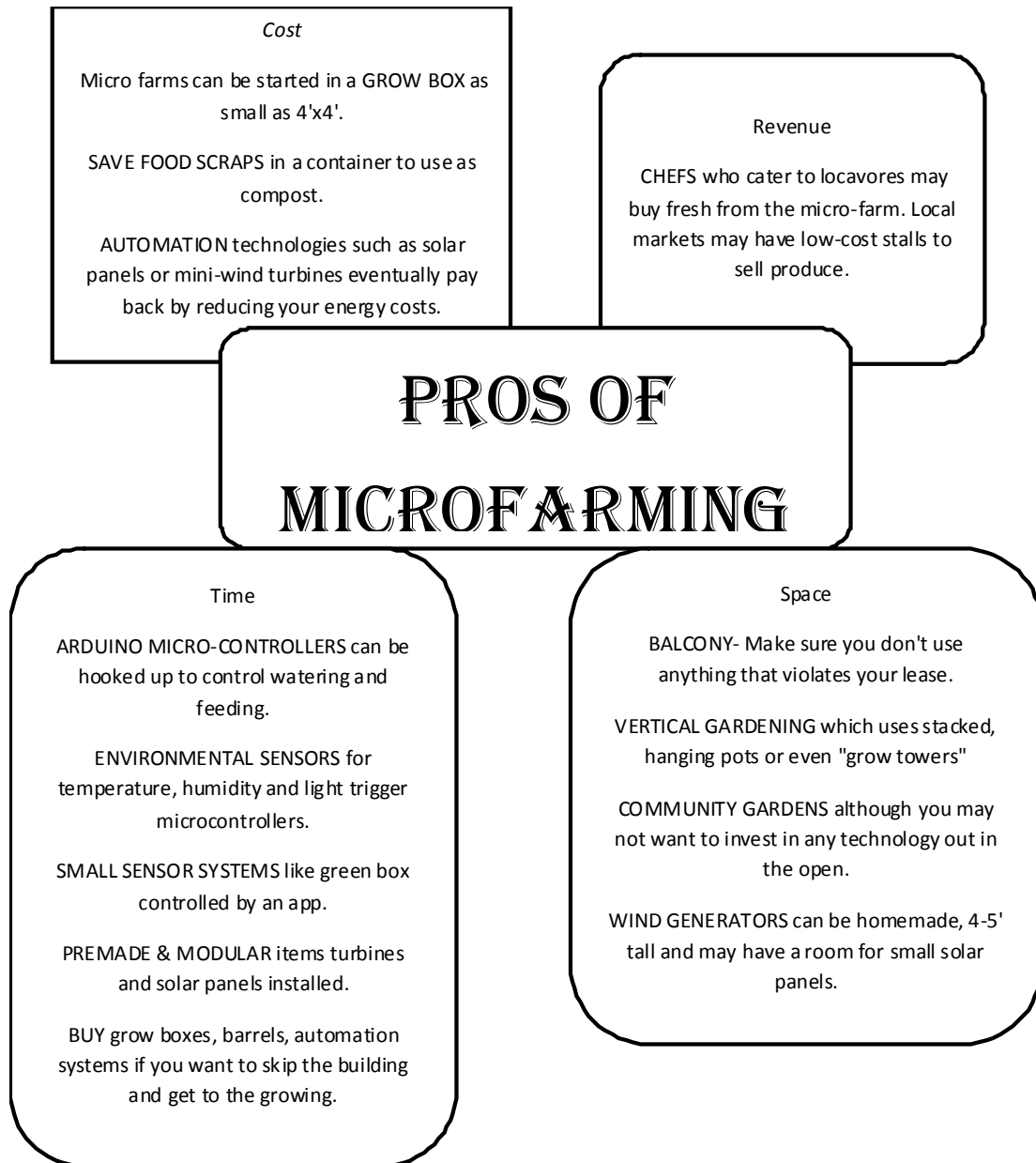
Bricks from bio waste is one innovative solution addressing the bio waste created in India. It was initiated by Dr. Binish Desai who is also known as India's Recycle Man. India has recorded 33,000 tonnes of Covid-19 related waste as of January 2021 and 101 metric tonnes per day. Dr. Desai's idea was to transform this waste into a brick that is four times tougher than a regular brick and 2.0 lightweight. On top of that, the brick only costs only Rs 2.8 (per brick). Isn't it wonderful that this invention would create so many different opportunities for other people and, in addition, it decreases the waste and controls the pollution levels, all by recycling the waste that would have otherwise gone to a landfill? One thing to note is that the wastes used in this process are disposable masks, surgical masks, N95 masks, coveralls without any bloodstains, and PPE kits. This solution would require proper planning and collection of the waste created and, subsequently, manufacturing it into a brick with the help of the people employed for the production of the brick and also to spread awareness about the benefits of the same.



Micro Farming

Micro farming is another method that can encourage economic sustainability, reduce carbon emissions, improve public health and ensure food security. It is popularly known as Micro or Urban farming. It is a rare and growing initiative in India that involves farming on a residential or commercial property of fewer than five acres. This method, however, has two major limitations: Firstly, it may increase exposure to heavy metals like lead if proper precautions are not taken to

ensure that the soil is safe. Researchers are still trying to find a way. Secondly, it wouldn't provide enough food to the growing population as micro-farming is more labour-intensive than factory farming and many more people would need to become micro farmers. More efficient and profitable micro-farming methods are in development though. Nevertheless, it is safe to say that the benefits outweigh the cons.

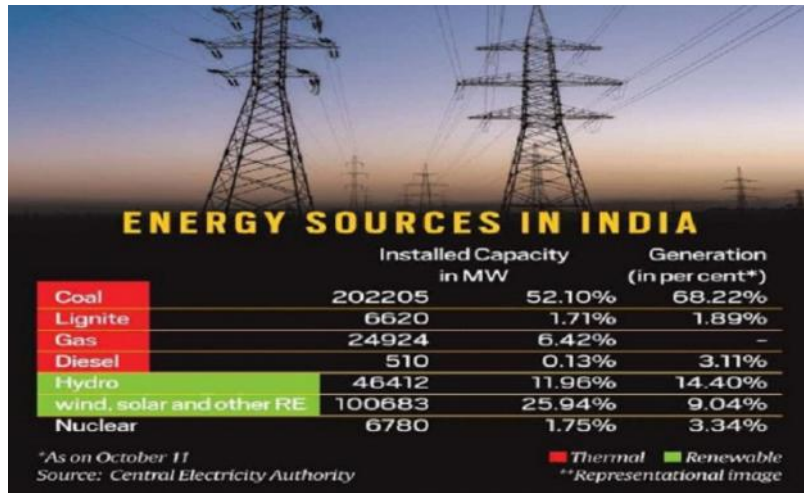


Coal Crisis in India

In India, around 52% of electricity is generated with the help of coal. It is proven to be true that India is the world's fourth-largest coal-producing nation and yet it imports more coal from other nations owing to its high demand. There are 135 thermal power plants in the country in which 15 to 30 days of stock is stored in advance. But now we face a crisis, wherein, we are left with only 4 days of stock in some of these plants. There are various reasons as to why this is the case some of which are rising coal prices (comparable to the situation of petrol), heavy rains in the month of September which have affected the coal mines and reduced domestic production, the miscommunication in India's power sector for the development of new coal mines and, lastly the rise in demand for electricity due to the opening up of the economy post lockdown. In addition to that, this year three crore homes got electricity for the first time in India.

We do have solutions to handle this crisis, however, in the end, it comes down to whether or not we plan to stand by it. For example, why is it that we rely on coal, a dirty fuel, so much in the first place? Especially when the procedure for it is long and harmful for the environment as it releases a lot of different chemical wastes. Studies indicate that over 3, 50,000 people die prematurely each year globally due to air pollution from coal-fired power plants, while many others suffer from chronic diseases.

It is high time we take action now. If not, according to the predictions, in the coming 80 years there will be an increase in the average global temperature by five degrees. Reducing the dependence and consumption of coal is essential for both the environment and the economy. We must consider pushing more clean and renewable sources of energy, rather than continuing the use of dirty fuels like coal. For instance, one can initiate a plan to fix solar power panels on their buildings, which would be a one-time investment with a long-term benefit. From a broader perspective, this would save energy and also reduce and cut short our future expenses, in the end greatly benefiting us. Along with this, we can also consider using methane digesters, which are currently being implemented in Germany. Methane digesters collect and convert biodegradable waste which is stored in anaerobic digesters that produce biogas and fertilizers, which are used to generate electricity.



Importance of economic sustainability

- Increased investment.
- Budget savings.
- Boost in tax and fee revenues.
- Improved fiscal stability.
- Targeted investment.
- Smart growth.
- Cost Savings.

Conclusion

Considering the current scenario of a low employment market, people can tactfully make use of these opportunities created by the pandemic to upgrade themselves and to enter the market. By utilizing the lope holes which were dug in the past year during the pandemic and the opportunities that were created by the government. We need more people to work towards this and spread awareness to uplift our economy and environment. By doing so, we not only have better employment opportunities but we can also balance all the three barriers of economic sustainability.

Suggestions

- We must unresolve the root causes of economic sustainability.
- Overutilisation of resources, over population, over consumption of available energy sources leads to disturbance in the sustainability.

- Proper utilisation of water and avoiding wastage of water leads a better stability of resources.
- According to the Food and Agriculture Organization of the United Nations- one-third of human consumable food production in the world is lost or wasted every year, which must be reduced.

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Corporate Social Responsibility in India

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ABSTRACT

It is rightly said that "It is easy to dodge our responsibilities, but we cannot dodge the consequences of dodging our responsibilities." - Josiah Charles Stamp, 1880-1941, former director of the Bank of England. In this modern digitalized world, businesses are required to be mindful both in terms of what they are doing and how they are doing it. The company's brand is not just dependent on the quality of products they are offering to people but on the overall impact of the company's operations on the society, environment and the economy. Their sense of social responsibility provides them with a competitive edge over their competitors in a crowded marketplace. CSR is a holistic and integrated management concept whereby companies integrate their social and environmental objectives with their business objectives. This year, the Indian Government implemented new CSR guidelines. These guidelines require Indian companies to spend 2 percent of their net profit on CSR. India is the first country in the world to make CSR mandatory. Including the CSR mandate in Companies Act, 2013 is a great step of engaging the corporate sector in the equitable development of the country. Earlier companies were required to spend 2 percent of the profits towards CSR and in case of failure to do so; they were required to give reasons. But as per the present amendment, companies are required to spend 2 percent of profits towards CSR in the given time limit or are required to turn over this amount of profits in the funds which are run by the government. It works on a Triple Bottom Line Approach i.e. Company focuses on 3P's; People, Planet & Profit while addressing all the expectations of its stakeholders. The majority of policy initiatives in the country are driven by the objectives of equal opportunities, minimizing poverty and human deprivation, focus on fundamental rights, etc. thereby leading to strong human development. The choices that we make today will be going to affect and influence our future generations. Despite all this inequality and disparity still exists.

Keywords: CSR, Corporate, Society, Environment, Triple bottom line, Sustainability, Social responsibility

INTRODUCTION

Corporate Social Responsibility (CSR) is not a new concept but is definitely the latest buzzword in the corporate sector. It has become increasingly popular over the last few decades. Charity by companies is not something new in India. CSR is that way of running the businesses by which corporate houses contribute towards social good and adds to value. It can be defined

as a sense of responsibility of the companies towards the community and the environment in which they operate. An umbrella term for a variety of theories and practices all of which recognize the following:

(a) that companies have a responsibility for their impact on society and the natural environment, sometimes beyond legal compliance and the liability of individuals.

(b) that companies have a responsibility for the behavior of others with whom they do business (e.g. within supply chains).

(c) business needs to manage its relationship with wider society, whether for reasons of commercial viability, or to add value to society." - Blowfeld and Fryna. Companies can fulfill this responsibility by taking various measures and launching different programs that will benefit society as a whole. Socially responsible companies try to integrate their economic objectives with social and environmental objectives. Taking up CSR initiatives can give a competitive edge to the companies and help them in their brand building. Capital, technology, and Labourers (people) are essential for running an enterprise but ethics are vital for keeping the entities together. It is really important for the company to make "sustainability" a mindset and it's a way to do business. Companies must try to bring value to the world, and create value for its clients, customers or other stakeholders. Corporate Social Responsibility is a multi-layered concept. It has four interrelated dimensions namely, economic dimension, legal dimension, ethical dimension, and philanthropic dimension. "Corporate social responsibility encompasses the economic, legal, ethical, and philanthropic expectations placed on organizations by society at a given point in time." - Carroll.

Economic Dimension - This dimension relates to company's responsibility towards the company i.e. to ensure a fair amount of returns to the investors, right wages to the employees, providing goods to customers at fair prices, responding to business risks in an adequate manner, etc. economic dimension is the first and the most important one. It serves as the foundation or basis for other dimensions. **Legal Dimension** - The legal dimension demands the company to abide by all the laws and the rule of the game in order to be socially responsible. Laws are statements and codes which tell us what to do and what not to do. In order to survive in the long run, every company needs to follow these codifications of dos and don'ts. **Ethical Dimension** - The ethical dimension represents the expectations of the society from the corporate houses. Society expects the company to do more for them and go beyond the law to serve them better. It is what society expects from the companies over and above the economic and legal responsibilities. **Philanthropic Dimension** - It represents the voluntary urge of the companies to do good for the employees, community, or society at large. This is what society desires. It is completely at the company's discretion, for instance, donating for a cause, supporting educational institutions, doing their bit for the environment, etc. Few researchers named three dimensions more namely, Stakeholder's Dimension, Voluntariness Dimension, and Environmental Dimension.

The stakeholder's dimension is about the company's responsibility towards its stakeholders which includes its employees, shareholders, customers, clients, suppliers, government, etc. Companies must understand their responsibility towards them and must try to align their goals with corporate goals. Voluntariness dimension is about the company's voluntary urge to contribute towards society as a whole and make this society a better place to live. The environmental dimension focuses on the company's responsibility towards the ecosystem. They must try to integrate their profit goals with environmental goals. Green measures must be taken in order to protect our environment and contribute to sustainability. CSR initiatives can prove to be really beneficial not only for society but for the company as well. Many stakeholders are linked to corporate houses and are benefitted from the CSR programs.

Some of the factors driving CSR in India are:

- a) **Cost Management:** Cost management is crucial for companies to survive in this competitive environment. Companies that work on low expenses are considered to be sustainable and responsible. For example, Gases like carbon dioxide and other greenhouse gases amount to a huge cost to the country. A corporate house devise way to manage the level of such toxic gases and helps the environment in return. This driver is really important to measure the company's performance and its degree of social responsiveness.
- b) **Tax Relief:** The advantages of conducting CSR like Tax advantage are another important driver of CSR. Corporate houses practicing corporate social responsibility get tax exemptions from the government for doing social work and maintaining the ecosystem in proper condition. Developing countries like India benefit a lot from tax reliefs. Therefore, it is very important for companies to keep transparency in their CSR efforts in order to claim tax benefits.
- c) **Customer Demand:** Customers purchase goods of those companies which are CSR active. The demands of consumers towards companies to be ecologically and socially responsible drive them to contribute their bit towards the society and sustainability measures. Consumers help in promoting CSR activities by making the fair decisions of buying the product produced by that company that contributes to CSR practice.
- d) **Value Shift:** A value shift has taken place within the corporate entities. They have started working on ethics, as a result, they feel helping society is the right thing to do. They now believe in integrating their objectives of wealth creation with environmental and social objectives. Values drive them to work for the betterment of the communities and its people.
- e) **Brand Building:** Companies believe that doing CSR enhances the company's brand and increases its reputation in the market. Company's efforts towards the society are highly appreciated by their consumers and clients and this factor further drives companies to contribute their share for the social good. This helps them improve their image in the global market.

- f) **Staff Recruitment/Retention Issues:** Green recruitment is gaining a lot of importance nowadays. It involves the cheapest way to hire employees. This practice saves a lot of paper and energy and therefore contributes to environmental sustainability. A lot of big companies and even start-ups go for e-recruitment to hire employees. Companies contributing to CSR have a low employee turnover ratio and reduced absenteeism. Employees trust the companies and have a high level of confidence if their company is conducting CSR. CSR initiatives increase employee engagement and participation thereby increasing their morale and productivity (PWC-CII, 2013).
- g) **Government Pressure:** Awareness about CSR is increasing. The government takes various initiatives for the society's and environment's benefit and includes corporate entities to be a part of it. Today, people and corporations are aware of industrial carbon footprint. In order to reduce the level of carbon footprints, companies and entrepreneurs are devising new ways to conduct business operations in a more ecological and socially responsible manner. This helps the government to reach out to those areas which were earlier not possible with the help and resources of corporate houses. Corporate entities have become more sensitive to the issues relating to carbon footprint, animal adoption, children's education, aid victims, etc. Also, provisions by the government on CSR also put pressure on companies and drive them to contribute a particular amount of their profits towards CSR.
- h) **Public Pressure:** CSR is driven by the public pressure in the form of continuous reminders and pressing by various organizations, for instance, pressure groups, consumers, media, other public and state bodies. They want companies to be socially responsible and do their bit for the communities and the environment. Environment, labor laws, and human rights are the key areas on which public pressure is centered.
- i) **Investor Pressure:** Investor pressure and maintaining investor relations is one of the key factors driving CSR. Developing countries like India believe that maintaining good investor relations is crucial for success. Investors invest in those companies which are socially responsible and have a good social image in the market. This exerts pressure on companies to be sensitive towards various contemporary issues and contribute towards CSR.
- j) **Ecological Sustainability:** A small number of efforts by corporate houses can really be beneficial for the environment. With sustainable use of resources, energy-efficient technologies, recruitment of innovative employees who can devise more environmental-friendly practices, recycling & reusing of products, reducing carbon footprints, etc., companies can really contribute towards ecological sustainability and can save the mother earth.
- k) **Social Media:** Social media is an important factor driving CSR. People have become sensitive to various issues. There are a number of bloggers from a huge and continuously growing community of internet users engaged in a discussion about contemporary issues. Therefore, social media and its users constantly want corporate entities to be sensitive

towards the environment and society. They want companies to indulge in nation-building by being socially and ethically responsible.

OBJECTIVES OF THE STUDY

In light of the above-mentioned observations, the objectives are:

- i. To review the literature on various aspects of CSR;
- ii. To discuss the CSR provisions in India;
- iii. To study the acceptance and implementation of CSR by Indian companies;
- iv. To analyze different issues and challenges associated with CSR;
- v. To suggest certain measures for ensuring improved CSR practices in India.

REVIEW OF LITERATURE

Rahman (2011) explored different dimensions of CSR. Various CSR definitions were studied from the 50s until the 21st century to identify CSR dimensions. In 1950s CSR was an obligation towards society and in the 1960s it was considered to be a relationship between corporate houses and society. CSR definitions included a few other aspects like stakeholders, ethics, voluntariness, philanthropic, environmental stewardship and triple bottom line in the '70s to '90s. 21st century's CSR dimensions have a much wider scope; apart from the above aspects it also includes improving the quality of life of citizens, human and labor rights, environmental concerns, corruption issues, issues of transparency and accountability. Majumdar et al. (2008) described CSR as an inescapable priority for corporate houses in today's modern and globalized world. They examined existing CSR models and tried to find out difficulties associated with them during actual application in developing countries. Various models based on the academic approach, institutional approach were discussed. They suggested that a conceptual framework of corporate social responsibility is needed importantly in order to bridge the gap between developed and developing countries. All five domains namely economical, ethical, legal, philanthropic and environmental are required to be addressed while practicing CSR. Prieto-Carrón et al. (2016) aimed at incorporating new insights into the CSR study. They talked about the impacts of CSR initiatives, the relationship between business and poverty, issues of power & participation in CSR, and governance-related dimensions of CSR. They are of the view that currently only one side view of CSR is being considered and studied, but various sensitive questions related to corporate social responsibility are ignored. There is a pressing need to deeply study the pros and cons of CSR initiatives in developing countries. They suggested that researchers and people who practice CSR must indulge in collaborative studies on CSR in order to develop better impact assessment methodologies. Attention must be given to all important issues which are unaddressed or were overlooked.

Jothi (2016) made an attempt to analyze various factors that drive a few selected public and

private firms towards CSR contribution. Data was collected from 318 respondents. Nature of ownership, Hierarchy level, gender, age, qualification, experience, and CSR driving forces are some of the variables which were considered. Compliance with companies' act 2013 was ranked number one factor driving firms to contribute towards CSR followed by community pressures, increasing awareness, commercial pressures, reputation, etc. Companies today can't work in isolation; they must have a good CSR policy and should align their business goals with sustainable goals. Nicolae and Sabina (2010) discussed various dimensions and challenges of corporate social responsibility. The focus was on the number of issues relating to CSR and also on how changes in attitudes and reorientation of efforts are required for effective and efficient CSR implementation. They discussed legal, ethical, economic and philanthropic dimensions of CSR. Increased inclination and transparency are needed in a few areas in order to make the CSR concept a hit. The areas are Code of conduct, Standards management, financial reports, audit and reporting (information), Labelling & Socially responsible investment. This behavior can definitely fulfill CSR's objective of Sustainability or Sustainable development. Saxena (2016) studied various issues and challenges associated with CSR. History of CSR in India before 1900 and after 1900 till present was reviewed by the author. Ethical models, statist models, liberal models, and stakeholder models were discussed in association with history related to each model. Currently, Indian companies work on the Stakeholder model for its CSR. The stakeholder model came into existence during the 1900s and is still continuing. It works on a triple bottom line i.e. people, planet and profit. Under this model, companies try to address and communicate with all of its stakeholder's examples, employees, customers, government, suppliers, investors, etc. Demands of customers, investors, government and various labor markets are considered to be key drivers of CSR. Issues like transparency, narrow perspective, lack of consensus, lack of infrastructure, visibility factors are considered to be the main challenges to CSR. Creating awareness among the general public is the need of an hour for effective implementation of CSR efforts by various corporate houses. Arevalo and Aravind (2011) surveyed a number of managers at the top level of a few selected companies that are engaged in CSR activities namely the UN Global Compact (GC), in order to represent various industry factors. Certain research questions on the model of CSR followed by Indian firms and different drivers and obstacles associated with Proper CSR implementation were answered. They found that Indian firms follow the Stakeholder approach for its CSR activities, Ethics and values are important drivers for CSR and lack of resources or sufficient funds is the major obstacle in the effective implementation of CSR initiatives. Researchers believe that Indian firms have the right framework for proper implementation of CSR; it's just that an inclusive strategy that involves a majority of the workforce is needed. Du et al. (2010) analyzed various aspects of CSR communication namely, message content, communication channels, and stakeholder specific factors. According to them, CSR communication is a delicate matter but very important for businesses. The main challenge is to overcome the skepticism of the stakeholders and to generate CSR attributions. A number of ways may be adopted by companies to disseminate information or communicate their CSR initiatives.

Corporate sustainability reports, Press Releases, Website Reporting, Advertising Media Bill boards, TV commercials, Magazines, etc., Product Packaging are a few ways companies use to communicate their CSR activities. Companies must aim for positive media coverage and CSR rating in order to have better CSR associations. CSR Provisions in India Section 135 (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Companies Act, 2013 relates to CSR. Every company including its holding and subsidiary company with a net worth of Rs. 500 crores or more, turnover of Rs. 1000 crores or more and net profit of Rs. 5 crores or more are required to comply with all the provisions of CSR. Every company which is eligible for doing CSR is required to constitute a CSR committee of the board. Board of directors of the company must ensure that the particular company spends at least 2 percent of its average net profits made during the 3 immediately preceding financial years, in every financial year as per its CSR policy. Earlier, companies were required to comply or give reasons for noncompliance and then get away with it. But, as per the new amendment (2019) of Section 135 of the Companies Act, 2013, getting away will not be that easy. Amendment of the section incorporates a provision, according to which if a company is unable to spend the target amount kept for CSR activities then it is required to transfer the amount to a fund which is prescribed under schedule VII, for example, Prime Minister's National Relief Fund. Within 30 days after the date of closure of the 3rd financial year, the unspent amount of money has to be transferred to the particular fund. If any company contravenes with the provisions of Section 135, it is required to pay a fine which ranges from Rs. 50,000 to Rs. 25, 00,000. Also, as per the provisions officers shall be liable for imprisonment of up to 3 years. The penal provision of the act bounds all the corporate entities fulfilling SR criteria to perform Corporate Social Responsibility (CSR) and define the penalties and imprisonment for the violation of the CSR norms. The companies may do their bit towards the following causes:

1. Eradication of hunger, malnutrition or poverty
2. Promotion of healthcare and sanitation
3. Offering support for education and employment that can enhance vocational skills
4. Encouraging gender equality.
5. Ensuring sustainability
6. Protecting heritage, art, culture
7. Working for the benefits of the country's armed forces
8. Fostering and training for sports activities
9. Contributing to the relief project.

CSR initiatives and green measures by Indian companies

S.No	Company	Cases
1.	TATA Group	A leader in technology and Consultancy, Tata Consultancy Services (TCS) has contributed Rs. 434 crores towards various sustainable development programs thereby doing their bit for the society and environment. Domains of CSR efforts include health, environment, education, and skill-building. The Company has a CSR committee of directors comprising N Chandrasekaran, Chairman of the Committee, O P Bhatt, Rajesh Gopinathan and Aarthi Subramanian. The meetings of the committee are conducted regularly thereby creating a considerable social impact.
2.	ITC Group	The multi-business conglomerate has spent Rs. 291 crores towards CSR as per their 15 th sustainability report in the year 2017-18. Their area of work includes: 1. Health & Sanitation, 2. Drinking-Water, 3. Eradication of Poverty, 4. Education, 5. Vocational Training, 6. Livestock Development, 7. Livelihood Generation, 8. Women Empowerment, 9. Environment Sustainability, 10. Soil & Moisture Conservation, 11. Social Forestry, 12. Protection of national heritage, art and culture 13. And Agriculture Development. The company follows a comprehensive CSR policy and has also constituted a CSR committee.
3.	Reliance Industries	As per their annual report the company has spent Rs. 904 crores towards CSR initiatives and programs in the financial year 2018-19. Their area of work includes: 1. Rural Transformation, 2. Health, 3. Education, 4. Sports for Development, 5. Disaster Response, 6. Arts, Culture and Heritage, and 7. Urban Renewal. Reliance industries are doing their share for the society and environment. They are trying to keep up with the Development Goals (SDGs) stated in the UN's 2030 Agenda for Sustainable Development and national goals on sustainable development.
4.	Mahindra Group	It is an Indian Multinational Conglomerate. Mahindra group with Tech Mahindra and its other subsidiaries contributed Rs. 240 crores towards CSR activities in the financial year 2019. Domains include health, education, and the environment. The company believes in driving positive change and contributes towards the betterment of society. They are doing their bit for the society and environment since 2005. Few programs: 1. Celebrate Differently- Rise against climate change. 2. Hariyali- Plant a tree. 3. Nanhi Kali- For girl child education. 4. Employee Social options or ESOPs- An initiative through which employees give back to society by participating in different initiatives
5.	Maruti Suzuki	It is the pioneer in Indian Automobile Sector. Maruti Suzuki has contributed a lot towards Corporate Social Responsibility initiatives. Areas of work include road safety, employee engagement programs, skill development, and community development.

Issues and Challenges Running a business and keeping in mind the social responsibility is really a challenging task. The companies today have to consider more than just profits if they want to keep their stakeholders happy. They are still trying to master the art of maintaining a balance between the company's strategic objectives and Social/Environmental concerns. Some of the challenges that the company face during CSR implementation are:

Failure to Consider CSR's Holistic View: Companies still have a narrow perception of CSR. They fail to understand the holistic view of CSR, that CSR has its impact on mostly all of the stakeholders of the company and it impacts both society and the environment as a whole. It is very important for businesses to realize new opportunities and use them in solving public problems. They must try to create shared-value i.e., they must integrate business objectives with sustainability and social objectives. The business should embrace CSR in their business operations and should clearly identify the areas of priority and investment.

Lack of Transparency: For the success and proper implementation of CSR policy within a company, Transparency is an important condition. CSR and Transparency are closely linked. This helps various stakeholders involved with a company to get a proper insight into different issues that are relevant to them. Practicing window-dressing within the organization can hide a lot of information from the stakeholders. If society today, needs CSR then they also need CSR transparency. The present level of transparency by corporate houses is completely insufficient. Companies do not make adequate efforts to disclose relevant information. This comes in between the trust-building among corporate houses and communities. Transparency is crucial for the success of any CSR initiative therefore; lack of transparency is the biggest challenge faced by CSR.

Harmonizing the Company's Development Goals with the Interests of its Shareholders: It is really important to reconcile social responsibility and economic performance and is, therefore, a big challenge too. The creation of shared and sustainable value thereby integrating the company's development goals with the interests of its stakeholders is a big challenge in the road of CSR.

Greenwashing: Inequality in India is really high. The CSR law does not go far enough in reducing inequality and doesn't have a coercive enforcement mechanism. CSR is not that transparent enough and therefore gives an illusion of progress. This leads to Green Washing on a national scale. This is one of the biggest challenges for CSR compliance and effectiveness.

Lack of Sufficient Financial Resources, Local Capacities, and Infrastructure: CSR may involve a hefty amount of investments. Therefore, companies must properly plan and prioritize their investments. Proper planning of resources to be involved and issues to be tackled must be done before executing initiatives. Also, there is a lack of local capacities and proper infrastructure. There are no good governmental and non-governmental organizations which can contribute towards CSR therefore; there is a dire need to build local capacities and infrastructural facilities for effective implementation of CSR.

Lack of Consensus: There is a lack of consensus among different local agencies and corporate entities which results in duplication of efforts by the firms in terms of CSR initiatives. This leads to unnecessary competitive spirit among the firms which go against the main objective of building value for the society.

Lack of Participation by Communities: Communities for which CSR is to be done to show less interest in the programs and initiatives scheduled by organizations. Also, not proper efforts are undertaken to spread the activities of CSR among the communities and thereby not instilling needed confidence in the people. The inadequate communication between the organizations and communities is one of the major challenges for CSR. **Lack of Strategic Planning:** Due to a lack of strategic planning, proper experimentation, innovation, and engagement, companies aren't able to make a meaningful impact on their CSR efforts. They are not able to identify ideal investment projects and therefore cannot provide high impact results. **Corporate houses must understand the challenges faced by its citizens and then invest properly.** **Faulty Execution and Implementation:** Companies fail massively when it comes to the execution and implementation of CSR strategy. Companies must go in with a commitment of long term, they must try to engage the workforce, and leaders should personally commit and plan effectively. Don't just speak about it, act upon it make it happen. For increased effectiveness and efficiency, it is important to execute CSR efforts strategically.

CONCLUSIONS

Dealing with Challenges:

- Creating awareness about Corporate Social Responsibility amongst the general public.
- Building a long-term goal and sustainable perspective on CSR activities in order to bridge the gap between all the important stakeholders in order to effectively implement CSR activities.
- Companies must think of some diverse issues to be tackled by their CSR practices. They should consider the development agenda in a much broader way to avoid duplication of efforts.
- The pooling of resources and building of synergies by both companies and non-governmental organizations for more efficient plus effective implementation of CSR activities.
- Efforts should be taken for poor and underprivileged people of both Urban and Rural areas.
- The government should give awards and accolades to corporate houses that are doing their bit for the needy and poor.

SUGGESTIONS

Sensitization of students by making CSR a compulsory subject or discipline in schools, colleges or universities. This approach will motivate young blood and help them to face future

challenges. And also, to provide more innovative solutions for the betterment of society and the environment as a whole. Sustainability Reporting: Sustainability reporting is gaining importance these days because of the growing recognition of issues relating to sustainability. Framework for sustainable reporting is provided by an organization known as the Global Reporting Initiative (GRI). Guidelines on sustainability reporting provided by GRI are widely used by the corporate houses.

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Crisis Management

1.1 INTRODUCTION

1. Human today witnessing multiple serious crisis, whether economics, social, environmental on this planet.
2. In fact most of the destroying crisis could be stopped or avoidable if the parties stakeholders in world wisdom by putting common interest ahead of their own desire and choosing patience and dialogue over stubbornness and extremism particularly when conflict and crisis do not built nation and better civilization. but destroying everything instead
3. Today's crisis bring new challenges to address and the theoretical framework that have been developed by various scholars may not be adequate to deal with them.
4. Term crisis carries many meanings: In itself this meaning guide the crisis managers and leads in developing what to do in crisis situation
5. It is an interesting applied study as well since we talk about managing crisis when actually each crisis situation in unique by itself
6. Crisis involved a period of discontinuity is situation where core values of the organisation / system are under the and this requires critical decision making
7. This is there is a dish stabilizing effect to the organisation and its stakeholders and escalation of one or more issues errors or procedures are expected in this
8. Crisis could start out by simple piece of news being disseminated through media outlets or social network then find receipt at large which lead to state of aggregation and uncertainty within target of crisis.
9. Crisis prevention, mitigation and communication response starts with and strategic business plan full stop and the integrity and legitimacy of the organisation are Central to the theme of crisis.
10. The solution against any crisis being initially with fighting causes such as dealing efficiently with source of rumours and false news including via social media which target officially and non officially organisation and creates and toxic environment which turns into an explosive one in the real world if not tackled early enough and efficiently this is how crisis manage it comes into play / picture.

11. Crisis management is a proactive process which involves dealing with the crisis before it happens during the crisis and after.
12. Crisis Management is a process of designed to prevent and loose the damage a crisis can bring on the organisation and its stakeholders.
13. The purpose of crisis management is to protect the organisation sector, or the stakeholders from damage and prevent or diminished the negative outcomes of crisis
14. Definition of crisis by scholars:
 - Crisis is defined as an significant threat or operations that can have negative consequences if not handled properly.
 - In crisis management the threat is like potential damage or crisis can inflame an organisation, its stakeholders and an industry
 - A Crisis can create three related threats :
 1. Public safety
 2. financial loss
 3. reputation loss

1.2 Company Profile

Amazon.com, Inc. is an American multinational technology company which focuses on e-commerce, cloud computing, digital streaming, and artificial intelligence. It has been referred to as "one of the most influential economic and cultural forces in the world", and is one of the world's most valuable brands. It is one of the Big Five American information technology companies, alongside Alphabet, Apple, Meta, and Microsoft.

Amazon was founded by Jeff Bezos from his garage in Bellevue, Washington, on July 5, 1994. Initially an online marketplace for books, it has expanded into a multitude of product categories: a strategy that has earned it the moniker. The Everything Store. It has multiple subsidiaries including Amazon Web Services (cloud computing), Zoox (autonomous vehicles), Kuiper Systems (satellite Internet), Amazon Lab126 (computer hardware R&D). Its other subsidiaries include Ring, Twitch, IMDb, and Whole Foods Market. Its acquisition of Whole Foods in August 2017 for US\$13.4 billion substantially increased its footprint as a physical retailer.[12]

Amazon has earned a reputation as a disruptor of well-established industries through technological innovation and mass scale. As of 2021, it is the world's largest Internet company, online marketplace, AI assistant provider, cloud computing platform, and live-streaming service as measured by revenue and market share. In 2021, it surpassed Walmart as the world's largest retailer outside of China, driven in large part by its paid subscription plan, Amazon Prime, which

has over 200 million subscribers worldwide. It is the second-largest private employer in the United States.

Amazon also distributes a variety of downloadable and streaming content through its Amazon Prime Video, Amazon Music, Twitch, and Audible units. It publishes books through its publishing arm, Amazon Publishing, film and television content through Amazon Studios, and is the owner of film and television studio Metro-Goldwyn-Mayer since 2022. It also produces consumer electronics-most notably, Kindle e-readers, Echo devices, Fire tablets, and Fire TV.

Amazon has been criticized for practices including technological surveillance overreach, a hyper-competitive and demanding work culture, tax avoidance, and anti-competitive behaviour.

1.3 Need of the study

Introduction

Crisis management is very essential and play very important role in organisation as it as an balancing wheel for the company in running business operations smoothly and efficiently.

- Crisis Management repair the individual organisation stakeholders and industries as a hold to face unexpected development and advise condition in the organisation with courage and determination.
- Employees which are considered as a biggest asset for the organisation adjust well to the sudden changes in the organisation.
- Employees can understand and analyse the cause of crisis and hope with it in the best possible way so helpful in future time to manage its effectively keeping past experience in the mind.
- Crisis management helps the managers to advice strategies to come out of the certain condition and critical device on future course of actions.
- Crisis management helps the managers to feel the early sign of crisis wants the employees against the consequences and take necessary preventions for the save

1.4 Statement of problem

1. Statement of problem refers to the critical issue that our research CM seeks to address.
2. It captures the existing knowledge gap that once study AIIMS to bring a bridge using reliable result or outcomes.
3. Problem statement
 1. Employees
 2. Customer dissatisfaction in service or delivery.

3. Service
4. Criminal activity led to public outrage.

Background :critical incident describe problem statement about crises.

1.5 Research objectives

Research objectives keep the study very straight forward and helpful in reaching constructive and consultive conclusion.

-Source of the objective our project report focuses on following

1. Maintaining brand loyalty interest among customers.
2. Analysing the damage caused due to crisis.
3. Untangle the situation of finding out the best solution.
4. Satisfaction of hated people and customer.
5. How to prevent such consequences from future occurrence.

1.6 Hypothesis of project report

Critical hypothesis of our logic report crisis management States our prediction about what our research study will find based on existing theories and knowledge.

It is statement which properties and expected result.

1. Crisis can be avoidable by good business strategies and leadership.
2. Trust, Ethnise and morality is good to play good role in positive aspect of crisis management.

1.7 Scope

The scope of crisis management study explains the extent to which our research area will be explode in the work and specific the parameters within the study.

Define sword the research is going to result and what are we focusing on

1. Customer this satisfaction which leads to large agitation.
2. Employees Poor working condition and their policies leading them to protest.

Technical glitches lead to service outage.

A Comparative Analysis of Job Satisfaction of Public and Private College Lecturers in India

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ABSTRACT

Since 2020, many private lecturers in India have been shifted to work in corporate companies and businesses because of lack of pay. Still few lecturers are working in colleges for job satisfaction as the teaching field known for it. The aim of the present study to study the job satisfaction levels of lecturers of public and private colleges. 'Job satisfaction' refers to the attitudes and feelings people have about their work. A structured questionnaire was prepared and sample of 100 public and private college lecturers was conveniently selected for the study. Data analysis was conducted through 't' test and ANOVA which showed that there is a significant difference between the levels of job satisfaction of public and private college lecturers. The reasons were salary, reputation, job security and so forth.,

Key words: Job satisfaction, public, private, lecturers,

Introduction

A well-known and successful educational system requires a shining, reputed and high-quality teaching staff. The role of teachers is very much important as they employ the most effective teaching and learning skills and strategies to enable students to make progress especially in practical life.

The high-quality teachers and education in any country of the world have been very essential part of the different civilization of the world in historical perspectives, so the level of satisfaction of teachers towards their job is very important to study. The job satisfaction is very broader concept in every profession. Employee satisfaction is the fundamental requirement for better performance in their practical work. Job satisfaction is an affective reaction to an individual's work situation and has been described as a positive emotional response resulting from appraisal of one's job. Job satisfaction as "a pleasurable or positive emotional state, resulting from the appraisal of one's job experiences."

A high-quality teaching staff is the corner stone of a successful educational system. Teachers are both the largest cost and the largest human capital resource of an education system, particularly at the school level. Attracting and retaining high quality teachers is thus a primary necessity for educational institutions. However, good teachers are difficult to recruit and almost impossible to retain if the rewards of teaching do not outweigh the possible frustrations on account of poor job

conditions. The first step in developing a high-quality faculty is to understand the factors associated with teaching quality and retention. One of the important factors is job satisfaction, which has been studied widely by organizational researchers and has been linked to organizational commitment as well as to organizational performance. Satisfaction with teaching as a career, not merely as a job, is an important policy issue since it is associated with teacher effectiveness, which ultimately affects student achievement. Thus, understanding the factors that contribute to teacher satisfaction (or dissatisfaction) is essential to improving the information base needed to support a successful educational system.

"Job satisfaction and dissatisfaction are function of the perceived relationship between what one expects and obtains from one's job and how much importance or value one attributes to it."

Job Satisfaction is a combination of two words 'Job' and 'Satisfaction'. The Word 'Job' refers to collection of task and responsibilities, which as a whole is regarded as the established assignment to individual employees. The word 'Job' also includes occupational activity performed by an individual in return for a monetary reward. Group of homogeneous tasks related by similarity of functions when performed by an employee in an exchange for pay. From a wider perspective, a job is synonymous with a role and includes the Physical and Social aspects of a work environment, often individual identity with self with their job role and derive motivation from its uniqueness and usefulness. The Teacher plays a central role in the learning process of the pupil. Without good Teachers it is not possible to improve education. In the schools and colleges job satisfaction in teachers is essential for the purpose of effective teaching is the result of job satisfaction. The teacher who is unable to motivate his pupils to attain learning remains dissatisfied with his work. In case of job satisfaction of teachers there are many factors.

These factors are:

- a. Intrinsic aspect
- b. Salary, service conditions and promotion
- c. Physical facilities
- d. Institutional plans and policies
- e. Satisfaction with authorities
- f. Social status and family welfare
- g. Report with the students.
- h. Relationship with co-workers

Definitions of Job Satisfaction

According to Robbins and sanghi (2006)

"Job satisfaction is collection of feelings that an individual holds toward his or her job."

According to Masud Ibn Rahman (2008)

"Job satisfaction is defined as a general attitude toward one's job. It is regarding one's feelings or state-of-mind regarding the nature of their work.

Review of Literature

Mehmet Gürsel Sonmezer And Mustafa Yunus Eryaman:

This study aims to determine whether differences exist between job satisfaction levels of public-school teachers and of teachers who transferred to private education institutions from public schools due to retirement or resignation. If the differences exist, this study will also try to find out the causes of these differences. Quantitative Survey method has been employed in this study. The findings of the study indicated that differences do exist between job satisfaction levels of public-school teachers and of teachers who transferred to private education institutions from public schools due to retirement or resignation. The main factors that cause the differences were salary, social ranking, reputation, and improvement, ability to use skills, administrator-employee affairs, and creativity.

Aikaterini Gkolia, Dimitrios Belias and Athanasios Koustelios University of Thessaly, Trikala, Greece:

The main aim of the present study is to provide a clear picture and investigate the relation between job satisfaction and self-efficacy experienced by general employees and teachers, as it rises through literature review. There seems to be no consensus about how job satisfaction should be defined, as the definition depends on the research subject and on everyone's priorities. During the past decades, many different theories and models of job satisfaction have been developed. In addition, different factors that are likely to have an influence on job satisfaction have been distinguished, as well as several consequences emerging from job satisfaction. In addition, the concept of self-efficacy has been defined in many ways. In general, an educator is conceived as one of the most important persons responsible for shaping a nation's future. The review shows that schools must pay more attention to improving teacher's job satisfaction and self-efficacy, investigating, and enhancing those factors which promote teachers' job satisfaction and personal efficacy. Moreover, the current review provides information about instruments to measure teacher's job satisfaction and self-efficacy. The review shows that different factors of teachers' job satisfaction are related and have a positive influence on different factors of teachers' efficacy. Implications and suggestions for future empirical research of findings are drawn as well.

R D Sharma is Professor of Commerce, Jeevan Jyoti, University of Jammu.:

A high-quality teaching staff is the corner stone of a successful educational system. Teachers are both the largest cost and the largest human capital resource of an education system, particularly at the school level. Attracting and retaining high quality teachers is thus a primary necessity for

educational institutions. However, good teachers are difficult to recruit and almost impossible to retain if the rewards of teaching do not outweigh the possible frustrations on account of poor job conditions. The first step in developing a high quality faculty is to understand the factors associated with teaching quality and retention. One of the important factors is job satisfaction, which has been studied widely by organizational researchers and has been linked to organizational commitment as well as to organizational performance². Satisfaction with teaching as a career, not merely as a job, is an important policy issue since it is associated with teacher effectiveness, which ultimately affects student achievement³. Thus, understanding the factors that contribute to teacher satisfaction (or dissatisfaction) is essential to improving the information base needed to support a successful educational system.

Khalid Latif, Muhammad Naeem Shahid.(Corresponding Author). Faisalabad, Pakistan.

The study aims to focus firstly on influential factors contributing to job satisfaction and dissatisfaction of college teachers of district Faisalabad, Pakistan. And secondly it examines the level of job satisfaction of teachers in public and private sector colleges. The results showed that there were significant differences in job satisfaction between public and private college teachers. Public college teachers are more satisfied with the six components (educational qualifications, nature of work, pay, job security, promotional opportunities, and family & Work life balance) of job satisfaction. While private college teachers were not satisfied.

SHANTHI.C and Dr. RAJANDRAN., Vallam, Thanjavur

Job satisfaction is one of the most widely discussed issue in organizational behaviour & human resource management. In the present research paper investigated in the job satisfaction in public & private school teacher. In the research paper 35 public & 35 private teachers. In totally 70 sample size in the research paper. The obtained were analysed in mean value and most of the respondents accepted in strongly agree & agree with the findings table. More than relationship in public & private school teacher. The job satisfaction more than public school satisfied.

Shafqat Naeem Akhtara , Muhammad Amir Hashmib , Syed Imtiaz Hussain Naqvic *

The present study was conducted to investigate a comparative study of job satisfaction in public and private school teachers. 'Job satisfaction' refers to the attitudes and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction. Researches support that teacher's job satisfaction has been found one of the very important variable related to positive teaching behavior toward their job. There has also been considerable interest in the complex relationship between an individual's job satisfaction and satisfaction with other aspects of his or her life. It was hypothesized that a comparative study of job satisfaction in public and private

school teachers. To test this hypothesis the researcher conducted this study to investigate the sense of teacher's job satisfaction. For this purpose the researcher developed a questionnaire of 25 items and 5 options. A sample of 150 public and private school teachers was conveniently selected for the study. Data analysis was conducted through 't-test' and 'ANOVA' Which showed that there is no significant difference between teacher's job satisfaction in public and private schools.

Navdeep Kaur Gill Surjeet Memorial College of Education, Ferozepur

A teacher is a backbone of a nation and its progress depends upon the education system. The role of teacher is very significant in the development of a country. He acts as a coach, mentor, trainer, and guide. The aim of this paper is to compare the job satisfaction of female teachers between private and government colleges regarding the facilities provided them and find out the factors which affect the job satisfaction. The area of research is Ferozepur, Moga and Faridkot districts. It is exploratory cum descriptive study. A sample of 100 respondents has been collected from various private schools and Government colleges at Ferozepur, Moga and Faridkot districts in Punjab. A self-structured questionnaire has been used for data collection. For the analysis of data SPSS is used by which descriptive statistics and t-test has been applied. The findings revealed significant differences are found in satisfaction level of female teachers in relation to facilities provided by Government and private colleges.

Parveen Rani, Ph. D. Principal, SDS College for Women, Lapon, (Distt. Moga)

The aim of this study was to analyze the Job satisfaction of Private and Govt. School Teachers. In this present study sample consisted of total 100 (50 Private and 50 Government) School Teachers selected randomly from different schools of Tehsil Abohar. The data was collected by using Job satisfaction scale by Singh and Sharma (1986). The data was analyzed by employing Mean, SD and t-ratio. The study revealed that there was significant difference in job satisfaction between Private and Govt. School Teachers.

Sridevi (2011)

Has conducted a study on "Job Satisfaction of Teacher Educators of University of Mysore" and revealed that (i) the majority of the Teacher Educators expressed moderate level of Job Satisfaction. (ii) there is no significant difference was found in the Job Satisfaction of the Teacher Educators with respect to gender and locale. And (iii) the Teacher Educators working in aided institutions were highly satisfied with their job than the Teacher Educators of unaided and government institutions.

Latif et.al (2011)

Worked on job satisfaction among public and private college teachers of district Faisalabad. The study sought to identify influential factors contributing to job satisfaction. It was noticed that there were significant differences in job satisfaction between public and private college teachers.

Apart from this, public college teachers were more satisfied than private college teachers in the six components (educational qualifications, nature of work, pay, job security, promotional opportunities and family and work life balance) of job satisfaction.

Aggarwal (2012)

Studied correlational study of teacher effectiveness and job satisfaction of higher secondary school teachers. Results showed insignificant relationship between teacher effectiveness and job satisfaction of Govt. higher secondary boys, girls and co-educational school teachers.

Rajendran and Veerasekaran (2013)

A Study of Job Satisfaction of Secondary School Teachers. The findings show that the secondary school teachers were slightly satisfied with the basic eight dimensions (out of twenty) of a job i.e. ability utilization, advancement, education policies, independence, compensation, creativity, recognition and working condition. There was a significant difference of job satisfaction between male and female secondary school teachers. However, no significant difference was found between the job satisfaction of urban and rural teachers. Thus, it is important to overcome the problem in order to give maximum job satisfaction to teachers. Key words: Job satisfaction, Secondary School Teachers.

Song and Alpaslan (2015)

Factors Impacting on Teachers' Job Satisfaction related to Science Teaching. Analysis of the data revealed that the large schools offered more curriculum support materials to science teachers than the small ones. Teachers' job satisfaction was not related to the number of science teachers and school size. New teachers indicated their needs for emotional support from mentors, administrators and parents related to their concerns and challenges in reducing their job dissatisfaction.

SmritikanamitraGhosh(2015),

Examined the job satisfaction among the private & government schoolteachers in Ranchi. The sample size 200 and using T test analysis. The result that there is a no significant difference in the level of job satisfaction.

Velmurugan (2016),

Studied the job satisfaction of teachers in Coimbatore district. The sample size 210 and using friedman rank test. The result of a significant of job satisfaction of teachers.

Kaushik Bhakta (2016),

Attempted to know the level of job satisfaction of primary school teacher in Howrah district in west Bengal. The sample size 100 and using "T" test value analysis. There is a significant difference among the primary school teacher in job satisfaction.

Velmurugan(2016)

Studied Job Satisfaction of Teachers. The result of study discloses that job satisfaction of teachers depends on Salary, Working time, Professional growth etc.

Nigemanaetal (2018)

Conducted a study on Job Satisfaction Among School Teachers. On comparing the job satisfaction level between private and government school teachers, it was found that there is no significant difference in their level of satisfaction irrespective of gender.

Halder and Roy (2018)

Conducted study on Job Satisfaction and Teacher Effectiveness of Secondary School Teachers. The study reveals that there was positive co-relation (.50) between job satisfaction and teacher effectiveness.

Harish K A, and B Jeya Prabha(2018)

Conducted a study on the occupational stress and job satisfaction of teachers of government & private sectors. The present study has explored the pertinent factors relating to Job Stress and its satisfaction levels among the teachers by reviewing the relevant literatures from the previous studies. A sample size of N=500 is taken for the study and the sample population was identified within the teachers of Chennai and its outskirts of both private and government schools. It is read from the previous studies and analysis that stress among teachers are very high level in the present scenario.

Emily Jepkoech Koros et al(2018)

Carried out a research study on The Impact of Occupational Stress on Job Satisfaction Among Kenyan Primary School Teachers The purpose of this study was to determine the impact of occupational stress on job satisfaction among primary school teachers in Nandi County, Kenya. The main objective was to find the relationship between occupational stress and job satisfaction. This study adopted the explanatory survey research design. The study results indicated that there was a positive relationship between occupational stress and job satisfaction ($\beta = .527$, $p = .000$). The coefficient of determination ($R^2 = .452$) for the estimated model indicated that 45.2% of the deviations in occupational stress contribute towards job satisfaction among primary school teachers. A majority of the primary school teachers are dissatisfied with teaching and if given an opportunity would leave teaching for other professions. The study recommends that it is imperative of government and other stakeholders in education to ensure a high level of career satisfaction for highly qualified and experienced teachers.

Alley Rai (2018) conducted a research study on the Job Satisfaction and Job Stress of Secondary School Teachers of East and South Districts of Sikkim. Findings of the study show

that 1. There is no significant difference between government and private secondary school teachers towards with respect towards job satisfaction 2. It is found that there is no significant difference between government and private secondary school teachers towards with respect towards job stress. 3. It is found that male and female secondary school teachers have no significant difference with respect towards job satisfaction. 4. It is found that male and female secondary school teachers have no significant difference with respect towards job stress. 5. It is found that there is no significant relationship between job satisfaction and job stress of secondary school teachers.

Objectives of the Study

1. To study the level of job satisfaction of public and private lecturers.
2. To find out the differences between the satisfaction levels of public and private college lecturers regarding job aspects: pay, benefits, advancement, and growth, work itself, leadership, communication, performance feedback and recognition, colleagues, and stress.
3. To find out the differences between the overall job satisfaction of public and private college lecturers.
4. To recommend ways to improve the state of job satisfaction of public and private college lecturers.

Need or Importance of the Study

"Lecturers are the main backbone of the education system of any country". The role of Lecturers is very significant in the proper development of educational construct of a country so that there is need to assess for improvement of their skills. It is also important to study job satisfaction because of its effects on Lecturers retention and continuous development. Lecturers who were planning to leave the profession reported less satisfaction and a more negative attitude toward teaching as a career.

Successful and effective teacher are not only known to their pupils, but they should also have favorable attitude and mental satisfaction towards one's profession is known as job satisfaction. As we generally observe, job satisfaction is related with the psychology of the individual. Everyone should be satisfied from the job or work, he/she is doing otherwise individual could not draw out his best. In case of Lecturers, it is more essential to be satisfied as teachers must create nation builders; those are more effective, intelligent, and creative to make the society better and progressive This study is an evaluative attempt to discover the nature of job satisfaction of private and government Lecturers.

Limitation of the Study

1. Respondent's opinions are dynamic they keep changing from time to time.

2. Some of the respondents might not have given the actual information due to fear of being disclosed.
3. The study was conducted with the limited number of respondent due to time constraint.
4. Study may be obsolete because of changing environment and needs.
5. Satisfaction level to various factors may differ from person to person.

RESEARCH METHODOLOGY

- **Primary data:** Collected from public & private lecturers in Hyderabad .
- **Secondary data:** The source of secondary data newspaper, journals, various sites, books.

The data is collected by using the primary source i.e., questionnaire.

Sr.No	Factors	Public college lecturers	Percentage changes (%)	Private college lecturers	Percentage changes (%)
1.	Salary	60	70	40	30
2.	Workload	55	80	45	20
3.	Job stress	85	10	15	90
4.	Lack of supervisory support	65	80	35	20
5	Time schedule	100	100	----	----
6.	Organization cultures	20	40	80	60
7	Benefits	80	90	20	10
8	Growth	87	95	13	5

Table-01 : Responses Data

Findings of the Study

1. **Salary:** The above table indicates that majority of the College Lecturers in public sectors are highly satisfied with salary packages in comparing to private college Lecturers.
2. **Workload:** Based on the table that majority of the Lecturers in my survey are highly satisfied with workload provided by public sector.
3. **Job Stress:** Based on above table majority of lecturers face more stress in private sector in comparison to public sector.
4. **Lack of Supervisory Support:** Based on majority of the respondents are feeling lack of supervisory support in public sector in comparison to private sector.
5. **Time Schedule:** The above table shows that the respondent in public sector is highly satisfied with the time schedule of working hours in comparison to private sector.
6. **Organization Cultures:** Based on above table majority of the lecturers in private sector are highly satisfied with the organizational cultural in comparison to public sector.

7. **Benefits:** The above table shows that the respondent in public sector is highly satisfied with the organization benefits in comparison to private sector.
8. **Growth:** Based on majority of the respondents are feeling Growth in public sector in comparison to private sector.

Conclusion

- The degree of job satisfaction secured by Lecturers is not high and the reason lies in insufficient pay. Unless the physical needs, which require money, are satisfied, an employee will not be tempted to achieve higher order needs.
- The study also revealed that public Lecturers are most satisfied comparative to the private Lecturers. This is due to the working condition, high salary, & own decision. But private Lecturers very low salary.
- The conclusion of the study was drawn on the basis of the findings of the research study.
- The research findings made it clear that the public Lecturers were satisfied as compared to private Lecturers.
- These findings would provide information to interested in increasing the satisfaction levels of Lecturers.
- In the end of the conclusion of this research the researcher, want to open this fact that most Lecturers of government and private do not share their responses in a sincerely manners. So, these insincerely responses of the Lecturers may effect the results of this research.

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A Study on Impact of Job Stress on the Performance of the Bank Employees with Reference to Hyderabad

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ABSTRACT

Employers should provide a stress-free work environment, identify where stress is becoming a problem for staff, and take action to reduce stress. Stress in the workplace increases management pressures, reduces productivity, and make people ill in many ways. Workplace stress affects the performance of the brain, including functions of labour performance, memory, concentration and learning. Stress is often defined as any sort of change that causes physical, emotional, or psychological strain. Everyone experiences stress to some degree.

The way we answer stress, makes an enormous difference to our overall well-being. The present study will look in to stress level of employee and impact of stress on the employee's performance and impact of demographic factors on employees' stress.

Keywords: Stress, Performance, Concentration, Psychological stress.

Introduction

CONCEPT OF STRESS

A lot of study has been conducted into stress over the past hundred years. many theories behind it are now settled and assented; others are still being researched and debated. During now, there seems to possess been something approaching open warfare between competing theories and definitions: Views are passionately held and aggressively defended.

Definition

Hans Selye was one of the founding fathers of stress research. His vision in 1956 was that "stress isn't really something bad, it all depends on how you're taking it. The strain of exhilarating, creative victorious work is useful, while that of failure, humiliation or infection is detrimental." Selye believed that the biochemical effects of stress would be experienced no matter whether the situation was positive or negative

The types of stress are as follows

1. Mechanical

- Stress (physics), the fixed amount of force exerted per unit area.
- Yield stress, the strain at which a item begins to deform plastically.
- Compressive stress, the strain applied to materials leading in their compaction.

2. Biological

- Stress -biological, physiological or psychological stress;
- It includes: Chronic stress, persistent stress which can cause illness and mental disorder.
- Eustress, positive stress which can cause improved long-term functioning. Workplace stress, stress caused by employment

3. Music

- Accent (music).
- Stress (band), an early '80s melodic rock gang from San Diego.
- Stress -punk band, early '80s punk rock band from Athens.
- Stress -Neo-Psychedelic band, from the late 1980's.

4. Other

- Stress (game), card game
- Stress (linguistics), phonological use of prominence in language chronic stress is stress that lasts an extend time occurs frequently.

Chronic stress is potentially damaging.

1. Indigestion
2. Headache
3. Backache
4. Insomnia
5. Anxiety
6. Depression
7. anger

Good stress v/s Bad stress:

Stress has often been misunderstood to be negative, with less individuals acknowledging the importance and usefulness of positive stress. In our everyday lives, stress is everywhere and

definitely unavoidable; hence our emphasis should get on differentiating between what's good stress, and what's bad. This will help us to find out to deal with negative stress, and harness the facility of positive stress to assist us achieves more.

There are four important types of stress, namely eustress, distress, hyper stress and hypo stress. Negative stress can cause many physical and psychological problems, whilst positive stresses are often very helpful for us.

Here's how wedifferentiate between them.

Eustress

This is a positive sort of stress, which prepares your mind and body for the approaching challenges that it's perceived. Eustress may be a natural physical reaction by your body which increases blood flow to your muscles, leading to a better pulse. Athletes before a contest or perhaps a manager before a serious presentation would have best with eustress, allowing them to derive the inspiration and strength that's needed.

Distress

Are conversant in this word, and know that it's a negative sort of stress. This occurs when the mind and body is unable to deal with changes, and typically occurs when there are deviations from the norm. They are categorized into acute stress and chronic stress. Acute stress is intense, but doesn't last for long. On the opposite hand, chronic stress persists over an extended period of your time. Trigger events for distress are often a change in job scope or routine that the person is unable to handle or deal with.

Hyper stress

This is another sort of negative stress that happens when the individual is unable to deal with the workload. Examples are highly stressful jobs, which require longer working hours than the individual can handle. If you suspect that you're suffering from hyper stress, you're likely to have sudden emotional breakdowns over insignificant issues, the proverbial straws that broke the camel's back. It is important for you to acknowledge that your body needs an opportunity, otherwise you may find yourself with severe and chronic physical and psychological reactions.

Hypo stress

Hypo stress occurs when an individual has nothing to try to do together with his time and feels constantly bored and unmotivated. This is thanks to an insufficient amount of stress; hence some stress is inevitable and helpful to us.

Companies should avoid having workers who experience hypo stress as this may cause productivity and mindfulness to fall. If the work scope is boring and repetitive, it might be an honest idea to implement some sort of job rotation in order that there's always something interesting

to learn. The two different types of stress are named as eustress and distress. Distress is that the most commonly sort of stress, having negative implications, whereas eustress is a positive form of stress, usually associated with desirable events in person's life. Both are often equally taxing on the body, and are cumulative in nature, counting on an individual's way of adapting to a change that has caused it.

INDUSTRY PROFILE

The banking sector is that the lifeline of any modern economy. It's one among the significant financial pillars of the financial sector, which plays an important role within the functioning of an economy. It's very significant for economic development of a rustic that its financing requirements of trade, industry and agriculture are met with higher degree of commitment and responsibility. Thus, the event of a rustic is integrally linked with the event of banking. In a present-day economy, banks are to be considered not as dealers in money but as the leaders of development.

They play a crucial role within the mobilization of deposits and disbursement of credit to varied sectors of the economy. The banking industry reflects the economic health of the country.

The strength of an economy depends on the strength and efficiency of the economic system, which successively depends on a sound and solvent banking industry. A sound banking industry efficiently mobilized savings in productive sectors and a solvent banking system ensures that the bank is capable of meeting its obligation to the depositors.

In India, banks are playing a crucial role in socio-economic progress of the country after independence. The banking sector is dominant in India because it accounts for quite half the assets of the financial sector. Indian banks are browsing a desirable phase through rapid changes caused by financial sector reforms, which are being implemented in a phased manner.

The current process of transformation should be viewed as a chance to convert Indian banking into a sound, strong and vibrant system capable of playing its role efficiently and effectively on their own without creating any burden on government. After the liberalization of the Indian economy, the govt has announced a variety of reform measures on the idea of the advice of the Narasimhan Committee to form the banking sector economically viable and competitively strong.

REVIEW OF LITERATURE

Mrs. Caral Lopes, Ms. DharaKachalia, (2016)¹ they need conducted a study privately and public banks. They have shown that the technological growth has revolutionized the way banking sector works and therefore the competition is globalized now way days due to the financial condition. The level of stress faced by the workers in banking sector is additionally growing rapidly. The study found that there's a big relationship between sort of the banks, age, gender and education, job, role, interpersonal relationship and Impact of occupational stress. So the banking sector employee should adopt new coping strategies for maintaining good physical and mental condition to enhance productivity.

B. Kishore & B.vinothini (2016)² the authors have found that productivity of the work force is decisive factor for the success of an organization is concerned. In an age of highly dynamic and competitive world, an employee is exposed to all or any sorts of stressors which will affect them on all realms of life. The research intended to review the impact of occupational stress on Nationalized Bank employees.

Priyanka Das I, Alok Kumar Srivastav (2015)³ they need identified that banks must manage people at work to enhance physical work environment, If the organizations enhance the psychological well-being and health of the workers, the organizational revenue will increase and there'll be employee retention also. Because of "A Healthy Employee may be a Productive Employee". they concluded that the extent of stress among the select public sector banks are found to be limited and if the required action taken by the management which will help to alleviate the strain of the workers and also help to impact more productive employees which will help the banks to realize greater height.

Ementa, Christiana Ngozi (2015)⁴ the study looked into the bank secretaries' perceived causes of stress, its effect on their performance and effective strategies for dealing with stress. The study showed that bank secretaries consider most of the work functions as causes of stress within the workplace, and these stressors has great effect on their performance, and have considered variety of things as effective strategies for dealing with occupational stress. This study concluded that bank secretaries experience tons of labor stress as they perform their administrative and clerical functions within the bank. The study further revealed that gender; work experience and legal status don't significantly affect respondents' mean rating on causes of stress, effect of the stressors to performance and effective coping strategies.

It is obvious that bank secretaries must undergo a sort of stress to accomplish office tasks, efforts towards effective management of stress are paramount

Objectives

1. To study the stress level of employees.
2. To study the performance of employees.
3. To study the impact of stress on the performance of employees.
4. To study the impact of demographic factors on the stress of employees.

Scope of the study

This research is to carry out the study that how much stressed the employees of the banks are and how do their stress affect their performance. The scope of the study is to identify various stress reduction techniques.

To reduce stress and the study is extended only to the employees working in selected banks in Hyderabad.

Sample design and methodology

The sample is a small portion of the universe that represents the characteristic of the whole population. The research is made by the survey in accordance to the convenience of the employees. The sample type is known as simple random sampling.

Sample size: out of total population the sample is taken amongst employees i.e., 100

Sample area: The research is conducted at selected banks in Hyderabad.

Sample method: simple random sampling.

Data source

Primary data: The first data is collected through "questionnaire method".

Secondary data: The secondary data has been taken from various journals and articles. The data has also been extracted from various websites and Wikipedia.

Statistical tool

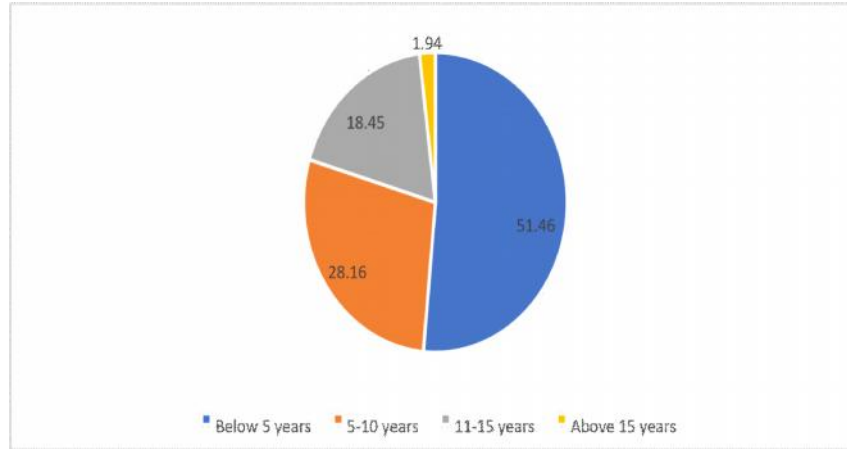
The quantitative tools and techniques used in the interpretation and analysis of the data are using the percentage method.

The pictorial representation of the data collected from the primary sources and is shown using pie-charts.

Limitations

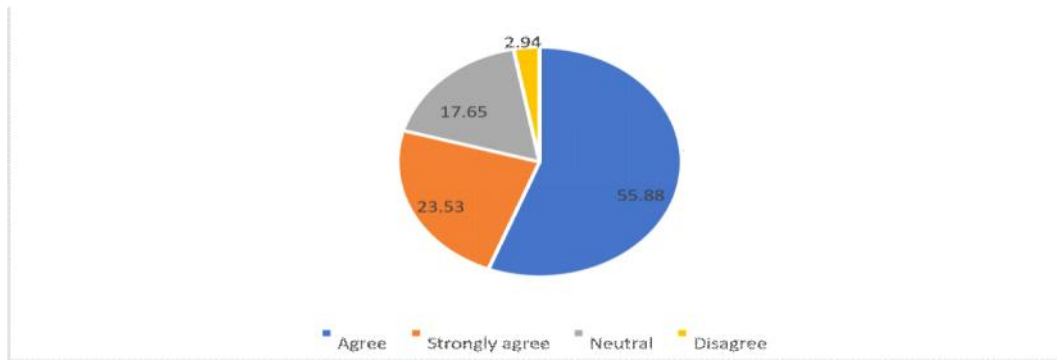
1. The study is confined only to the bank employees working in Hyderabad.
2. Therefore, the results and conclusions may not be applicable to other areas.
3. The research study is limited to a small sample size.
4. Analysis is done on the assumption that respondents have given correct information through the questionnaire

Experience of employee in banking sector



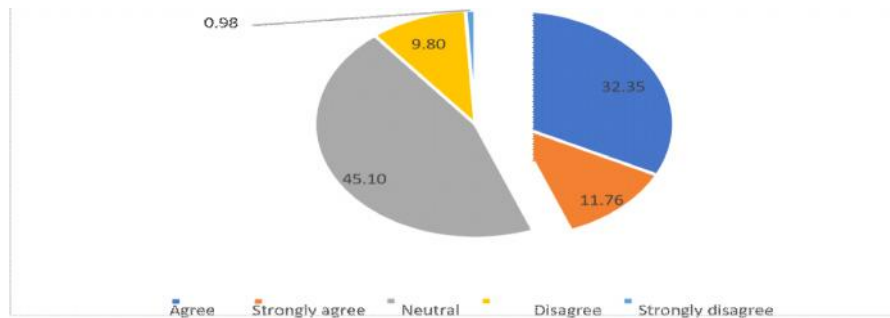
5. **Interpretation:** From the above data 51.46% of respondents has an experience of below 5 years, 28.16% of respondents has an experience of 5-10 years, 18.45% of respondents has an experience of 11-15 years and 1.94% of respondents has an experience of above 15 years. It interprets majority of the respondents has an experience of below 5 years in the banking sector.

The work in organization is stress oriented



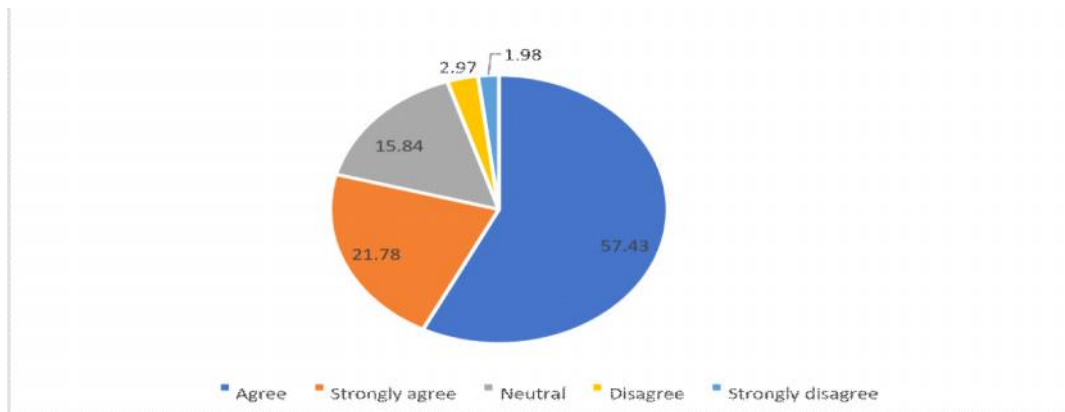
6. **Interpretation:** From the above data 55.88% of respondents agrees that the work in the organization is stress oriented, 23.53% of respondents strongly agrees, 17.65% of respondents are neutral and 2.94% of people disagrees that the work in the organization is stress oriented. It interprets that majority of respondents feel that the organization is stress oriented.

The organization creates a healthy work life balance



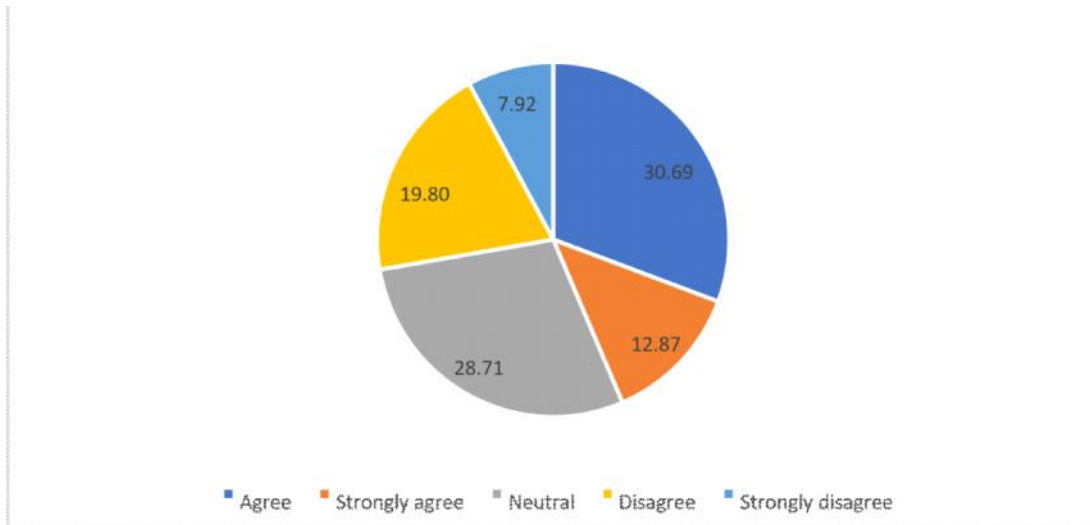
7. **Interpretation:** Major percentage of respondents feels neutral that the organization creates a healthy work life balance. 32.35% of respondents agrees that there is a healthy work life balance and 0.98% strongly disagrees

The various techniques are used by the Organization for measuring performance.



8. **Interpretation:** 57.43% of respondents agrees that the organizations use various techniques for measuring performance, 21.78% of respondents strongly agrees and 1.98% of total respondents disagrees that the organization uses various techniques for measuring performance.

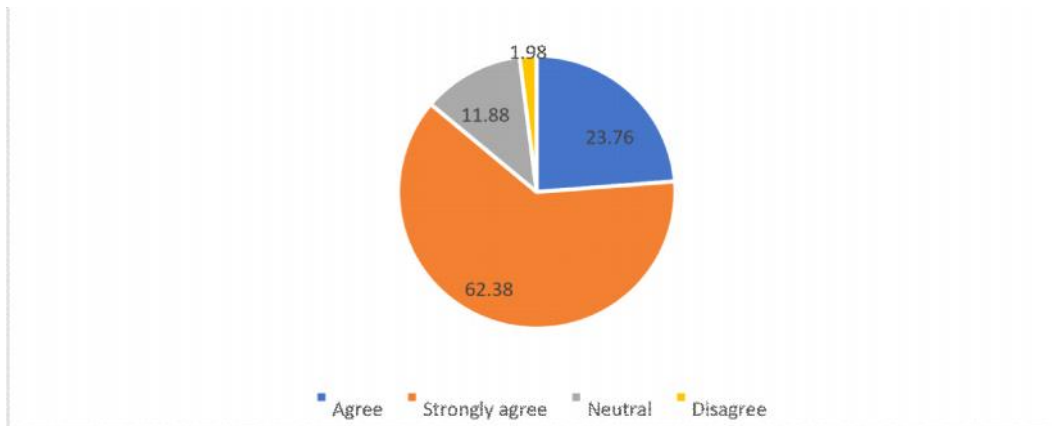
The improvement in technology reduces the job stress



9. Interpretation: 30.69% of total respondents agrees that the improvement in technology reduces the job stress and 19.80% of total respondents disagrees. hence, we can conclude that improvement in technology doesn't have much impact on reducing job stress.

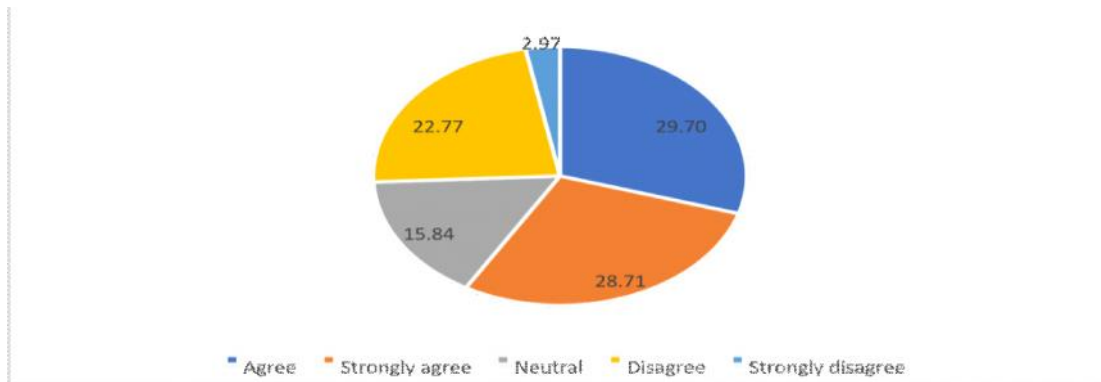
Interprets that majority of respondents agrees that improvement in technology reduces the job stress.

The activities like yoga, meditation etc., helps in reducing stress.



Interpretation: From the above observation, 23.76% of respondents agrees that yoga and meditation help in reducing stress, 62.38% of respondents strongly agrees that practicing yoga and meditation reduces stress, 1.98% of respondents disagrees and 0% of respondents strongly disagree. It interprets that yoga and meditation are the stress busters for the employees.

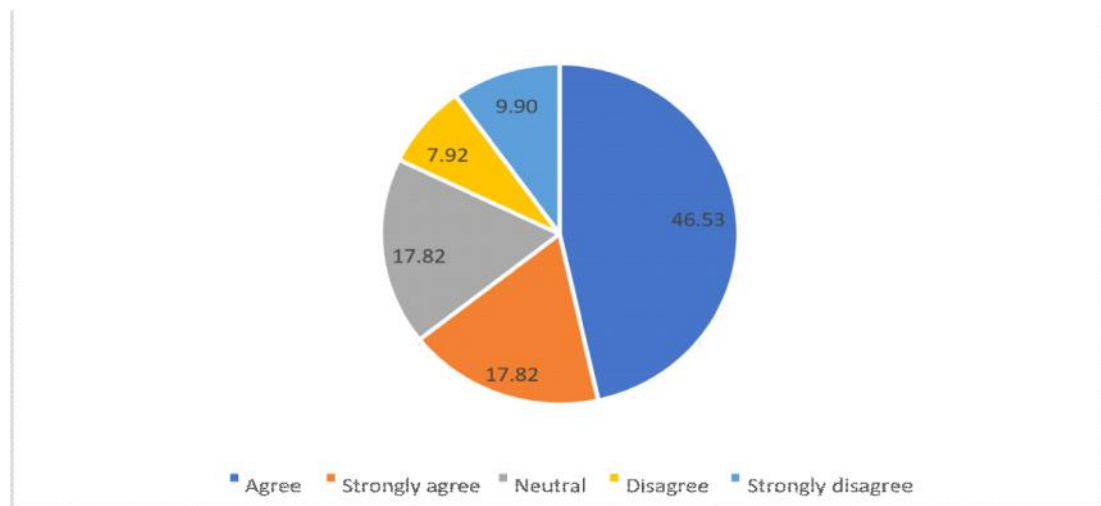
Frequent transfers create psychological pressure/mental pressure.



Interpretation: As per above analysis It's understood that 29.70% of respondents agrees that frequent transfers create psychological pressure / mental pressure 28.71% of respondents strongly agrees that frequent transfers creates psychological pressure / mental pressure 22.77% of respondents disagrees that frequent transfers creates psychological pressure / mental pressure 2.97% of respondents strongly disagrees that frequent transfers create psychological pressure / mental pressure.

It interprets that majority of respondents agrees that frequent transfers of employees create psychological / mental pressure.

The organizational benefits make you feel motivated despite work stress.



Interpretation: From the above data, 46.53% of total respondents agree that the organizational benefits motivate employee's despite of the work stress, 17.82% of respondents strongly agrees that the organizational benefits motivate employees despite work stress and 9.90% of people strongly disagrees that organizational benefits motivate employees.

It interprets that majority of respondents agrees that the organizational benefits motivate employees despite work stress.

Findings

The major findings from the study are, the impact of stress management on the performance of employee's survey revealed the following details:

1. Under the sample of 103 respondents, 67% of respondents were male and the remaining 33% were females.
2. 36.27% of employees are of the age group below 25 years. The least crowded group in the organization is above 40 years i.e., 13.73%.
3. The organization highest percentage of employees of about 51.46% who have served below 5 years.
4. 55.88% of respondents agree that job role is a stressor in the organization.
5. About 47.06% of employees accept strongly that high target is one of the major stressors of the organization.
6. 66.34% of the respondents agrees that the organization evaluates performance of employees on regular basis.
7. 29.70% of the respondents agree that frequent transfers create psychological/mental pressure.
8. 46.53% of the respondents agree that the organizational benefit motivates employees despite work stress.
9. 62.38% of the total respondents strongly agree that activities like yoga and meditation helps in reducing stress.
10. It is very difficult for the organization to provide a work environment with less stress individuals should envisage some coping strategies to balance their work and personal life.

Suggestions

The purpose of this study was to find out the relationship between the job stress and job performance of employees in Hyderabad and to find out the factors affecting the stress.

1. We had found out the inversely proportional relation between the job performance and stress.
2. Stresses are necessary no doubt for increasing the performance of employees but up to a particular level.
3. Using the modification of job factor to reduce the feeling like work -home interface, unclear role and economic instability.

4. The concept of five-day week working can be implemented in banks so that the bankers can spend more time to their family as well as themselves.
5. There should be a very healthy and friendly environment from employees and boss.
6. The employees can try to overcome their stress through some exercises, yoga and meditation.

Conclusion

Stress is very common in day-to-day life. We can overcome the stress but we can't avoid stress. The present study clearly found that there is an important relationship between the demographic variables like job role, gender, age, education and impact of occupational should adopt new coping strategies can improve the better level of the bank.

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A Comparative Study of Nonperforming Assets in Public (SBI) and Private (ICICI) Sector Banks

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ABSTRACT

Non-performing assets are one of the major concerns for banks in India. NPAs reflect the performance of banks. A high level of NPAs suggests high probability of a large number of credit defaults that affect the profitability and net-worth of banks and also erodes the value of the asset. NPAs affect the liquidity and profitability, in addition to posing threat on quality of asset and survival of banks. The Indian banking sector has been facing serious problems of raising Non- Performing Assets (NPAs). The NPAs growth has a direct impact on profitability of banks. It involves the necessity of provisions, which reduces the overall profits and shareholders' value. The problem of NPAs is not only affecting the banks but also the whole Economy. In fact high level of NPAs in Indian banks is nothing but a reflection of the state of health of the industry and trade. It is necessary to trim down NPAs to improve the financial health in the banking system. The Indian banking sector is facing a serious problem of NPAs. An attempt is made in this paper to compare the NPAs of public sector bank (SBI) and private sector bank(ICICI) and suggest the measures to be taken to control the impact of NPAs on the banks.

Keywords : Non performing assets, public sector, private sector, liquidity, profitability.

INTRODUCTION

Non-performing assets are one of the important phenomena that have to properly follow by the banks, to maintain the growth of the banking activity. NPA's are an inevitable burden on a banking system. Banks need to observe their standard assets regularly in order to prevent any account becoming an NPA. Now way a days a good performance of any bank depends upon the proper maintenance of the NPAs and looking them within the control level. The Reserve Bank of India has issued a parameter for a bank regarding NPA that the interest and principal remind overdue beyond 90 days i.e. the term loan, cash credit, overdraft, bill purchase or discount are all classified as NPA.

NPA Non-performing assets are terminology used in the financial term and banking. When a bank or financial institute lends a loan and if the installment of that loan amount is unable to recover money from the borrower in 90 days then that amount which has not been recovered will

be treated as NPA. It represents bad loans, the borrowers of which failed to satisfy their repayment obligations.

Types of NPA

- a. **Gross NPA:** Gross NPA is advance which is considered irrecoverable, for which bank has made provisions, and which is still held in bank's books of accounts.
- b. **Net NPA:** Net NPA is obtained by deducting items like interest due but not recovered or a part of amount received but kept in suspense account from Gross NPA.

Classification of advances

The guidelines required a bank to classify their advances into four broad categories for the purposes of provision are

1. **Standard assets:** A standard asset is one which does not disclose any problems and which does not carry more than normal risk attached to the business. Such an asset is not a non-performing asset.
2. **Sub standard assets:** With effect from March 31 2005, a sub standard is the one which has remained NPA for a period of less than or equal to 12 months. In such a case, the current net worth of borrower/guarantor or the current market value of the security charged is not enough to ensure recovery of the dues to the bank in full.
3. **Doubtful assets:** With effect from March 31, 2005, an asset is classified as doubtful if it has remained in the sub-standard category for a period of 12 months. Such an asset has all the inherent weaknesses as in a sub-standard asset and an added characteristic that the weaknesses make the collection or liquidation in full highly improbable or questionable.
4. **Loss assets:** a loss asset is one where loss has been identified by:

i. The bank ii. The internal or external auditors iii. The RBI inspection. But the amount has not been written off wholly. In other words, such an asset is considered uncollectible and of such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery value. It may be of a note that the above classification is meant for the purpose of computing the amount of provision to be made in respect of advances. The balance sheet presentation of advances is governed by the third schedule according to the Banking Regulation act, 1949, which requires classification advances altogether differently.

Factors of rising NPA The banking sector are facing problems in NPA rising. As compare to private and foreign bank public sector bank has more rising NPA. The NPA will rise due to internal and external factors of the environment. The factors are as follows.

Internal factors

1. **Defective Lending Process:** The commercial banks are one the following some of factors while lending the loan. If it is properly followed by a bank it would be helpful to a. principal of safety b. principal of liquidity c. principal of profitability
2. **Inappropriate Technology:** Due to inappropriate technology and management information system, market diversion decisions on real timebasis cannot be taken. Proper MIS and financial accounting system is not implemented in some banks, which leads to poor credit collection and thus NPA. All the banks should be computerized to overcome this factor.
3. **Poor Credit Analysis:** Credit analysis is an important factor in loan procedure. Sometimes because of poor credit analysis leads to rising in the NPA. To overcome this they have to implement the good credit analysis system.
4. **Managerial Deficiencies:** While selecting a borrower, a banker should be very careful because by this decision proper outcome of a loan result depends and also be careful in the asset selection for mortgage.
5. **Absence of Regular Visit to Customer:** If there is an irregularity in the spot inspection by a banker, it will increase the NPA. If there is a regular visit by the banker to the customer point, this increases the collection of loan amount and interest. The NPA due to willful defaulter can be collected by regular visit.
6. **Re loaning process:** Non remittance of recoveries to higher financial agencies and reloaning of the same having already affected the smooth operation of the credit cycle.

External factors

1. **Irregularity in Recovery:** The banker has to set recovery tribunals, which work for the recovery of the loans and advances. Due to lack of care in the recovery of the loan this will reduce the profitability of the bank.
2. **Willful Defaulter:** Those borrowers who are able to pay back the loan but intentionally withdrawing it. These people should be identified and proper measures should be taken in order to get back the money extended to them as advances and loans.
3. **Natural calamities:** This is one of the major factors, which is creating alarming raise in NPA in public sector banks especially in India major hit by natural calamities thus making a borrower unable to pay back their loans.
4. **Industrial sickness:** Improper project handling, ineffective management, lack of adequate resources, lack of adequate technology give birth of industrial sickness.
5. **Government policies:** The changing governments the banking sector gets new policies for its activity. Thus it has to come up with the changing principle and policies for the regulation of rise of the NPA.

LITERATURE REVIEW

Many published articles are available in the area of non-performing assets and large number of researches ad studied the issue of NPA in Indian banking sector. The review of the relevant literature has been described as under

Vivek Rajbahadur Singh [1] performed astudy on non-performing assets of commercial banks and its recovery in India and he is statingthat the money locked up in NPAs has direct impact on profitability of the banks. The study shows that extended of NPA are comparatively very high in public sector bank than the commercial ones. Many steps have been takenby the government to reduce the NPA but still alot need to be done to curb this problem. So the problem of NPA need lot of serious efforts otherwise NPAs will be keep killing the profitability of banks which is not good for the growing Indian economy at all.

Kaur K and Singh B [2] in their study on Non-performing asset in public and private sector bank comparative study, studies that NPAs are considered to an important parameter to judge the performance and financial health of bank. The level of NPAs is one of the drivers of financial stability and growth of banking sector.

Kaur K [3] studied credit management anproblems of NPA s in public sector banks and highlighted the problem of non-performing asset in public sector bank. Author suggested that for effective handling of NPAs, there is anurgent need for proper awareness about the adverse impact of NPAs on profitability among the bank staff particularly in field's functionaries. Bankers should have frequently interaction and meet with the borrowers of creating better understanding and mutual trust.

Ayub Ahamed KS Vishwanath Panwar[4] in their sudy on NPAs stated that non-performing assets is one of the important and a dangerous concept of the banking system if the NPA is not maintained properly that is get a serious affect on the profitability of the bank and also on the economy of the country. The money is locked up in NPA i.e., interest and principle, that is the main source of bank.

Satpal[5] in his study stated that NPAs have always created a big problem for the banks in India. It is just not only problem for the banks but for the economy too. The money locked up in NPAs has a direct impact on profitability of the bank as Indian banks are highly dependent on income from interest on funds lended.

Research Methodology

Research design used to carry out this study is descriptive research because it deals with statistical data and the main aim of the report is to describe the factors affecting the problem mentioned and making comparison between banks performance in context of NPA. The present study is an analytical study. For the purpose of this project non probability convenience method

of sampling is used. The banks for the purpose of study are chosen as per convenience only. The sample consists of two banks one Public sector bank - State Bank of India and one Private sector Bank - ICICI Bank. The study is done on the basis of data for the period of 5 years from the financial year 2013-2017 and secondary data is collected mainly from the sources available at internet like the RBI website, websites of the banks etc. Data is presented with the help of charts and tables etc.

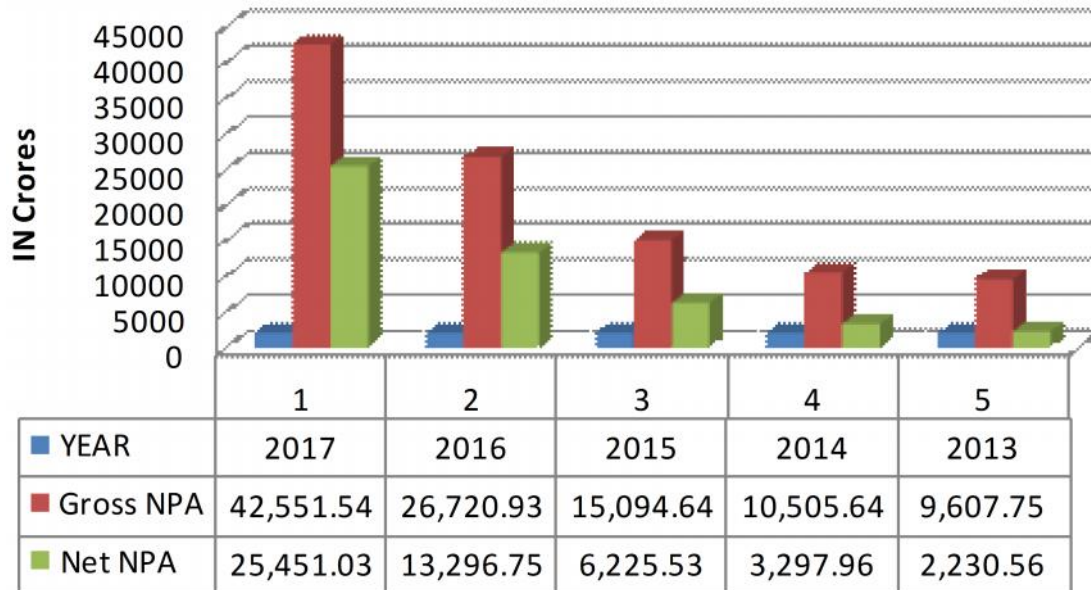
OBJECTIVES

1. To study NPA trend in last 5 years of private and public sector banks.
2. To make a comparative study of NPA's of public sector and private sector banks.
3. To suggest the measures to control the NPAs effectively .

CHART 1 : SHOWING THE NPA OF ICICI BANK

YEAR	Gross NPA	% of Gross NPA	Net NPA	% of Net NPA
2017	42,551.54	7.89	25,451.03	1.1
2016	26,720.93	5.21	13,296.75	1.49
2015	15,094.64	3.78	6,225.53	1.86
2014	10,505.64	3.03	3,297.96	1.78
2013	9,607.75	3.22	2,230.56	1.7

NPAs of ICICI

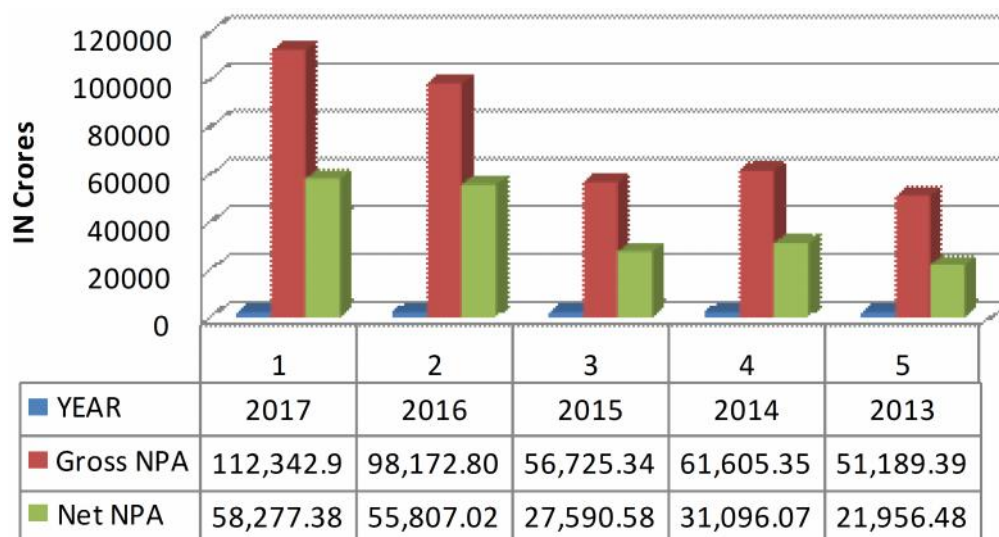


In the above schedule it is stated that the gross npa of private sector bank (ICICI) nearly increased by 5 times from 2013 to 2017 and the net npa increased by 11 times from 2013-2017. A sharp increase in gross npa and net nnp is seen between 2015-2017.

CHART 2 : SHOWING THE NPA OF SBI BANK

YEAR	Gross NPA	% of Gross NPS	Net NPA	% of Net NPA
2017	1,12,342.99	6.9	58,277.38	3.71
2016	98,172.80	6.5	55,807.02	3.81
2015	56,725.34	4.25	27,590.58	2.12
2014	61,605.35	4.95	31,096.07	2.57
2013	51,189.39	4.75	21,956.48	2.1

NPAs of SBI

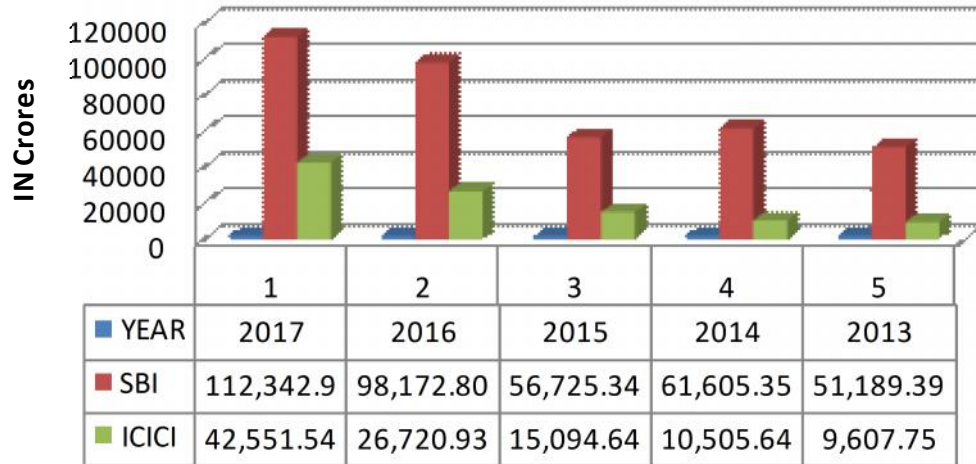


In the above figure it is shown that the gross npa has nearly increased by times and the net npa increased by 3 times and both gross npa and net npa has decreased between 2014-2015 .

CHART 3 : SHOWING THE COMPARISION OF Gross NPAs OF SBI AND ICICI

YEAR	SBI	ICICI
2017	1,12,342.99	42,551.54
2016	98,172.80	26,720.93
2015	56,725.34	15,094.64
2014	61,605.35	10,505.64
2013	51,189.39	9,607.75

Comparison of Gross NPAs Of SBI And ICICI

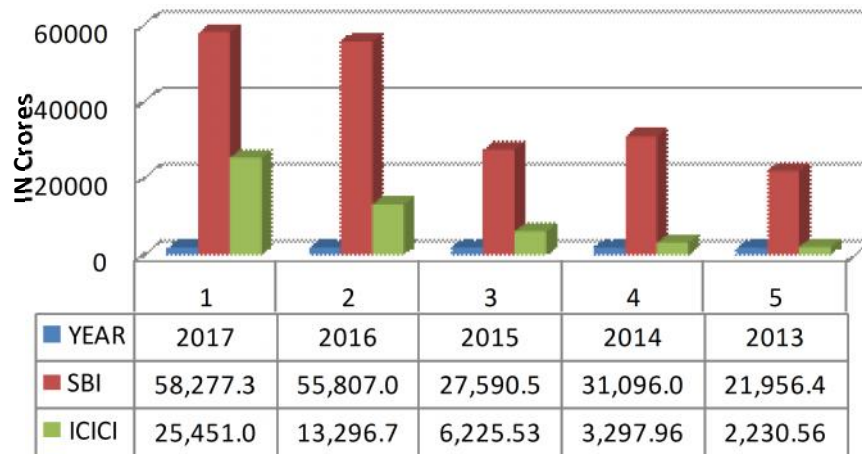


In the above figure it is stated that the gross npa of sbi is far more than that of icici but their was a decline in gross npa of sbi between 2014-2015 but in case of icici their is a steady increase of gross npa from 2013-2017.

CHART 4 : SHOWING THE COMPARISION OF Net NPAs of SBI AND ICICI

YEAR	SBI	ICICI
2017	58,277.38	25,451.03
2016	55,807.02	13,296.75
2015	27,590.58	6,225.53
2014	31,096.07	3,297.96
2013	21,956.48	2,230.56

Comparison of net NPAs of SBI and ICICI



In the above figure it is stated that the net npa of sbi is far more than that of icici but the net np of sbi has decline between 2014-2015 but in case of icici their is steady increase in net npa between 2013-2017.

FINDINGS

- 1) The gross npa of private sector bank (icici) nearly increased by 5 times from 2013 to 2017 and the net npa increased by 11 times from 2013-2017. A sharp increase in gross npa and net nnp is seen between 2015-2017
- 2) The gross npa has nearly increased by times and the net npa increased by 3 times and both gross npa and net npa has decreased between 2014-2015 .
- 3) The gross npa of sbi is far more than that of icici but their was a decline in gross npa of sbi between 2014-2015 but in case of icici their is a steady increase of gross npa from 2013-2017.
- 4) The net npa of sbi is far more than that of icici but the net np of sbi has decline between 2014-2015 but in case of icici their is steady increase in net npa between 2013-2017.

SUGGESTIONS

1. The banks have to conduct the awareness regarding effect of NPA's on the borrowers and how it will affect on the profitability of the banks and also on the economy of the country.
2. The NPA's of public sector bank is far more than that of private sector bank, the public sector bakers has to know the procedures that has been followed by the private sector.

3. The banker has to identify the prompt payers of loan and appreciates them and also to plan for the recovery camp in the defaulter's area.
4. The banker has to give special interest for big loans than the small loan because the percentage of NPA is mainly gets affected from the big loans, large amount of the interest and principle amount blocked up in the large loans.
5. While lending the loan to borrowers, banks have to take all the necessary steps honestly without skipping any of the steps in the procedure. If bankers skip any of the important procedures that may lead to default of the loan and strict action must be taken against the officials who are indulged in to faulty practice
6. The bankers has to take corrective measures to avoid default i.e., data analysis on regular interval for the prediction of defaulter and take necessary action on predicted defaulter in advance.
7. Effective laws should be made to speed up the recovery of NPAs and improve the situation of he banks and economy.

CONCLUSION

The non-performing assets is one of the important and a dangerous concept of the banking system if the NPA is not maintained properly that is get a serious affect on the profitability of the bank and also on the economy of the country. The money is locked up in NPA i.e., interest and principle, that is the main source of bank. The study shows that the NPA of the public sector banks are higher when comparing to the private sector banks.. For that various steps have been taken by the government to reduce NPA by amendment of the bill for the fastest recovery of loan in May 2016. As we discussed earlier the problem of recovery is not with the small loan but with the large borrowers. For solving that strict policies should be followed by the government and bankers has to take serious effort for reducing the NPA otherwise it completely damages the profitability of the banker and also is not good for the developing countries like India.

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A Study on Impact of Instagram Marketing on Purchasing Behavior of Buyer

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ABSTRACT

Social media has become a part of individual day to day life. It makes common people a celebrity in no time. A platform which can be used for showcase of talent, advertisement of a product and so on., Instagram is one of those social media platforms which is widely used. The present study focuses on impact of instagram marketing on the purchasing power of buyer. Primary data collected through structured questionnaire and chi-square test was used for analysis. The result shown there is no association between age and the factors to follow particulars brand.

Key words: instagram, advertisement, buyer, chi-square

Introduction

The Internet is increasing its role in the consumer's everyday life. People are using internet for their information search, which has also become an essential part of their purchasing process. In terms of marketing and advertising, this has created many possibilities for companies to communicate with their customers. Being present in social media has become an indispensable and important part of the whole customer communication process for all companies. The new technologies and social media networks have enabled companies to market its products and brands in a totally new way. However, there are some other challenges too. What makes social marketing distinctive from traditional marketing is that the role of the consumers is getting more significant. Companies cannot only create the kind of content they want but they must also take into consideration what their followers want to see. Social media is elementally about connecting with people and companies. Over the past few years, more companies have joined social media and people have become overwhelmed with the content. Images are playing a vital role in social media marketing, especially on Instagram. Images and visual content are increasingly what people want. The phrase a picture is worth a thousand words relates to the fact that our brains can consume, process and understand more information way faster through images than text. In terms of marketing, this means that the consumers' attention is easier to get by using images and videos as opposed to using other types of content. Furthermore, it is visual content that is most consumed, viewed and clicked on by social consumers today. Today, world is moving towards the regime of digital marketing advancement in the fields of computer science, Robotics such as artificial intelligence (AI), Robotic process automation (RPA) and

etc., made digital marketing more attractive and more interesting for many of the companies. Instagram proved to be a major platform for digital marketing with over 2 billion users worldwide. However, a need has been felt to analyze how far Instagram succeeded in using its digital marketing methods to influence its users in their purchasing decision.

NEED FOR THE STUDY

Nowadays Social Media Marketing, Online payment System Scattering all over in the world.

Today, the total world is moving towards the regime of digital marketing. The advancement in the fields of computer science, Robotics such as artificial intelligence (AI), Robotic process automation (RPA) and etc., made digital marketing more attractive and more interesting for many of the companies. Instagram proved to be a major platform for digital marketing with over 2 billion users worldwide. However, a need has been felt to analyze how far Instagram succeeded in using its digital marketing methods to influence its users in their purchasing decision.

REVIEW OF LITERATURE

Instagram is generally known as a novel photo-sharing social networking platform (Chante et al., 2014; Salomon, 2013). Essentially, Instagram is a mobile-based application that enables users to take photos or pictures, apply the different manipulation tools to transform the appearance of images, and share them instantly with friends on different social networking sites (Hochman & Schwartz, 2012). Although the application was just launched in 2010, it has grown steadily and strongly. In 2013, it was estimated that Instagram had 100 million users, and approximately four billion photos were uploaded and displayed (Abbott et al., 2013). In more recent estimation, it is reported that around 75 million people are using Instagram on a daily basis, and approximately 16 billion photos are uploaded and shared with other users (Smith, 2014). Instagram reaches the younger generation and appeals to diverse societies more prevalently than other social networking services (Abbott et al., 2013; Salomon, 2013). It has been reported that youngsters today spend more time on Instagram than Facebook (Salomon, 2013). This is likely because young mobile users are extremely driven to take photos or pictures using their mobile phones and share them with others instantly (Abbott et al., 2013). As such, the sharing of images rather than words alone has made communication with friends and broader groups of users who share similar interests more ideal, convenient and fascinating (Bakhshi et al., 2013). On another note, by connecting physical and digital realms, Instagram enhances online presence and identity, and allows more effective interaction not only for personal reasons.

Significance of Instagram in Social Marketing

Bevins, C. (2014, May). Get schooled: A visual social semiotic analysis of target's branding using Instagram. Masters, thesis, paper 327. Many companies are now commonly using social media to promote their brands and to maintain a friendly relationship with their customers

(Saravanakumar& Lakshmi, 2012). Aside, from having an account in Facebook and Twitter, new social media platform is coming in to provide another platform for many marketers. Lately, there are many businesses that starting to integrate their business with the Instagram experience (Tekulve& Kelly 2013). According to an article published on BBC News (2012), study has said that a large amount of the top brands around the world are using Instagram as one of their marketing strategy. Instagram can help a company to promote their products or services (Bevins, 2014). The point that makes Instagram different from other social media is that Instagram is applying a visual based strategy (Hird, 2013). Everything about Instagram is about photograph (Linashcke, 2011). Instagram marketing is an effective way to advertise a product as it is said that a picture speaks a thousand words (Silva & de Melo& Almeida & Sales & 4 Loureiro, 2013). Additionally, Instagram can help one in saving cost for brand designing. Every image taken for a product can be edited and filtered using the Instagram functions (Herman, 2014). According to Barnes (2014) as cited in (Dennis, 2014) histogram has provided a function known as "hash tags (#) for the convenience of indicating the relevant photos and videos to the products of a business. Dennis (2014) also mention that by clicking the hash tags, it allow the Instagram users to view pictures and videos that is relevant to the hash tag. Therefore, many fashion companies are now having an Instagram account to promote then products. Moreover, social media also provide the marketers an easier way to understand their customers. In the case of Instagram, leaving comments and receiving comments on the photo posts can gain more feedback from the customers on the product

INTRODUCTION TO INSTAGRAM

In May 2014, Instagram had over 200 million users. The user engagement rate of Instagram was 15 times higher than of Facebook and 25 times higher than that of Twitter. According to Scott Galloway, the founder of L2 and a professor of marketing at New York University's Stern School of Business, latest studies estimate that 93% of prestige brands have an active presence on Instagram and include it in their marketing mix. When it comes to brands and businesses, Instagram's goal is to help companies to reach their respective audiences through captivating imagery in a rich, visual environment. Moreover, Instagram provides a platform where user and company can communicate publicly and directly, making itself an ideal platform for companies to connect with their current and potential customers.

OVERALL CONCLUSION

From the above Information we can finally conclude that the instagram is used as powerful marketing tool to influence its customers to buy a particular brand products, either buy tying up with the brands or direct marketing by sending emails of the favorite brand of its customers. We can also conclude that, the instagram is designing its marketing strategies by keeping in mind the age of the customers, since the age of 21-30 is most influential age. Instagram constantly developing its user interface and promoting customer specific brand updates to attract more and more young customers because most of population in India or youngsters.

Introduction to Pharmaceutical Industry

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Pharmaceuticals are medicinally effective chemicals, which are converted to dosage forms suitable for patients to imbibe. In its basic chemical form, pharmaceuticals are called bulk drugs and the final dosage forms are known as formulations. A man can escape from anything except diseases. Since the inception of human life, diseases have become unwanted companions. Nevertheless, man is the cleverest animal on this universe along with other knowledge; he got the basic unit of life, the cell and its response to various chemicals, extracts of plants and developed various branches of treatments to With the acceptance of allopathy medicine, the need for chemical drugs got an importance giving a green signal to the development of pharmaceutical products. Usage of pharmaceuticals is governed by the underlying medical science.

World-over the pharmaceutical industry is focused on allopathy, the modern medical science. Other modes of medical treatment such as ayurveda, unani and homeopathy are more prevalent in third world countries. The NSSO survey has found higher inclination towards allopathy treatment - around 90%--in both rural and urban areas. Only 5 to 7% usage Ayurveda, Yoga or Nephropathy Unani, Siddha and homoeopathy has been reported both in rural and urban areas. The pharmaceutical industry is an important component of health care systems throughout the world; it is comprised of many public and private organizations that discover, develop, manufacture, market and distribute drugs, medicines or pharmaceuticals licensed for the prevention, treatment and cure of diseases and other health conditions for human and animal health (Gennaro & Remington, 1990).

Pharmaceutical companies may deal in generic or brand medications and medical devices. They are subject to a variety of laws and regulations that govern the patenting, testing, safety, efficacy and marketing of drugs. The 4 key segments in the Indian Pharmaceutical Industry are given below Figure.

Four Key Segments In The Indian Pharmaceutical Industry

Source: www.ibef.org Pharmaceutical-May-2019

The pharmaceutical industry has become a large and very complex enterprise. At the end of the most of the world's largest pharmaceutical companies wer locate in North America, Europe, and Japan; many of the largest were multinational, having research, manufacturing, and sales taking place in multiple countries. Since pharmaceuticals can be quite profitable, many countries are trying to develop the infrastructure necessary for drug companies in their countries to become larger and to compete on a worldwide scale. The industry has also come to be characterized by

outsourcing. That is, many companies contract with specialty manufacturers or it is anticipated that the industry will continue to change and evolve over time. Pharma companies will continue to grow both organically and inorganically through alliances and partnerships. They will continue to focus on improving operational efficiency and productivity. Developments in the health insurance, medical technology and mobile telephony can help the growth of the pharma industry by removing financial and physical barriers to healthcare access in India. compound annual growth rate over the next five years. The key drivers of growth will continue to be the United States and pharmerging compound annual growth, respectively. India is one of the paper hanging market

Pharmaceutical Market: Worldwide Revenue 2001-2018

Pharma Vision 2030 goals are as below:

- Accelerate the goal of universal health care across India and the world by providing access to high-quality affordable drugs,
- Emerge as an innovation leader to build a globally recognized position for India,
- Become the world's largest and most reliable drug supplier and reach USD ~120-130 billion by 2030, and Contribute significantly to the growth of the Indian economy.

Achieving these four goals will mean Indian pharmaceutical industry can improve its global market share to ~7.0% by 2030 from current market share of 3.6% by value. It will also mean Indian pharmaceutical market will break into top 5 markets in the world from its current ranking of 11th market by value .

To achieve Pharma vision 2030, Indian Pharmaceutical companies are overcoming challenges like; increasing uncertainties, rising population, new diseases incidence, resurgence of certain diseases, shortening of product cycle, rigorous competition from multinationals, US FDA scrutiny (PATIL, 2015).

Indian pharmaceutical companies are also taking bold strategic moves into uncharted geographies, products and technologies to reclaim its position as a world-class provider of affordable high-quality drugs. Indian pharmaceutical companies are adopting new business models and thinking of innovative ideas to service their evolving customers faster and better.

INTRODUCTION TO SHAREHOLDERS WEALTH

Moving forward, the pharmaceutical sector is bound to evolve. Companies big and small in this area of the health sector are finding new and innovative ways to stay relevant, often by changing focus. Thus, with such remarkable initiative and vision, the prospective Indian pharmaceutical industry looks extremely positive investment opportunity. Investors can look to pharmaceutical companies for some good long-term returns. This appears to be the right time to invest in pharma companies. Indian Pharmaceutical Industry is an investment destination and

stock exchanges helps as a medium for investment. Stock markets operate as a facilitator between savers and users of capital by means of pooling of funds, sharing risk, and transferring wealth. Stock markets are essential for economic growth as they ensure the flow of resources to the most productive investment opportunities.

Growth of Nifty Pharma V/S Nifty Over The Last 20 Years

A person or entity invests in equity securities (shares) of companies, through stock exchanges, for a host of reasons. It may be for safety cushion, cyclical cash needs.

Investment for a return, for influence, or purchase for control, Investment in equity shares is the sacrifice of certain present values for the uncertain future reward. The reward that shareholders earn on their investment is measured in terms of the returns they receive from their investments. The total return on investments includes the cash dividend, bonus shares, capital appreciation in share price &/or all. Therefore, total return on the stock of the firm is supposed to indicate the wealth generated by the firm for its shareholders.

Financial performance can be measured using information from annual reports, balance sheet, income statements, cash flow statements, and statements of retained earnings etc. Through Financial performance analysis the liquidity position, long term solvency, financial viability, profitability, efficiency, growth, and future prospects of an organization can be determined. Thus Financial Performance is the blue print of the financial affairs of a firm and reveals how a business has prospered and created value under the leadership of its management personnel. Sound financial performance automatically increases the share price of the respective company resulting in increased shareholder's wealth.

To summarize, The firm's success is actually described by its performance on the given time frame and shareholders expect management to generate value over and above the costs of resources consumed, including the cost of using capital. This positive value created is reflected by increase in stock price thus increase in wealth. If suppliers of capital (shareholders) do not receive a fair return to compensate them for the risk they are taking, they will withdraw their capital in search of better returns, since value will be lost. Thus it is imperative to understand which financial performance indicators drive the shareholder's wealth or for that matter stock price.

NEED OF THE STUDY

Pharmaceutical industry will always grow as long as the drug consumption increases due to growing health concerns and pandemics like COVID-19. Current investment opportunity in pharmaceutical industry and the fluctuations of the financial markets have evoked the awareness of the shareholders, investors, analysts, management professionals, research scholars, stakeholders and managers to evaluate the performance of the companies and investigate whether companies have met their objective of wealth maximization.

"Profit maximization as a concept is age old, value maximization is matured and wealth maximization today's wisdom". Another question that continually arise; is share price the only measure of wealth maximization question that continually arises; is share price the only measure of wealth or there are other measures that can be used as a proxy to shareholder's. Just as one shoe does not fit all, there could be different and better measure(s) which can be used as a proxy to wealth for different categories of firms and therefore, the need to finding the best measure of wealth for pharmaceutical industry in this ever changing and dynamic world.

The above were few reasons that prompt the researcher to undertake the study on financial performance and its impact on market capitalization of share market study listed pharmaceutical companies in India.

Review of literature

Since the 1990s, several scholars and consulting firms have suggested value analysis as new financial performance method thorough value-based metrics, and also argued that these new measures are better than traditional measures (ratio analysis) for monitoring the real performance of the firms. However, Venanzi (2010) argued that information and empirical results about the efficacy of the different value based metrics mentioned above are limited and contradictory and seem to be primarily provided by authors with strong commercial interest. The value-based metrics used to measure value creation are

- Shareholder Value Added (SVA) developed by Rappaport and LEK/Alcar Consulting Group (Rappaport, 1986, 1998),
- Economic Value Added (EVA®) and Market Value Added (MVA) proposed by Stern Stewart & Co (Stewart, 1991, 1994),
- Refined Economic Value Added (REVA) developed by (Bacidore, Boquist, Milbourn, & Thakor, 1997),
- Cash Value Added (CVA) introduced by (Ottosson & Weissenrieder, 1996),
- HOLT-CFROI was established by Credit Suisse First Boston Holt (Holland & Matthews, 2014).
- CFROI associated with Boston Consulting Group (BCG).

Value analysis also gained importance in financial performance measurement when researcher like Brignall (2007); Deo & Mukherjee (2009); Dierks & Patel (1997) and Goyal (2015) stated that ratio analysis as a tool for financial performance, is inadequate and fails to indicate clear surplus as it is based on accounting profit concept and focuses more on earnings rather than value included. i.e the traditionally used profit indicators are ineffective parameters in explaining whether the reported profit covers the cost of capital.

Accounting ratio analysis does not handle investments, cash flow, economic life and capital cost factors the way a financial framework should handle them. Executives believe that meeting earnings expectations helps maintain or increase the stock price, provides assurance to customers and suppliers, and boosts the reputation of the management team. Failure to meet earnings targets is seen as a sign of managerial weakness and, if repeated, can lead to career-threatening dismissal. However, executives fail to understand that managing earnings value. The accounting principles provide companies with room to manipulate the earning numbers by using alternative and equally acceptable accounting methods thus disclosing the inaccuracy and subjectivity of the accounting numbers and ratio analysis (Venanzi, 2010).

Can lead to career-threatening dismissal. However, executives fail to understand that managing earnings value. The accounting principles provide companies with room to manipulate the earning numbers by using alternative and equally acceptable accounting methods thus disclosing the inaccuracy and subjectivity of the accounting numbers and ratio analysis (Venanzi, 2010).

The number of other reasons behind failure of accounting based earnings to measure changes in the economic value of the business stated by (Sikdar, 2013) are: not considering dividend policy, ignoring time value of money and the development in the capital market, both in depth and breadth along with the increased awareness among the shareholders.

Jog & Dutta, (2003); Kaur & Narang (2010) and Geetha & Kumar (2017) posited that investors, world over, were demanding more shareholder wealth than just high returns from companies which increased the pressure on the companies to not only consistently perform better but also add value and report it. This led to the need to invent measures that will satisfy the investors and analysts and gave birth to value-added metrics.

Holler (2009) confirmed that financial community, shareholders and other stakeholders, to monitor management performance and assess investment use ratio analysis (traditional accounting measures) whereas to evaluate corporate value creation use value analysis (modern economic measures). Common-size statement of cash flows can be used to examine quality of a firm earnings as well its life cycle phase (growth mature, declining, etc.) and provides easily understandable and useful information in comparing a firm's financial performance, both internally and externally.

Arnold, Ellis, & Krishnan, (2018) reviewed and illustrated that following eight ratios; Cash Return on Assets, Cash Flow Margin, Cash Return Ratio, Earnings Quality Ratio, Cash Flow / Dividend Coverage Ratio, Cash Debt Coverage Ratio, Capital Intensity Ratio and Capital Expenditures Ratio are based on components of the statement of cash flows as enhancements to traditional financial ratios.

Ramandeep (2014) argued that intellectual capital is a positive predictor of not only profitability but also productivity, return on equity and market valuation. Researcher further refined the above studies and concluded that individually, structural capital and physical capital positively influence

financial performance of companies; whereas human capital efficiency, a major component of intellectual capital does not characterise any significant role in increasing the financial performance. There is no empirical evidence of Intellectual Capital components influencing the productivity of firms and the said firms look more at their tangible assets for value creation (Kamath, 2015). Iazzolino, Laise & Migliano (2014) verified Value Added Intellectual Coefficient (VAIC), is a useful tool for measuring value creation, especially in organisations in which the presence of knowledge workers is prevalent; therefore, VAIC could be considered as a coefficient that can usefully belong to the learning and growth perspective of firm performance. Furthermore, VAIC takes account -of-view whereas EVA is linked -of-view.

Pecha, Noguera & White (2015) inferred that equity analysts use cash flow related ratios as better substitutes for turnover and liquidity ratios. Among cash flow ratios, dividend yield and free cash flow yield are most preferred.

Objectives :

1. To examine the impact of financial performance on market capitalization and share holder's wealth of the selected pharmaceutical companies listed in India.
2. To investigate measures (MPS, RET, MVS or SVA) that best expenses Shareholder's wealth for pharmaceutical companies listed in India.

Sr. No.	Name of Researcher(s)	Period of Study	No. of Companies	Factors Analysed	Ratios Analysed	Statistical Tools & Models Used for Analysis	Concluding remarks Researcher(s) of the
1	Pandya (2003)	1990-2000	11	Profitability	GPR, OPR, OER,	Mean, SD CV	The registered NPR
				Leverage,	NPR, DER, PR, ICR	Regression, Correlation, Chi-Square, Time Series Analysis	Increasing trend and was on average 6.02%
				Activity, Liquidity	CR, QR, CTR, ITR, DTR, DCR, TATR, WCTR		
2	Parvathi (2003)	1991-2001	13	Profitability & Financial Liquidity & Leverage	EBITDAM, EBIT Margin, GPR OCF/NS, PBT/NS, NPR, ROC, RONW & ICR	Percentage, Mean, Median, SD, CV, Annual Growth Rate, Anova, Correlation, Multiple Regression, T Test, F Test Quality Earnings Lambda Index Model.	31% - no threat of technical insolvency 40% in moderate risk. 29% threat of technical insolvency

Sr. No.	Name of Researcher(s)	Period of Study	No. of Companies	Factors Analysed	Ratios Analysed	Statistical Tools & Models Used for Analysis	Concluding remarks Researcher(s) of the
3	Purohit (2006)	1995-2005	06	Profitability & Leverage Strength	OPR, ROA, ROCE RONW and ICR ITR Inventory / WC DTR CR QR WCTR Long term Liabilities / WC	Mean SD, CV Range Regression Analysis ANOVA F-test	The DER showed fluctuating trends. the Highest average of EPS was seen In case of sun Pharmaceutical Industries as Highest EPS
4	Rajesh (2008)	1995-2005	03	Profitability, Financial Strength capital Structure turnover	DER, CGR, FATR, WCTR, ROCE, RONW, GPR, NPR, ROA, NS/NW	Common-size Analysis, Funds Analysis, range index number percentage, average SD Co-relation & Time Series Analysis	The General level profitable was not maintained due increase in cost of good sold. Fixed assets were not utilized to the Optimum

Sr. No.	Name of Researcher(s)	Stock Exchange	Period of Study	No. of Companies	Factors Analysed	Ratios Analysed	Statistical Tools & Models used	Concluding remarks of the Researcher(s)
5	Enekwe, Agu, & Nnagbogu (2014)	Nigerian	2001-2012	6	Leverage, Profitability	DTAR, DER, ICR, ROA	ordinary least squares regression	There is negative & insignificant relationship of DR & ROA of the sampled companies.
6	Basuki & usumawardhani (2012)	Indonesian	2003-2009	10	IC	CEE, HCE, TATR, ROA, ROE	Linear & Multiple Regression, Extended VAIC model	IC of a company has a significant impact on its profitability, while the results towards productivity are varied.
7	Nimalathanan (2009)	Chittagong	2005-2007	2	Profitability	GPR, OPR, NPR, ROI, ROE, ROCE	Mean, Industry Average	profitability of both pharmaceutical companies is very much satisfactory

Sr. No.	Name of Researcher (s)	Stock Exchange	Period of Study	No. of Companies	Factors Analysed	Ratios Analysed	Statistical Tools & Models used	Concluding remarks of the Researcher(s)
8	Majumder & Rahman (2011)	Chittagong	2005-2008	9	Profitability, Liquidity, Solvency, Activity, Health	GPR, NPR, ROI, OPR, ROCE, ROTA, CR, LR,CA/FA, NWC/TA, ITR,TATR, FATR,DER	Z Score, Mean, SD, CV, Multivariate Discriminate Analysis, t Test	the financial position and operational performance of the most of the selected pharmaceuticals were not satisfactory.
9	Nsiah & Aidoo (2015)	Ghana	2005-2012	2	Health, Activity, Liquidity, Solvency, Profitability	CR, QR, ROE, ROA, TATR, ITR, DER, WC/TA, RE/TA, EBIT/TA, VETL & NS/TA	DuPont Five-factors, Z Score, Trend Analysis.	Both the companies are not in financial distress zone
10	Zhang, Hasekorn, & Ahmed (2009)	Global Cos	2006-2007	21	Profitability, Efficiency	NPR, ROE, EPS, ROA, CR, DER, ITR, DTR, CTR	Percentage and chart	Biotechnology companies Amgen and Genentech return very high rates compared to the other companies in this survey.

Objective.1: To examine the impact of financial performance on market capitalization and share holder's wealth of the selected pharmaceutical companies listed in India.

Below table represented that out 4 independent variables, only DEPS was positively significant i.e. they showed a positive association with NSVA at 1% level. The result of multiple regression revealed that coefficient of correlation (R) was (0.641) and the variability in NSVA explained by all the independent variables was (41.15%). These statistics signify that the independent variables were capable of explaining substantial portion of variation in NSVA, exemplifying that model was reasonably-fitted. Moreover, the positive value of adjusted R2 (36.75%) further verified the validity of the model. Furthermore, the F-statistics was (9.43) and was statistically significant at 1% level also.

Multiple Regression Result with Dependent Variable NSVA

Independent Variables	Coefficient	Std. Error	t-Stat	P Value	Tolerance	VIF
C	-11.2795	21.9796	-0.5132	0.6099		
CFDR	0.1162	0.4987	0.2329	0.8167	0.9390	1.0650
R&DR	0.2083	3.2849	0.0634	0.9497	0.9649	1.0364
DEPS	3.1068	0.5342	5.8160	0.0000	0.9926	1.0074
EVM	0.9404	0.8393	1.1205	0.2675	0.9626	1.0388
R	0.6410					
R-squared	0.4115					
Adjusted R-squared	0.3679					
F-Statistics (prob.)	9.4388 (0.00)					
Durbin-Watson stat	1.6668					
Jarque-Bera (prob.)	32.7923 (0.00)					
BG LM Test- Obs. R ²	3.186909 (0.20)					
BPG Test- Obs.R ²	6.2649 (0.18)					

Variance inflation factors (VIFs) of the independent variables were in the range of 1 to 1.07 thus, ruling out the possibility of multicollinearity. Durbin Watson statistics was 1.668 and Breusch Godfrej-LM serial correlation test p value was 0.20 thus further ruling out the possibility of auto-correlation. Breusch-Pagan-Godfrey heteroskedasticity tests p value 0.18 was not significant thus validating that residuals were homoskedastic. The 0.00 p value of Jarque-Bera residual normality test provided decisive evidence that residuals of the regression were not normally distributed. Overall, the above mentioned statistics.

The greatest positive effect on NSVA was achieved by the variable DEPS, which increased NSVA by 3.1068 units for every unit increase in the variable. For every unit change in EVM, a corresponding increase of 0.9404 units was observed in NSVA. Similarly, R&DR had a profound 0.2083 coefficient was produced by CFDR, which increased NSVA by only 0.1162 units for every unit increase in the variable. Thus, it could be inferred that financial strength, financial efficiency, financial profitability and value creation together had positive and significant impact on shareholder value added. The impact of financial performance indicators on shareholder value added can be summarized as follows:

Financial Profitability > Value Creation > Financial Efficiency > Financial Strength.

Objective 2: To investigate measures (MPS, RET, MVS or SVA) that best expenses Shareholder's wealth for pharmaceutical companies listed in India

Multiple linear regression results were also used to investigate the measure that best expresses shareholder's wealth for the selective Pharmaceutical Companies listed in India. The study had started with 4 shareholder s wealth creation measures; namely market price per share, stock

return, market value added and shareholders value added. However, stock return was dropped as a preferred measures of wealth is prior investigation.

Close analysis of share holder's wealth revealed that out of the 25 independent variables, 14 variables were significant drivers of LNMPS and NMVA. Whereas, only 10 variables had positive and significant impact on NSVA. This helps us to conclude that the war of preferred shareholder wealth creation measure is between market value added and market price per share. summarizes the results of multiple linear regression across the shareholder's wealth creation measures the regressors for these three multiple regressions were CFRD, R&DR, DEPS and EVM. A scrutiny of regression results revealed that all the three models were significant with no evidence of auto correlation and heteroskedasticity. The residuals were also normally distributed for all the 3 models. Thus on the diagnostic tests front, all the models were a good fit and no model could be rejected. The model based on LNMPS had the highest explanatory power of 67.96% followed by model based on NMVA having explanatory power of 46.04%. Model based on NSVA stood at the third place with ability to explain 41.15% variation.

	LNMPS	NMVA	NSVA
R	0.824	0.705	0.641
R-squared	0.6796	0.4976	0.4115
Adjusted R-squared	0.6563	0.4604	0.3679
F-Statistics (prob.)	29.1709 (0.00)	13.3713 (0.00)	9.4388 (0.00)
Durbin-Watson stat	1.8468	1.998	1.6668
Jarque-Bera (prob.)	0.9465 (0.622)	3.6990 (0.16)	32.7923 (0.00)
BG LM Test- Obs. R2	3.6856 (0.16)	0.1129 (0.95)	3.186909 (0.20)
BPG Test- Obs.R2	1.72 (0.19)	0.44 (0.51)	6.2649 (0.18)

The research also compared the model of LNMCAAP with model of LNMPS to understand if, market capitalization could be chosen as the preferred shareholders wealth creation measure. The model with LNMCAAP could explain 64.17% variation which was roughly 3% less that the LNMPS model. Merely on the basis of highest R², MPS was better shareholder's wealth.

Financial Profitability > Value Creation > Financial Efficiency > Financial Strength.

Findings& Conclusion :

Among all indicators , financial efficiency metric, research and development ratio had the highest positive significant impact on both market capitalization and shareholder's wealth measures. On the other hand financial stringent metric cash flow to debt ratio had the lowest impact on the market capitalization and shareholder's wealth, thus financial performance had a significant and positive impact on market capitalization and shareholder's wealth.

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Dr. Veera Swamy Marri holds a M.Com, L.L.B., L.L.M., Ph.D from Osmania University and MBA from Acharya Nagarjuna University. He was awarded UGC-JRF and has over 20 Years' experience in teaching, Research and Industry. Presently, working as Dean of Commerce, Loyola Academy Hyderabad Campus. Prior to that he worked in various Multi National Companies in different capacities such as Senior Research Associate, Subject expert and Team Leader. Dr Veera has participated in several National and International Seminars and Presented number of Research Papers in national and International conferences on Commerce and Management and has twenty two publications to his credit in reputed Journals. He is also edited two books. He is also a registered Ph.D Guide with various state Universities.



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