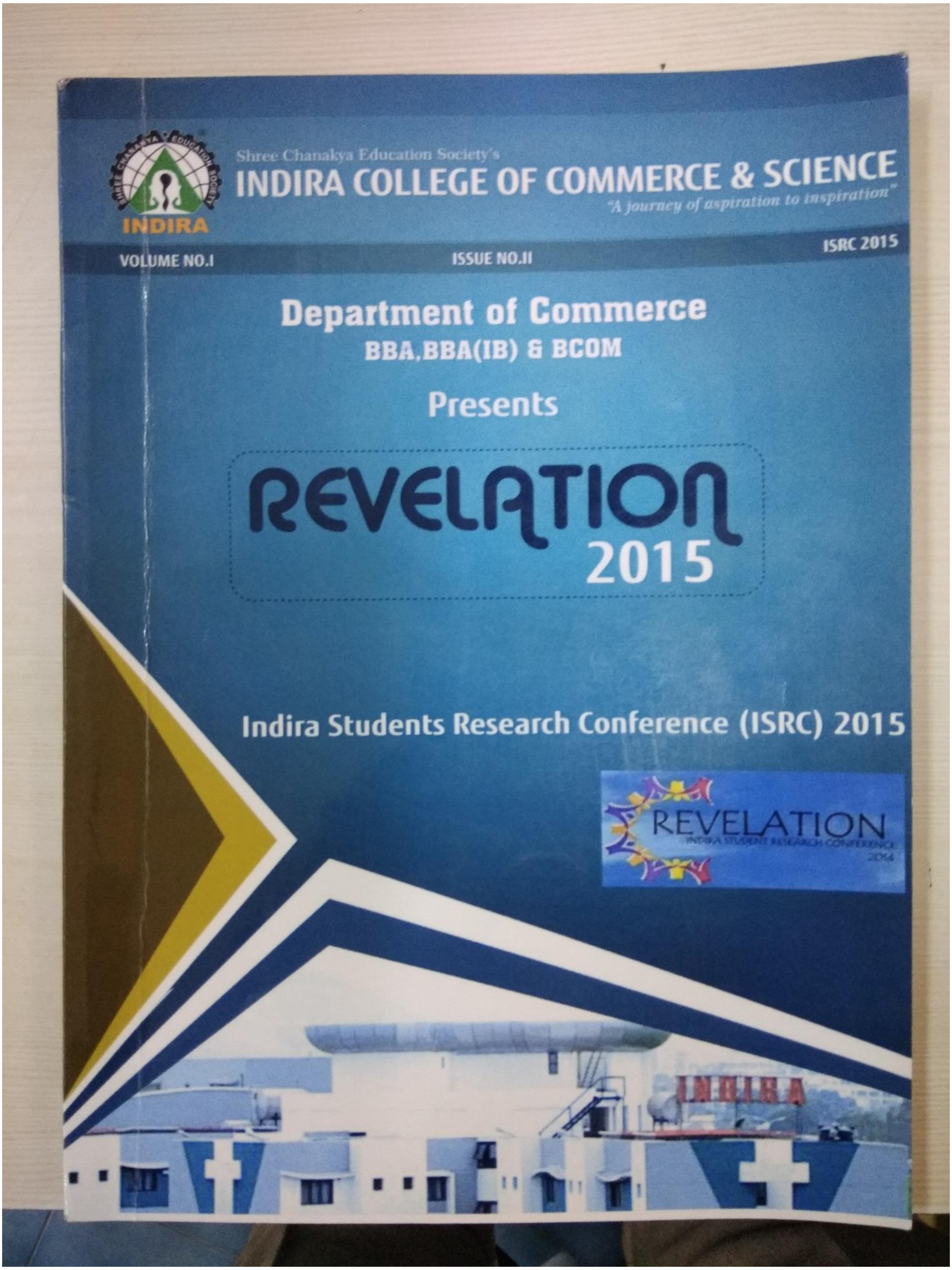
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COMPARATIVE STUVOLUDY OF WOMEN DEVELOPMENT IN THE FIELD OF EDUCATION IN MAHARASHTRA AND MADHYA PRADESH FROM 2001 TO 2011

T. P. V. RATNASRI. ***GUIDE: MRS. MRUNAL RISBUD***

Abstract :

The education community lately realized the importance of education of women. The commitment of "Education For All" are needed to ameliorate the education status of a women. This research paper mainly focuses on the Development of Women in the field of education in Maharashtra as compared to Madhya Pradesh. The female literacy in Maharashtra increased in 2011. The district of Mumbai (suburban) has the highest literacy rate as compared to the other districts in Maharashtra. Pune has shown a drastic improvement in female literacy in the last decade. Even in case of Madhya Pradesh the literacy rate increased in 2011 including female literacy rate which also increased. Bhopal has the highest female literacy rate in Madhya Pradesh. It has been observed that there is improvement in women education in Madhya Pradesh but comparatively it is lower than that of Maharashtra.

Key words : Women Development, Literacy, education, comparison.

Introduction :

In today's scenario education has become a basic necessity of life apart from *roti*, *kapada* and *makaan*. Education is one of those factors which is provided equally to all irrespective of religion, caste, creed, sex, area, etc. But in this male dominant society women are not given much opportunity for self development and growth. As said by Mahatma Gandhi "Educate one man you educate one person but educate one woman and you educate a whole civilization." Women education is equally important for the development of the social, economic and political aspects of our country which means the overall development of our nation. This research paper mainly focuses on women development in the field of education in Maharashtra as well as Madhya Pradesh. Female education inched its way through under stewardship of individual pioneers and the missionaries. It was for the first time in 1813 that the East India Company accepted responsibility for education of people. But it restricted to educational activities to men and refused to take any direct action for the education of girls and women. The strong prejudice against their education was so deeply rooted in social and religious life of the people that any attempt to educate them was sure to create a very great commotion. The company therefore refused to grant any financial assistance for the establishment of girls' school.

A good deal of work had to be done to change this attitude towards the education of women. The earliest modern schools for girls started under the auspices of missions for the instructions of children of Christian converts only. Encouraged by the success of their attempts the missionaries set up institutions for education of non Christian girls and women as well. These institutions were set up in Bengal, Bombay and Madras as well. The Baptist Mission started its first school in 1819.

Objective :

The main objective of this research paper is :

1) To study the development of women in the field of education.

2) Comparison of Female literacy in between two states i.e. Maharashtra and Madhya Pradesh.

Hypothesis : Women development in the field of education is more in Maharashtra as compared to Madhya Pradesh.

Research Methodology : The study is based on secondary data.

The information collected in the Research report is from Secondary Source.

Sources of Data Collection : Books, Websites, Journals.

Study Region :

The state of Maharashtra is located in the Deccan Plateau towards the west near the Sahyadri Ranges and is considered to be the second most densely populated state after UP. It is located near the Arabian Sea near the west coast.

The state of Madhya Pradesh also termed as the Heart of India due to its geographical location. The name itself indicates that it is the Central province of India and has Bhopal as its capital. Madhya Pradesh is the sixth largest state in India in terms of population. The Narmada River in MP flows between the Vindhya and the Satpura ranges and acts as a boundary between which divides the nation into North and South India.

Data Analysis

Maharashtra is considered to be the financial capital of India. Due to this there are many trade transactions which take place in Maharashtra especially in Mumbai. Because of the existence of ports in Mumbai many trade transactions take place internationally. Due to this the need for education was felt and therefore the rate of education in Maharashtra has improved in the past decade and is also more as compared to Madhya Pradesh.

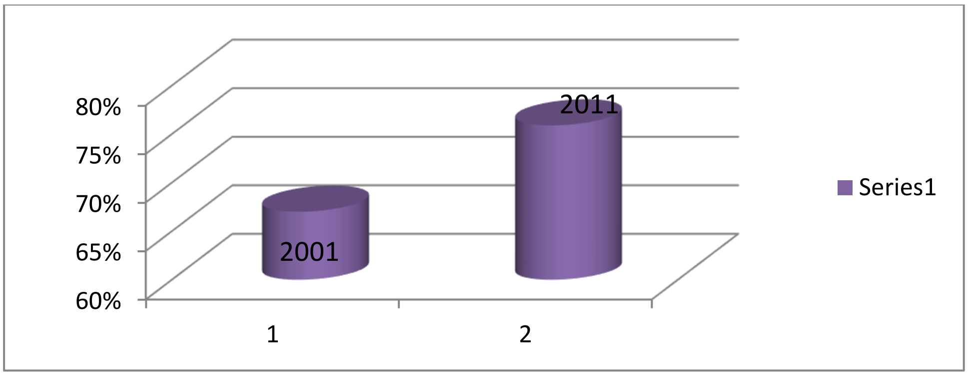
The data provided below is primarily based on secondary data. It states the comparison of women development in education in between Maharashtra and Madhya Pradesh. As per the official standards set by the Government a person is said to be literate if he/she can read, write and understand any language. The number of educated women in Maharashtra were 26.8 million in 2001 and 36.3 million in 2011.

Table showing the increase in the number of women literacy in Maharashtra from 2001 to 2011.

YEAR	WOMEN LITERACY RATE
2001	67.00%
2011	75.90%

Source : (www.undp.org/content/dam/development/MHDR%20English-2012.pd)

Diagram showing increase in the number of women literacy in Maharashtra in 2001 and 2011.



In case of Madhya Pradesh, Indore has the highest literacy rate as compared to rest of the districts in Madhya Pradesh out of which 10,33,371 are females. Bhopal district which is the capital city of Madhya Pradesh has the highest female literacy rate of 76.6%. The female literacy rate in Madhya Pradesh is less than that of Maharashtra which proves that Madhya Pradesh is comparatively less developed in terms of education as compared to Maharashtra.

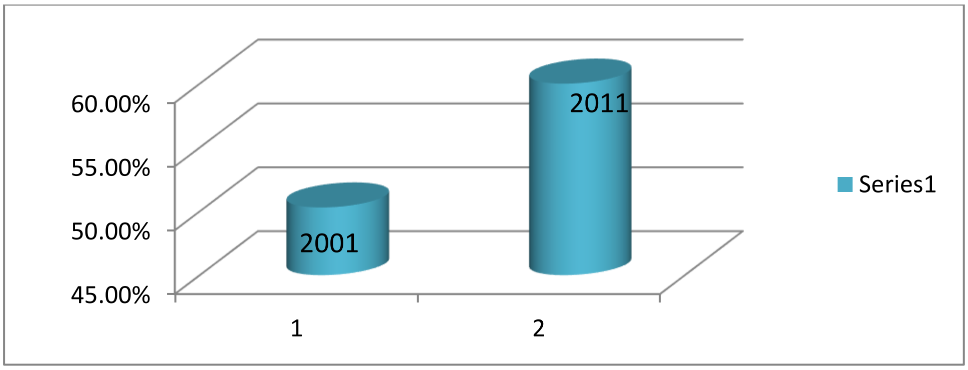
Table showing the increase in the number of women literacy in Madhya Pradesh from 2001 to 2011.

YEAR	WOMEN LITERACY RATE
2001	50.30%
2011	60.00%

Source : Secondary Data

(censusindia.gov.in/**2011**-prov-results/data_files/**mp**/07Literacy.pdf)

Diagram showing increase in the number of women literacy rate in Madhya Pradesh from 2001 to 2011.



Justification of Objective:

Growth rate of women development in Madhya Pradesh is more than that of Maharashtra from 2001 to 2011.

It has been observed that the percentage of development of women education in Madhya Pradesh is more than that of Maharashtra. The percentage increase of women education is calculated as follows:

Percentage increase in women education =

$$\frac{\text{Women literacy rate in 2011 - women literacy rate in 2001}}{\text{Women literacy rate in 2011}} \times 100.$$

Percentage increase in women education in MAHARASHTRA=

$$\frac{3{,}62{,}96{,}706 - 2{,}67{,}80{,}980}{3{,}62{,}96{,}706} \text{ X } 100$$

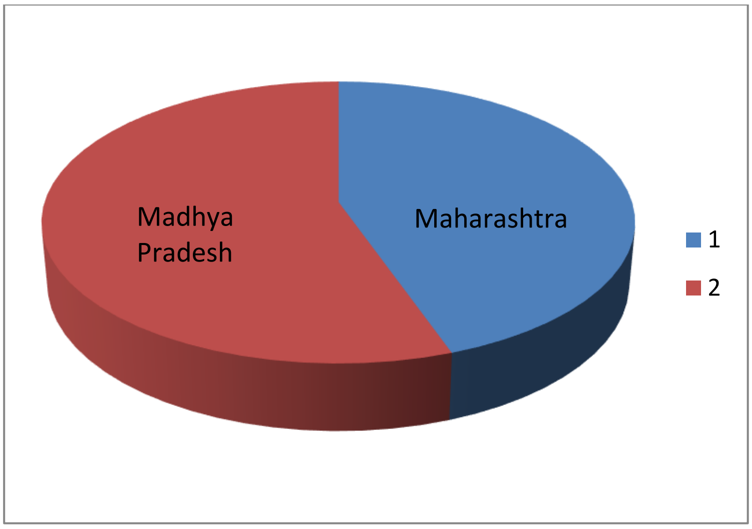
= 26.21 %

Percentage increase in women education in MADHYA PRADESH=

$$\frac{1{,}76{,}76{,}841 - 1{,}19{,}20{,}289}{1{,}76{,}76{,}841} \text{ X } 100$$

= 32.56%

Pie Diagram showing comparative percentage increase in women education from 2001 to 2011 in Madhya Pradesh and Maharashtra.



The percentage increase in Madhya Pradesh is 32.56% and that of Maharashtra is 26.21%. As stated above this clearly indicates that the state of Madhya Pradesh has increased its women literacy rate as compared to that of Maharashtra during the last decade. This high amount of percentage increase is expected in underdeveloped areas because of the existence of high level of women illiteracy.

Findings:

The increase in women education in Madhya Pradesh is more as compared to Maharashtra.

Government Schemes: There are various schemes introduced by the government for the development of women in the field of education.

The Government of Maharashtra has introduced various schemes in the state to improve the socio economic situation in the country. The government has given prima facie importance for women education in the state. Reducing the gap in gender education is the main objective of *Sarva Shiksa Abhiyan* (SSA). Some of the other schemes related to the education of women are given below:

1) Attendance Allowance Scheme : This Scheme was introduced by the Government of Maharashtra to reduce the dropout rate of girls in primary schools. Under this scheme Rs.1 per day and maximum Rs.220 in the academic year is paid to parents of girls studying from standards 1 to 4 who have attendance of more than 75% of working days. It includes all girls from TSP areas and those belonging to SC, ST, BPL families in other areas. During 2013-14 about 4.91 lakh girls were benefited and an expenditure of 10.81 Crore was incurred.

2) Ahilyabai Holkar Scheme : Under this Scheme Girls from rural areas studying in standard 5-10 are provided free travel in buses run by Maharashtra State Road Transport

Corporation to attend school, if school facility is not available in the village. During 2013-14, about 19.50 lakh girls availed this facility and expenditure of Rs. 57.85 Crore was borne by the State Government.

3) Kasturba Gandhi Balika Vidyalaya (KGBV): This Scheme was launched for setting up residential schools at upper primary level with an objective to ensure access and quality education for out of school girls belonging to SC, ST, OBC and minority families from Educationally Backward Blocks (EBBs). In 10 districts of the state, 43 KGBVs are sanctioned with capacity of 100 girls each. During 2013-14 an expenditure of Rs.8.33 Crore was incurred and 4,202 girls were benefitted.

The Government of Madhya Pradesh has also introduced a scheme related to the education of women. The following is the scheme:

Ladli Laxmi Yojna : This scheme was started in 2006 with an objective to lay strong foundation of girls future through improvement in their educational and economic status and to bring about a positive change in social mind set toward the birth of a girl. Under this scheme National Saving Certificates worth Rs. 6000 are purchased by the state government in the name of a girl every year after she is born till the amount reaches 30,000. The girl covered under the scheme is given Rs.2,000 on getting admission in class 4, Rs. 4,000 on getting admission in class 9 and Rs. 7,500 on getting admission in class 11. She is given Rs. 200 per month during her studies in class 11 and 12.

Though the government has taken the initiative to increase women education in Maharashtra and Madhya Pradesh the number of women literates are low as compared to male Literates.

The following table shows the number of Male and Female literates in Maharashtra and Madhya Pradesh in the year 2001.

	Maharashtra	Madhya Pradesh
Male Literates	3,71,84,963	1,96,72,274
Female Literates	2,67,80,980	1,19,20,289

Secondary Data: 1) www.census2011.co.in › States
2) censusmp.nic.in/censusmp/All-PDF/6**Literacy**21.12.pdf

Diagram showing number of Male and female literates in Maharashtra in 2001

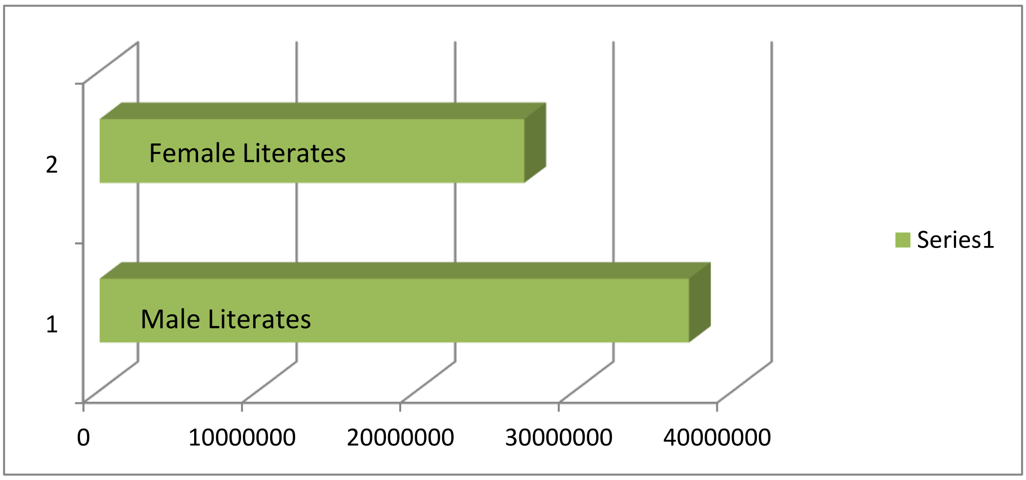
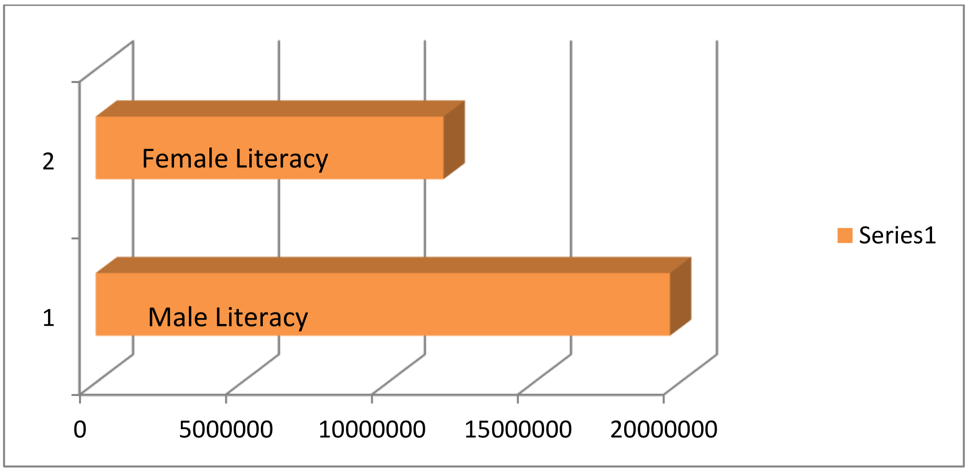


Diagram showing number of Male and Female literates in Madhya Pradesh in 2001.



The following table shows the number of Male and Female literates in Maharashtra and Madhya Pradesh in the year 2011.

	Maharashtra	Madhya Pradesh
Male Literates	4,52,57,584	2,51,74,328
Female Literates	3,62,96,706	1,76,76,841

Secondary Data: www.census2011.co.in › States

Diagram showing number of Male and Female Literates in Maharashtra in 2011

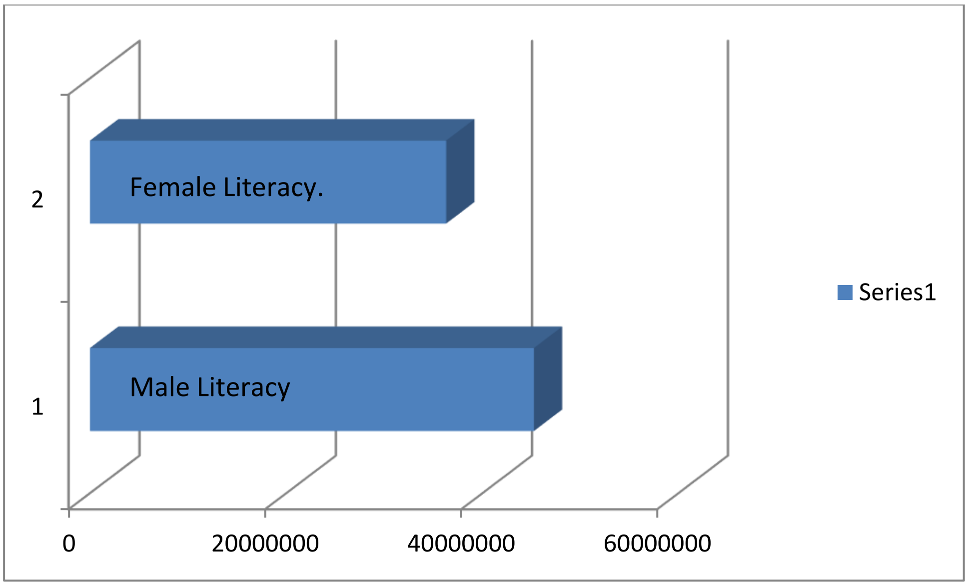
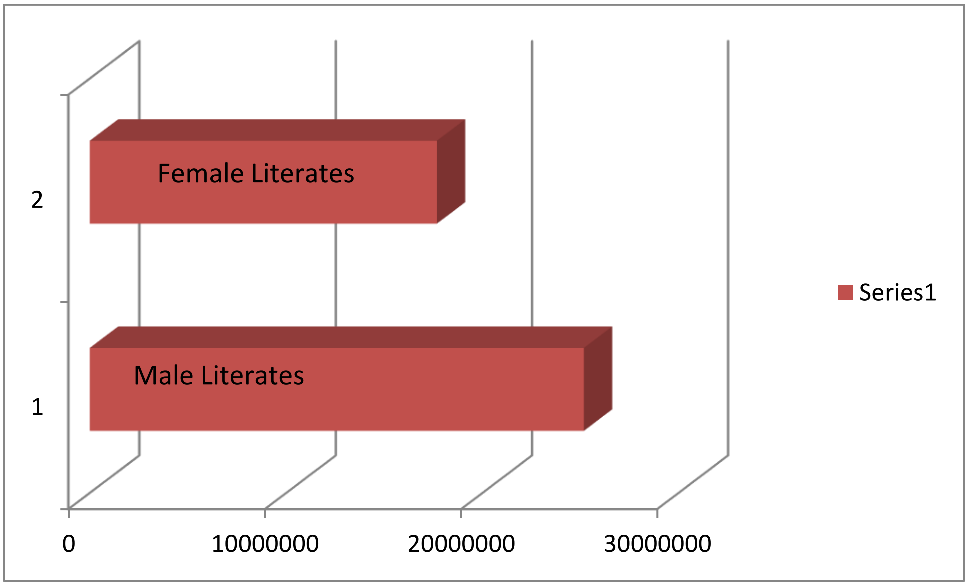


Diagram showing number of Male and Female Literates in Madhya Pradesh in 2011



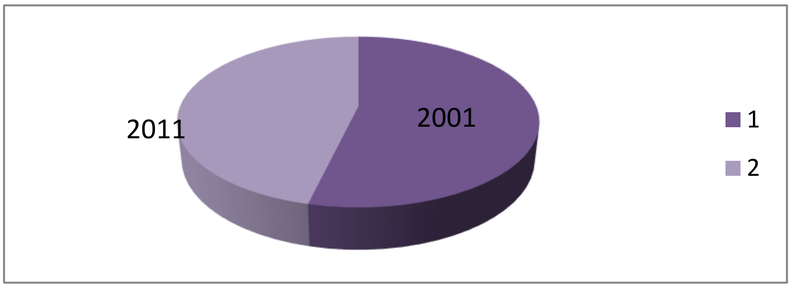
It has been observed that the literacy rate has increased from 2001 to 2011. At the same time the female literacy rate has also increased in 2011 as compared to 2001. The gap between male and female education has reduced from 2001 to 2011 but the fact is that female literacy is less than that of male literacy.

The following table shows the reduce in gap between number of Male and Female literates in Maharashtra and Madhya Pradesh in 2001 and 2011.

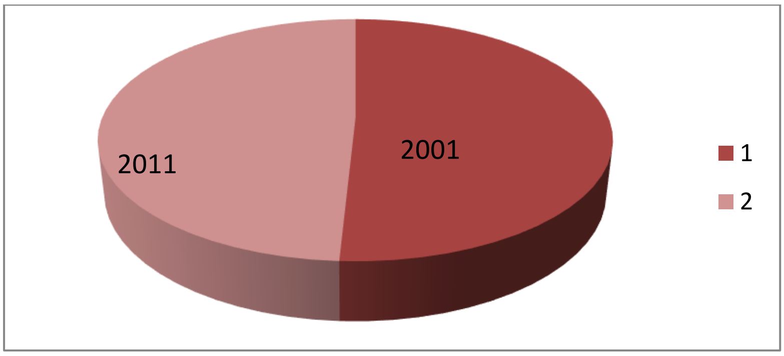
	Maharashtra	Madhya Pradesh
2001	1,04,03,983	77,51,985
2011	89,60,878	74,97,487

Secondary Source: www.census2011.co.in › States and censusindia.gov.in/**2011**-prov-results/data_files/**mp**/07**Literacy**.pdf

Pie Diagram Showing Difference in number of Male and Female Literates in Maharashtra in 2001 and 2011.



Pie Diagram Showing Difference in number of Male and female Literates in Madhya Pradesh 2001 and 2011.



<u>Causes of low women development in the field of education</u>:

Education is such a factor which is available to all irrespective of their gender. Education has become a fundamental right to all. But even today many women are deprived of their rights due to the following reasons:

The negative attitude of parents towards a girl child and their education is one of the major causes of low women development in India. In many Indian families son is given more importance than a daughter. They do not consider it necessary to educate a girl child as a girl child has to leave her parents house and go and stay with her in laws. They consider it as waste of money to educate a girl child.

Poverty is another cause of low rate of women education. Many families cannot afford to educate their children especially girls where encouragement for education is less due to many economic and financial drawbacks. Though the government has introduced various schemes they are reluctant to send their daughters to school.

India being a gender segregated society it is essential to have a female teacher especially in areas of low female literacy. Gender segregation is one of the causes of low women education. The parents won't send their daughters to such educational institutes where there is a male teacher teaching the students.

Conclusion : It has been observed that the development of women in the field of education has increased during the last decade. People are becoming aware about the importance of education especially women education. But still as compared to Maharashtra women literacy rate is low in Madhya Pradesh. During the last decade the increase in literacy rate of women in Madhya Pradesh is more as compared to Maharashtra.

Scope for further study :

Due to limited availability of time, it was not possible to focus on the development of women in all the states of India. This research paper focuses only on the comparison of female literacy in between two states. But the female literacy in all the states in India will be studied in future.

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FINANCIAL REFORMS IN INDIA SINCE 1991

OMKAR SABALE *GUIDE: PROF. VINITA SHIRIVASTAVA*

ABSTRACT

This paper will discuss the economic reforms India initiated during the latter half of 1991 and inclusive of any subsequent changes made since then. The details of the relevant reforms will be presented with a comparative analysis of what prevailed during India's early stages of development prior to 1991. The implications of these reforms on India's future economic prospects can be confirmed with the aid of key economic indicators. There has been significant debate, however, around liberalization as an inclusive economic growth strategy. Since 1992, income inequality has deepened in India with consumption among the poorest staying stable while the wealthiest generate consumption growth. But still, The Economic liberalization has helped India to grow at faster pace. India is now considered one of the major economies of Asia. The Foreign investments in India have increased over the years. Many multinational companies have set-up their offices in India. The per-capita GDP of India have increased, which is a sign of growth and development.

KEY WORDS

Liberalization, Gross Domestic product (GDP), Per capita income, FDI.

1. Introduction and Background

In the current scenario, the shut down in US and the falling growth rate for consecutive two years (in the year 2011-12 growth rate was 6.2%, and in it is 2012-13 5% as per economic survey), it is time to look back and rethink over the financial reforms in India. Though in the initial years of the post reform period the new policy proved to be a boon to the Indian economy, but if we think in the totality, we find the mixed effects of this policy.

This easily deals with the analysis of lights and shades of the financial reforms of 1991. The background in relation to above mentioned subject can be traced back from 1950. After independence India adopted Mixed Economy, exhibiting the features of capitalist as well as socialist economy. In initial stages we observe the socialistic pattern dominating. Since 1950, public sector was leading sector. Controls and regulations on each and every economic activity were laid down by the government. The period of 1950-1980 was called as “License Raj”. Gradually the positive effects of this policy were diminishing and negativity started reflecting. Instagnation, inflation, frustration, Imbalances started appearing. These things caused obstacles in the growth rate of output and employment. Thus there was a need to free the economy from extra control and restrictions. This resulted into the process of economic reforms.

After 1980 Government expenditure increased due to interest payment on debts, subsidies, defence expenditure etc. But the Government revenue did not increase because of slow economic growth. Thus this situation created huge fiscal deficit. The continuous deficits in Balance of payments were financed through external borrowing resulting in huge foreign debt. It was very difficult to pay even the interest on foreign debts which is actually sign of insolvency. In 1990-91 the total debt of Government of India was 62.5% of the GDP. This resulted into outflow of deposits of Non-resident Indians (NRIs). By 1991, the country was facing BOP crisis. Mr. Montek S. Ahluwalia in his article titled “Economic Reforms in India Since 1991: Has Gradualism Worked?” comments as “The impact of ten years of gradualist economic reforms in India on the policy environment presents a mixed picture.” 7

For the first time, India was faced with the prospects of defaulting on its international commitments. International credit rating was downgraded. The gulf war of 1991 worsened India’s BOP Crisis & leading to a fall in remittances and increase in oil prices. That time India has also faced an acute shortage of foreign exchange reserves, they were just $1 billion(100 crores) barely enough for imports of two weeks .The industrial sector has reduced the efficiency and competitiveness of industrial units due to various controls and regulations. The annual growth rate was 2.6% only It actually reached negative level of -0.6% in may, 1991.rate of Inflation was 17% that time. In May 1991 the government leased 20 tonnes of gold to the SBI to sell abroad. Again the government allowed the RBI to ship 47 tonnes of gold to the Bank of England in July 1991 to raise a loan of $600 million. Therefore, Government of India was forced to approach IMF and World Bank. Both the institutions were ready to grant loan only with a condition to make structural changes in the country.

2. Relevance of the study

Even after 50 years of independence India still remains a developing country. So this paper aims at understanding various reforms that have been introduced in different sectors of the economy and their effects (both positive as well as negative) on the development of our economy.

3. Objective of the study

To study the effects of economic reforms on Indian economy and to address the emerging issues like backwardness of rural areas, infrastructure development and availability of health services and education.

WORKING DEFINITIONS OF TERMS USED:

1**. Liberalization**: refers to relaxation of government restrictions in the areas of social, political and economic policies in other words in may be referred to as deregulation.

2. **Gross Domestic Product**: GDP refers to the value of all monetary value of goods and services produced within a country during a period of time.

3. **Per Capita Income**: Per capita income is the mean money income received in the past 12 months computed for every man, woman, and child in a geographic area. It is derived by dividing the total income of all people 15 years old and over in a geographic area by the total population in that area.

4. **Foreign Direct Investment**: It is an investment made by one company with an origin of different country into a company with an origin of different country.

4. Research Methodology

This paper is based on secondary data. Comparative study of different year's growth rate and per capita income has been made. By referring journals, reference books, speeches of the eminent persons, reports of various committees and opinion of experts on the issue.

5. Analysis Of Data

The new economic policies introduced brought about a major change in the existing policies of the country. This has been presented in the form of a chart below:

Liberalization Measures

New Industrial Policy

- Liberalization of Industrial Licensing
- FERA Liberalization
- MRTP Liberalization
- Curtailment of Public sector

New Trade Policy

- Lowering of import tariffs
- Abolition of import licenses
- A more Open EXIM regime
- Convertibility of rupee
- Encouragement to foreign investment
- *Integrating India's Economy with the global economy.*

Macro Economic Reforms and Structural Adjustments

Marco Economic reforms

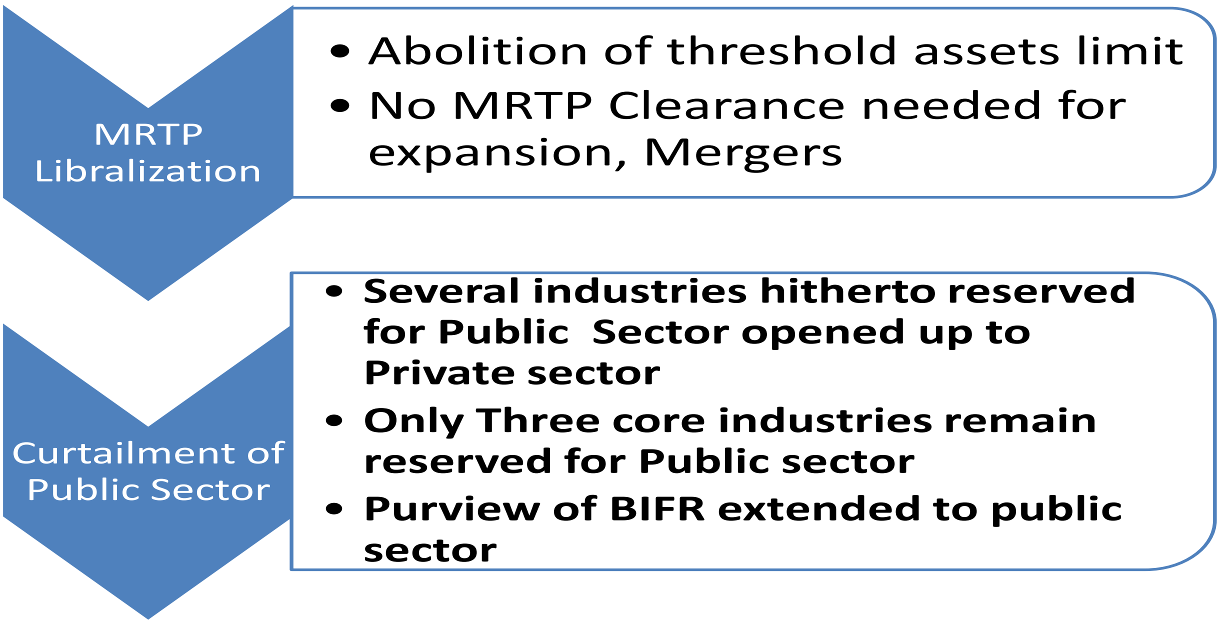
- Fiscal And Monitory reforms
- Blanking Sector reforms
- Capital Market Reforms

Structural Adjustments

- Phasing out subsidies.
- Dismantling of Price controls and introduction of Market driven Price environment
- Public sector restructuring and disinvestment
- Exit Policy

Source : Ramswamy, Nmakumari, "marketing Management",Macmillan, third edition.

Chart 2:



Source : Ramswamy, Nmakumari, "marketing Management", Macmillan, third edition.

Performance of Indian economy can be studied in relation to the financial reforms with the help of economic indicators like GDP per capita income sectorial growth rates, change in sectorial share, Balance of payment external debt and foreign reserves. Let us have a look for the statistical facts of each one.

Table : 1

Annual Growth Rates of GDP (2004-05 Prices In Percent)

Year	Growth rate	year	Growth rate	year	Growth rate

1980-81	7.2	1990-91	5.3	2000-01	4.3
1981-82	5.6	1991-92	1.4	2001-02	5.5
1982-83	2.9	1992-93	5.4	2002-03	4.0
1983-84	7.9	1993-94	5.7	2003-04	8.1
1984-85	4.0	1994-95	6.4	2004-05	7.0
1985-86	4.2	1995-96	7.3	2005-06	9.5
1986-87	4.3	1996-97	8.0	2006-07	9.6
1987-88	3.5	1997-98	4.3	2007-08	9.3
1988-89	10.2	1998-99	6.7	2008-09	6.7
1989-90	6.1	1999-2000	7.6	2009-10	8.6
Average	5.59		5.81		7.26

Source: Economic Survey -2012-13

Above table shows average growth rate of decade of 1990s and first decade of the current century have increased as compared to 1980s decade. Even in first decade of this century it is above 7%. The pattern of growth rate was different in the two decades .In the 1980s , below 5% in five years, but during 1990s, except for two years, the rate of growth was more than 5 percent. This indicates that the economy achieved a more steadier and sustained growth rate during the post reform period compared to the earlier period .During the first decade of the 21st century the Economy achieved a higher growth rate except for the first three years. Between 2005-06 and 2007-08 three years, the economy achieved a record rate of growth more than 9 percent.

Table :2

Per Capita Income Net National Income in Rs

	1980-81	1990-91	2000-01	2010-11
At current prices	1852	5621	17295	54151
At constant prices(2004-05)	10201	14330	20362	36342

Source Economic Survey -2012-13

Above table shows that per capita income (at current prices) has increased by three times in 1990-91 and nine times in 2000-10 & 26 times approximately in2009-10. Again at constant prices 1.4 times in 1990-91 and double in 2000-01 three times in2009 -10.the most remarkable thing is that Per Capita Income is continuously increasing.

Table : 3

Annual Growth Rates of Different Sector

Years/Sectors	1980-81	1990-91	2000-01	2010-11
Agriculture,forestry&fishing, mining and quarying	12.8%	4.7%	0.3%	7.5%
Manufacturing, construction, electricity,gas and water supply	4.5	6.9	6.5	9.5
Trade hotels, transport&communication	5.6	5.2	6.4	12.3
Financing, Insurance,real stateand Business services	1.9	6.2	4.5	10.1
Gross domestic product at factor cost	7.2	5.3	4.3	9.3

Source: The Economic Survey -2012-13

A sector-wise growth rise in 1980s, 1990s and the later decade will give an idea about the changes that have been taking place in different sectors of the economy. As determining agricultural production , availability of rainfall is the basic factor so policies for agricultural production have very small effect on determining agricultural production. Trend in the annual growth rate of agriculture during the 1980s show that the sector registered a negative growth in one year(1987-88).On the other hand during 1990s the sector witnessed a negative rate of growth in the two years{1991-92(-1.4)& 1997-98(1.3)} and zero growth in 1995-96.But performance was good in first decade of present century. Trends in the growth rate of the secondary sector achieved an annual growth rate of 5.72 percent.

Table: 4

Indicator of Output

	1980-81	1990-91	2000-01	2010-11
Foodgrains(million tonnes)	129.6	176,4	196.6	244.5
Finished steel(million tonnes)	6.8	13.5	32.3	68.6

Cement(million tonnes)	18.6	48.8	99.2	209.7
Coal and lignite(million tonnes)	119.0	225.5	332.6	570.4
Electricity generated(billion kw)(utilities)	111	264	499	811.1

Source: The Economic Survey -2012-13

Above data shows that food grains production has increased by 1.8 times in last three decades . Finished steel & cement increased by 10-11%, coal and lignite 4 times and electricity by 7% in the last three decades. It can be stated that overall production of goods and services increased continuously in the post reforms period.

Source: India's External Debt A Status Report 2007-2008

Table:5

Sectoral Share As Percent of GDP (In Percent)

SECTOR/YEARS	1980-81	1990-91	2000-01	**2010-11**	**2011-12**
AGRICULTURE	35.7	29.5	22.3	**14.5**	**14.01**
INDUSTRY	25.7	27.6	27.3	**27.8**	**27.0**
SERVICE	37.6	42.5	50.4	**57.7**	**58.99**

Source : Report of the Working-Group on Estimation of Investment, its Composition and Trend for Twelfth Five-Year Plan (2012-13 to 2016-17)

The above table shows that in 1980s share of primary sector was declining on the other hand the share of secondary and the tertiary sector was increasing. But during the 1990s, the share of the secondary sector remained constant and there was a rise in the share of the tertiary sector during first decade of present century there has been an increase in the share of secondary as well as tertiary sectors. Thus the broad structural change during the last three decades are continuous fall in the share of primary sector, a steady rise in tertiary sector and constant share of secondary which indicates a economic growth.

In case of External sector, we can analyze the selected Indicators of Economic growth.

Table: 6

Selected Indicators of External Sector

ITEMS/ YEARS	1990-91	1995-96	2000-01	2007-08	2010-11
1.Growth of exports-Bop(%)	9.0	20.3	21.1	28.9	37.3

2.Growth of imports-Bop(%)	14.4	21.6	4.6	35.1	26.7
3.EXPORTS/Imports-Bop(%)	66.2	74.0	78.5	64.5	65.7
4.Import cover of FER(no of months)	2.5	6.0	8.8	14.4	9.6
5.External assistance(net)TC(%)	26.3	29.7	4.8	2.0	8.0
6.ECB(net)TC(%)	26.8	42.9	50.6	21.2	20.2
7.NR deposits /TC(%)	18.3	37.1	27.2	0.2	5.2

Source –RBI

A major achievement of the economic reforms has been the steady and sustained improvement in the Balance of payment position. There was a sharp increase in the coverage of imports by export earnings during 1990s and the following decade. The improvement in export Import ratio combined with the invisible account resulted in reduction in the current account deficit. The country’s dependence on external assistance and external commercial borrowings came down which is an indicator of steady and sustainable Balance of payment position. Even the reference of declining debt service ratio can be taken in this regard.

6. Conclusion

While concluding we can note that these financial reforms worked as a boon to the Indian economy in the initial stages but we experience mixed effects of this policy in the post reform period. It succeeded in few areas like favourable situation in case of external sector; Balance of payment, accumulation of foreign reserve, reduction in dependency of external assistance and tremendous growth in tertiary sector; but failed on the grounds of poverty eradication, employment generation, development of agriculture sector and reducing the dualism and the inequalities. The reforms can also be introduced to the agriculture sector where there is room and need to boost the growth. Also the introduction of reforms is needed in the I.T. sector. As India accounts for 30% of the world’s software engineers on the other hand In India we find 25% of the worlds malnourished. Mr. Clinton expressed in his speech at Hyderabad on 24th March 2013,that we need to have some weapons to fight against poverty. The unprivileged should be taken care of. The inequalities are to be taken care of. Just the growth rate is not sufficient to be maintained and increased.

Also we will have to think on the emerging issues out of these reforms like backwardness of rural areas, infrastructure development, and availability of education, health and public services.

The relationship of global economic crisis and the Indian economy cannot be ignored. Even though the impact of crisis was small in India due to the inherent strength of the Indian mixed economy and the effective regulatory framework that existed in financial sector.

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A COMPARATIVE STUDY OF ECONOMIC GROWTH IN INDIA-OPPORTUNITIES AND CHALLENGES IN GENERAL AND CHINA CRISIS IN PARTICULAR.

SUDARSHAN PRAKASH PATIL & MANASI SHASHIKANT INGOLE GUIDE: DR. M. M. SATAM

ABSTRACT: India is an emerging economy with tremendous opportunities to become a leading country in world economy. The sustained and systematic efforts of about six decades has enabled the country to withstand many economic problems and challenges. In the following paper, we have discussed the growth opportunities for India in future and the challenges that need to overcome if India wants to become an economic giant.

This paper also discusses various stages of India's economic growth and the opportunities India can get due to changes in international economic conditions(particularly the China Crisis).

KEYWORDS: Planning, Revolution, Growth rate, Bubble burst.

OBJECTIVES:

1. To study the development stages of India through perspective of five year plans.
2. Deriving the opportunities for India due to the world economic slowdown.
3. Study the Challenges that India need to overcome.

INTRODUCTION: *When India secured independence from the British in 1947, the economy which had just taken a beating from world war-II had to once again withstand the curse of Indo-Pak partition. Keeping this problem in mind, new government under the leadership of Pandit Nehru adopted a socialistic economy. India went for a centralized planning. This gave birth to large public sector undertakings into a capital intensive business. The partition of India resulted into the loss of cultivable land to the Pakistan which was earlier used for Jute and Cotton cultivation. The concept of economic planning in India is derived from Russia (the then USSR). The planning in India is mixed planning (public and private) as well as dual planning (modern and traditional).*

The following paper hence discusses the reforms that India should bring in to grab the opportunities created due to external economic crises. Thus the historical study makes us comfortable to understand how India should change its development strategy from conventional way of Five Year Planning.

INDIA'S ECONOMIC GROWTH IN PLANNING PERIOD: The first plan had two fold objectives, firstly it aimed at correcting the disequilibrium caused by war and partition of country. Secondly it proposed to initiate simultaneously a process of all round balanced development which would ensure a rising national income and a steady improvement in living standards over a period. In the second plan Socialistic pattern of society was accepted as the aim of economic planning in India. The Nehru-Mahalnobis model based on the rapid industrialization was based on the layout of pre-conditions for take-off, according to the Russian model (Rostow model).

Third plan was total failure because of China war (1962), Pakistan war (1965), droughts (1965-66). After great set back Lalbahaddur Shastri's government came up with the Green Revolution under the guidance of M. S. Swaminathan. The fourth plan came up with the objectives of self-reliance, balanced regional development and economic growth with social justice. Operation Flood (White Revolution) started in 1970 under Verghese Kurien.

During fifth plan in 1976-77 once again Balance of Trade was positive (Exports-5142 crore, Imports-5074 crore, surplus- 68 crore). There was a lot of political Chios in the country during this period. For the first time Congress government was defeated by Janata dal (1978) and Morarji Desai was elected as Prime Minister. This government gave the sixth plan which focused mainly on small and medium sectors. Again in 1980 Congress came into power and discontinued the plan given by Janata Dal and launched the new Sixth Plan. The government also focused on the generation of productive employment and hence plan came to be known as 'Plan for Employment Generation'. The liberalization began at some extent in the field of telecommunication and technology. The indicative planning was also started at an experimental basis. The sixth and seventh plan managed to cross the Hindu Growth Rate which was experienced by the previous decades. During Eighth plan there was a critical economic crisis in the country. India was facing an extreme Fiscal crisis. This plan changed the entire structure of economy due to the launching of economic reform. This plan was fully indicative plan, and the objective of the plan was Human Development. The Ninth plan focused on "Growth with equity and distributive justice". The concept of SEZ was proposed for the first time. Focus was on Growth with social justice, eradicate poverty and employment and double the per capita income in next 10 years. The Eleventh plan focused on faster and more inclusive growth. It was for first time any plan was indicating Inclusive growth in its title. The Twelfth plan added another concept of sustainable development to it.

Table:- Target set per Five Year Plan and Actual achieved.

PLAN	PERIOD	TARGET GROWTH (%)	ACTUAL GROWTH (%)
First	1951-56	2.2	3.6
Second	1956-61	4.5	4.1
Third	1961-66	5.7	2.8
Plan Holiday	1966-69		3.9
Fourth	1969-74	5.6	3.3
Fifth	1974-78	4.4	4.8

Rolling Plan	1978-80		
Sixth	1980-85	5.2	5.7
Seventh	1985-90	5.0	6.0
Annual Plans	1990-92		
Eighth	1992-97	5.6	6.8
Ninth	1997-02	6.5	5.4
Tenth	2002-07	8.0	7.6
Eleventh	2007-12	9.0	7.9
Twelfth	2012-17	8.2	

The following graph depicts the growth in India's GDP since 1980:

Source- values referred from IMF(from 1980 to 2014)

GROWTH TARGETS IN INDIA: The targets were released by the planning commission and document was prepared by MR. Shyam Prasad Gupta.

FEATURES:

- Expected annual growth rate by 2020 to be 9%.
- Elimination of unemployment, illiteracy and poverty by 2020.
- Per capita income to get double by 2020.
- Cent percent registration of children in schools by 2020.
- 2% annual employment generation rate, 20 crore new employment opportunities to be created by 2020.
- Urban population to be increased to 40%.

CHINA'S BUBBLE BURST:

Stock market bubble**:** It is a situation where there is a unabated inflow of new investors and where the general tendency of the price of stocks is to rise and at a fast rate, that is stock prices rises above their value. This led to sudden crash down of the Chinese stock market when the inflow of willing investors to buy at even higher prices suddenly went on declining.

IMPACT OF CHINA'S CRISIS ON WORLD AND INDIA:-

The Peoples Bank of China devalued Yuan by 3.5%. This was the biggest devaluation by China since last two decades. The major impact of devaluation would be the Chinese goods will get cheaper in foreign markets. This devaluation will help China to increase their exports and demand for their products in foreign markets while imports will become costlier and maintain their Balance of payment.

The China's devaluation in currency may lead to Global Currency War because each country will try to increase its exports by devaluating their currencies. China is also investing their forex into projects like Asian Infrastructural Investment Bank (AIIB) and One Belt One Road. This project will help to increase the flow of Yuan in international markets and large volume of trade will take place in Yuan currency. Because of this, there will be rise of "Renminbi Zone" instead of "Dollar Zone". This will help automatic internationalization of Yuan.

Impact on India:

- India always faces Balance of Trade problem with trade in China (Imports>Exports). This loss is around one fourth of India's whole trade deficit.
- Because of current devaluation the demand of Chinese products will rise in India as they will be cheap and this will further worsen the Balance of Trade condition.
- The devaluation made by China will also have effect on India's export. This will reduce the foreign exchange of India and hence Indian currency will further depreciate.
- China will try to dump its production in India's market, creating problem for domestic manufacturers.

OPPORTUNITIES FOR INDIA:

China's economy is under great stress. Chinese economy grew at an average rate of 10% for a several years and china has transformed its economy into Export led economy. Now China's exports are declining which has caused impact on production. At present China is growing at the rate of 7% or even less than that which has led China to change its Economical-model from export led economy to consumption led economy. This is a great opportunity for India to improve its competitiveness and take over a lot of business that China excels in.

Factors which are slowing down the world are in a way favorable to India, what is adversely affecting world is helping India as we are a buyer of the commodities like oil, petroleum etc. which are at the cheaper rate currently. These have caused spiraling effect on India. India could save Rs 18,750 crore this year assuming an average cost of $55 per barrel, this will mean lower inflation creating a favorable situation for lower interest rate and more fiscal space for India to spend on creating public infrastructure. Lower commodity prices and cheaper oil are huge advantage to India. Taking advantage of cheaper commodities, interest rates can come down and the world class infrastructure that China has, but India needs to build, can come at much lower cost of material, labor and finance. Lower cost of material, labor and finance can help to attract manufactures which will give effect to a dream scheme like Make in India.

India as a market opportunity**,** driven by factors such as strong demographics, robust domestic consumption and increasing technology adoption remains an attractive destination for risk capital. If India can perceive economic reforms and boost infrastructure investment, it has the potential to grow at 7 to 8 percent per year for sustained period. The Chinese economy is transitioning from a high growth economy to a more mature economy whose potential growth rate is gradually moderating below 7% per year. Therefore India could well assume the mantel of being the fastest growing economy, which could make it a very attractive destination for investment in new factories and plants by global multinationals keen to tab the fast growing India's consumer market.

Country wise FDI in India:

C OUNTRY	% OF TOTAL FDI
MAURITIUS	35
SINGAPORE	14
U.K	9
JAPAN	7
NETHERLAND	6
USA	6
GERMANY	3
CYPRUS	3
FRANCE	2
SWITZERLAND	1

Sector-wise FDI in India:

SECTOR	% OF TOTAL INFLOW
SERVICE SECTOR	17
CONSTRUCTION AND DEVELOPMENT	9
COMPUTER SOFTWARE	7
TELECOMMUNICATION	7
AUTOMOBILE INDUSTRY	5
DRUG AND PHARMACEUTICAL	5
CHEMICALS	4
POWER	4
TRADING	4
METALLURGICAL INDUSTRIES	3

Thanks to the RBI policy of balancing Inflation and Growth, fiscal deficit is also under control. Moreover, economic parameters are the best at present, we need to further uplift this growth rate. We need to break away from conventional things. When world moves slowly, exports suffer. We must try all forms of investments. India now has the largest inflow of FDI investment and we have to raise it further. The next area to be focused is service sector which is going to increase at the rate of 9% to 10 %.

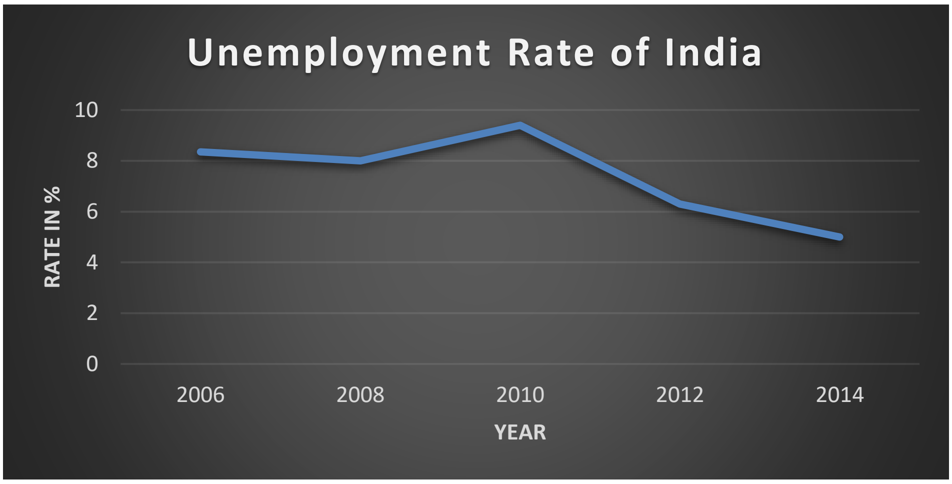
India is not as vulnerable to external shocks as many other Asian countries, as exports are relatively lower share of total GDP than many east Asian countries. India has more diversified export base, being less reliant on exports of goods than many other Asian countries due to the large value of Indian service sector export, notably information technology and business process outsourcing (BPO). If the government had been more successful on the reform front, investor sentiment certainly would be better.

The following graph depicts the Export growth in India since 1980:

Source-values referred from Ministry of Finance –India (from 1980 to 2014).

Eradication of Unemployment can be achieved through high industrial development and high inflows of foreign investments. For the first time maximum power is being generated in the recent years, the maximum utilization of power will help to increase the production level. Around 18000 crore families have been linked with banks through policies like JAM (Jan Dhan, Adhar and Mobile number).

The following graph depicts the Unemployment in India since 2006:



Source-The values referred from NSSO 68th round survey.(from 2006 to 2014)

Positive impact of China crisis on India:

- Comfortable current account position due to lower commodity prices.
- Falling Consumer Price Inflation, Wholesale Price Inflation- creating room for rate cut.
- Opportunity to position India as a manufacturing destination.

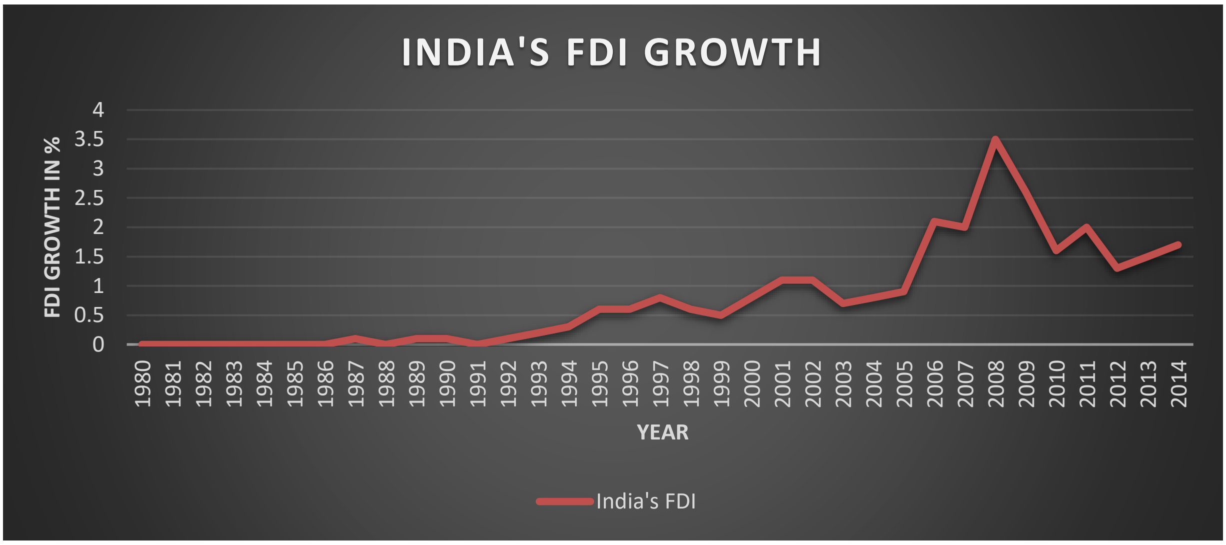
- Weakening rupee could give a stimulus to declining service sector exports.
- More fiscal space for increased public capital expenditure.

CHALLENGES FOR INDIA:

Implementation of structural reforms, State dominated economy, Export centric growth, Artificial propping up of currency are some of the major challenges of recent times.

Foreign inflows can come in India but at first India should be made a comfortable place for business. Environment clearances, FIPB (Foreign Investment Promotion Board) clearances should be made available easily to the investors. Now investor is a chooser, so elimination of licenses and permit raj is necessary. The government had to withdraw its discretion, the human intervention have to disappear in order to curtail the rate of corruption, for this the schemes like 'DIGITAL INDIA' should be implemented at their best. Taxation has to be reasonable and globally compatible, for that finance minister had announced to reduce the corporate tax to 25%.

The following graph depicts the FDI growth in India since 1980:



The figures referred from Ministry of Finance(from 1980 to 2014)

Finally the most important challenge faced is political will. We have been politically integrated but economically disintegrated. Hence economic integration is most necessary to make the gain of current Economic situation worldwide. Following are some of the important majors that India should launch to reveal the greatest opportunity that has been generated by external factors:-

- Reforms in taxes- goods and service tax, direct tax code.
- Land acquisition bill.

- Labor laws.
- Communal harmony.
- Social inclusion.
- Increase domestic demand and domestic market.
- Maximize the Purchasing Power Parity.
- Generate employment.
- Ease of doing business.
- Boost investment in infrastructure.
- Increase political will.
- Execution capacity.

If government managed to get this key reforms off the ground, India would perhaps look more attractive. But a political brinkmanship of the kind that has led to stalling the GST bill, Land acquisition bill and such other bills should make way for economic consensus in national interest.

The halt in passing such important bills in parliament is delaying the implementation of important economic reforms that would boost India's growth outlook. We have capital and fiscal space. Now we need to build Execution capacity. We are large economy and our fundamentals are strong, if we can boost domestic demand and investment with right policies, India can take advantage of tail wind of Chinese crisis.

CONCLUSION

Thus we conclude form the facts and figures mentioned above that India has tremendous potential to become the economic leader of world as it is a country which is currently growing with highest growth rate. To sustain at this position India needs to take an advantage of opportunities that are on its way due to external factors. While doing this it should not underestimate the challenges which can halt the growth rate of India. Hence it (India) should try to bring various reforms in almost all sectors of economy which will make India as an attractive center for Foreign Investment.

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A STUDY ON NEW TRENDS TO MOTIVATE EMPLOYEES

PRAVEEN SHARMA & SHIVANGI ***GUIDE: PROF. SHUBHANGI BIRELLY***

Abstract

Motivation in the workplace is a crucial subject in the modern business world, since it is the force, which drives the entire organization and affects its performance. One of the biggest questions, which is constantly being asked by the majority of the managers is, how to motivate an employee and to set a productive environment within an organization. This paper will try to identify the factors, which affect their motives. In the first part of the paper an already existing literature will be studied. The main purpose of this study will be to identify the existing problems, which occur in the workplace. The second part will concentrate on identifying the tasks, which could help managers to motivate their employees. Different theories will be examined, and the effect of their applications will be discussed. The third part will discuss the role of managers in the motivating process. And, finally, the last part will conclude the paper.

Keywords

Motivation, employee, employer, market place, work place, organization, motivation theories

Methodology/Approach

The present paper studies the theoretical concept of how to motivate employees with help of new and innovative trends. The paper also studies the theory contributed by researchers in the area of management which include motivation in workplace, difficulties, theories and their application and conclusion.

Introduction

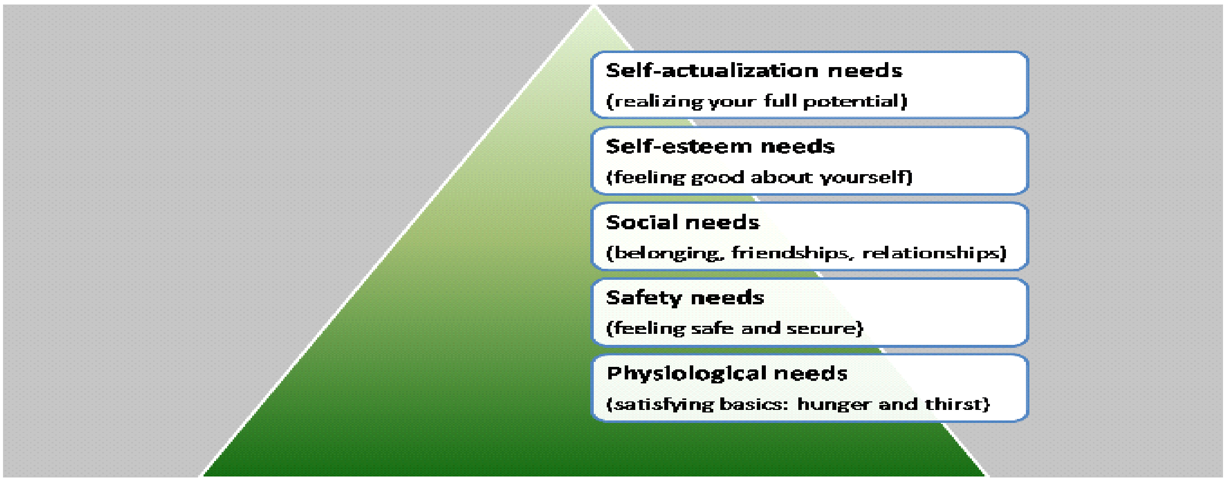
"To win in the marketplace you must first win in the workplace". And to win in the workplace it should be a great area for great people to do great work. These great and engaged employees can be the outcome of motivation, motivation and motivation. An organization cannot be successful without its employees working together as a team toward the same goal. However, motivating people is one of the most difficult tasks for every manager. Every employee in the company is, first of all, an individual and has its own needs and beliefs. Managers have to find the way to set a required environment for everyone to feel satisfied and necessary for the company.

Motivation in the workplace and its major difficulties

The problems in the workplace usually arise because of two things: employee's inability to perform a task and employee's inability to perform the task correctly. While the first factor deals with a person's professional skills, the second one is about his or her role in the company, discipline, and attitude toward the work. Inability to perform a task can be caused by a misunderstanding between an employee and a manager. Workers might not fully understand their responsibilities and tasks within the company. In this case manager can solve the problem by giving clear guidelines and explaining in details, what an employee is responsible for. Inability to perform tasks correctly, on the other hand, is a more important and complex issue. This problem is, usually, caused by the hidden needs and beliefs of an employee. If, for example, a person was raised in the family, where punctuality was never given a great importance, he or she might experience problems with being on time at the meetings and at work in general. A certain employee can be a great professional with a big potential; however, he or she might experience difficulties with sticking to the company's rules. In this case a manager must go deeper into an issue and not just tell the employee, how to work and what to do. It might be easier for a person to quit the job than to change his or her beliefs and habits. However, it might be risky for the company to lose available worker. In the workplace managers muddle up selecting leadership style to be used; as in by charismatic motivational speeches, by giving an example, or by incentives, i.e., by rewarding desired actions and by punishing unwanted activities. The also problem is the way to pick the way to award and punish.

Motivation Theories and their applications

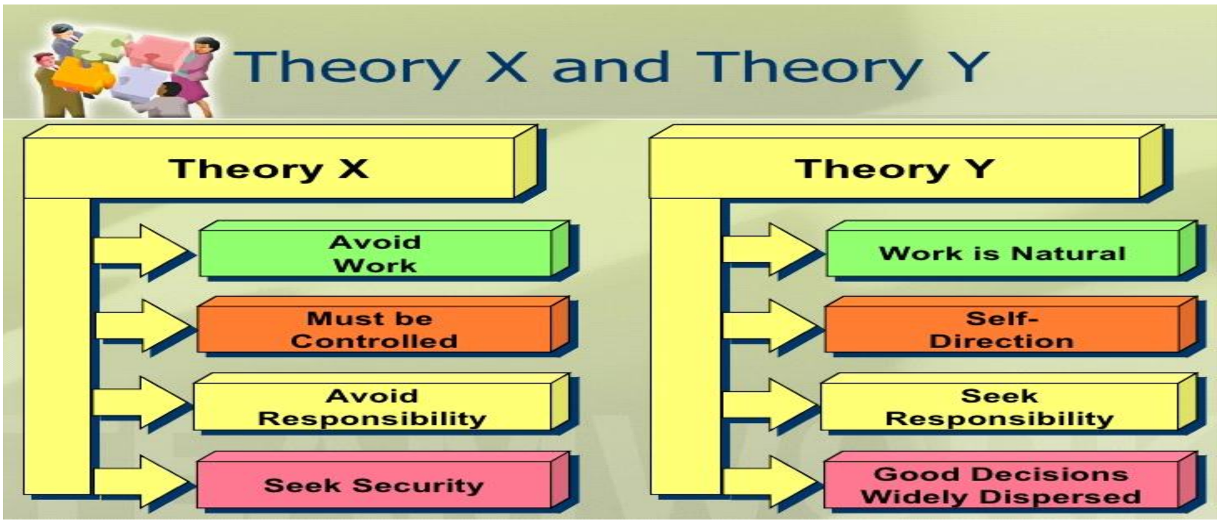
Maslow's Theory: It was mentioned above that each person has his or her own needs and beliefs. Abraham Maslow, however, was the first one, who has developed a theory, where he divided and explained in details certain behavioral features of separate individuals. He divided person's needs in hierarchical way: physiological, safety, social, esteem, and self-actualization. This tree has physiological needs appear to be in the bottom of the pyramid and self-actualization- on top. Psychological needs such as food, air and water become predominant when unmet; Safety needs such as health and security rise to the forefront; then the belongingness needs of love and friendship become important; the next level of esteem needs include the need for recognition from others, confidence, achievement; and the high level of self-fulfillment which is not out of deficiencies rather one's desire for personal growth.

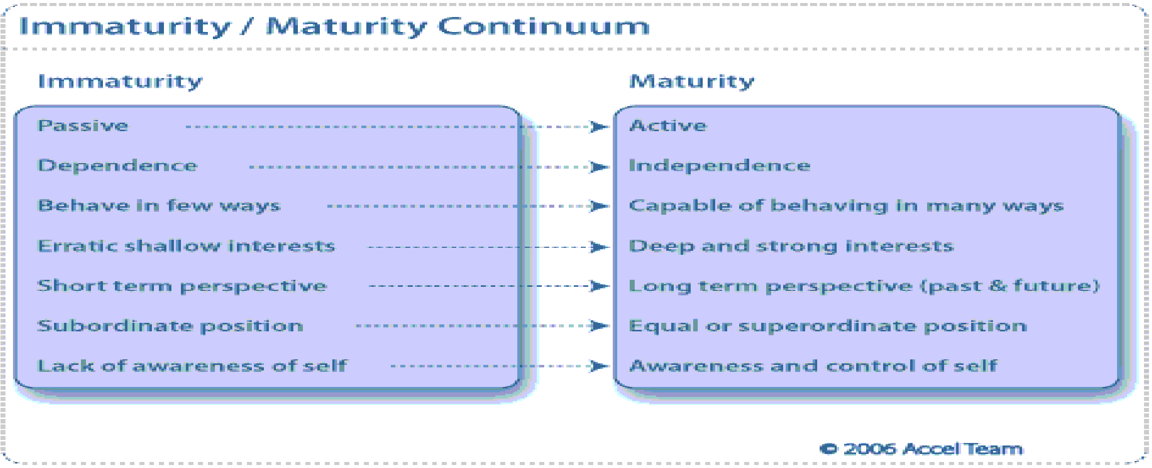


Maslow's theory can be one cogent tool in the hands of a manager. Despite its complication (especially on the higher stages), it illustrates, what are the most important factors, which influence every person's behavior. The problem can be solved relatively easily, if it becomes clear that a person has a difficulty with satisfying one of the above mentioned needs.

Hawthorne Study: Hawthorne study was designed in order to find out whether physical factors influence employees behavior in the workplace. The results were not convincing; however, it helped to understand another important subject. After the study was completed it became clear that workers started working harder after they have felt an increased attention from their managers and as a result of the ability of managers to handle a communication within the team. During the study, managers were constantly around their employees for analyzing changes in their behavior, and, as a result, it has caused workers willing to work more and harder. Researchers understood that a workplace is a social system for the employees, and that it is highly important to create a pleasant environment within the company for people to feel safe and tranquil.

Theory X and Theory Y: Another theory about employee's motivation was developed by Douglas McGregor. It has two distinct sets of assumptions that managers, in general, have about their employees and which often turn out to be self-fulfilling prophesies. Theory X assumes that people dislike work; they want to avoid it and do not want to take responsibility. Theory Y assumes that people are self-motivated, and thrive on responsibility.





. **Motivation-Hygiene Theory:** Motivation-Hygiene Theory', was developed by Frederick Herzberg. In his study he found that there were different factors, which caused satisfaction and dissatisfaction of employees. According to Herzberg's theory employees are satisfied when they are recognized; are allowed to work on their own; are given a responsibility; are able to achieve goals set either by themselves or by a company; etc. However, they are dissatisfied when their salary is too low; they have bad relationships with other employees or with a certain manager; they are being constantly controlled; etc. This theory, which is based on the various employees' evaluations, provides managers with more specific guidelines, which can be used in order to motivate employees and set a pleasant environment within the company.

Manager's role in employee motivation

Managers play the most important role in motivating company's employees. They are responsible for the tasks to be accomplished and for the workers to be satisfied and productive. However, their role in the company is often underestimated. Managers are the people, who have to lead the entire company. They are responsible for setting the goals for the company and communicating it to the employees in a correct way. Employees usually look up to them and expect to see the example of the required model of behavior. Nevertheless, it appears to be one of the most difficult tasks for a manager to guide its employees for a long period of time. It is impossible to motivate someone, if one is not motivated himself. It is important for a manager to enjoy his work and feel connected and responsible towards it.

Managers must understand that organizational goals are somewhat different from those of its employees. There are many things to consider before finding the best method for motivating employees. People vary greatly in their needs, and this makes it very difficult for managers to find one correct approach. Organization and its employees must sometimes be separated in order to better concentrate on each. In any case, whatever the employee’s goals are, they must match with those of an organization. Whenever a manager tries to identify the employees’ goals, he must examine each person separately. As was mentioned above, every person is different and needs a different approach. This might be a difficult task; but it will guarantee the success of the motivating process. It is crucial to be able to talk to each worker and to get a deeper understanding of his beliefs and needs. Manager must understand what it takes for an employee to be satisfied with his work.

In addition to that, motivating employees must not be considered as a task or a project. It is a never-ending process, which should always be maintained and further developed. Motivating requires a lot of time and energy; however, it can be gone very easily. Finally, managers must think of the ways to reward workers for the changes performed by them. Good result must always be noticed and encouraged. It is essential for the employee to feel satisfied with his own work. It is also important for workers to feel their supervisors are satisfied with their performance.

Lost Satisfaction

Market Tools Inc. collected responses from 630 United States employees in September 2010 with the following 5 discoveries made.

1. 39% of workers do not feel appreciated at their work place.
2. 27% are satisfied with the level of recognition they received at their work place while 76% were not.
3. 77% were willing to work harder if they were appreciated while 23% were not willing.

4. It was also discovered that for every 3 employees, 2 were planning to resign from the job. This formed 66% of the sampled population.

5. 40% of the respondents of those that were not planning to resign appreciated more recognition for the work they did.

Why Monetary Incentives Fail

Monetary incentives tend to lack trophy value to employees. They cannot be discussed with others and are often forgotten and spent on everyday needs instead. A compensation package is not seen as an incentive program in the eyes of your employees. Results from a survey conducted by Westminster College U.S indicated that incentives would inspire performance. The list of the top motivational techniques is:

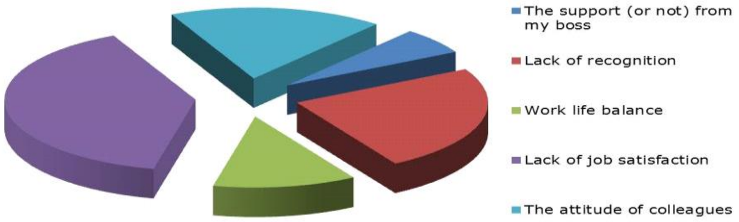
• 32% prefer a boost to their morale.

• 27% love praise and recognition.

• 18% appreciates monetary awards.

Since Money is Not the Issue

People's different line brings different drivers and incentive of life. Let's look to them:



1.27% prefers more opportunities.
2. 20% prefer career development opportunities and training.
3. 15% are in need of a flexible work condition.
4. 9% look towards and improved cooperation among workers.
5. 8% look to a more challenging work environment.
6. 7% prefer a healthy relationship with the manager.
7. 6% prefer clarity about work preferences and career goals.

Improving Performance

Employees desire to receive increasing development that would boost their performance. The following statistics were listed from what employees desire the most out of their employer.

• 25% preferred a clear set of objectives.

• 23% preferred development opportunities.

• 14% wanted a regular feedback on job performance.

• 10% wanted a better work relationship with co-workers.

• 7% prefer a better communication with a manager.

• 6% preferred having a mentor/coach to a manage

In summary, company polices and impulses need to be ideal to recognize the involvement made by employees in the blooming of the firm and also their non-monetary needs. This makes them ardent and fling into their job.

<u>New techniques to motivate employees:</u>

1) Make 'Fun' Part of Your Business Model

When fun is a regular part of work, employees get to know each other as real people. To that end, create a 'Department of Great People and Fun' and instituted 'Pajama' day and 'Dress like the 70s' day. While these ideas are not practical for every work environment, the key is to do something fun, no matter how small, on a regular basis.

2) Give the Company to Your Employees

Ever think about giving your company to your employees? It's called an Employee Stock Ownership Program (ESOP) and may be an attractive way to motivate them, since the structure allows direct profits from the company's success. Providing them a great retirement when they leave, it just made more sense and felt better and better.

3) Write to Them By Hand

Stanley McChrystal, the retired four-star U.S. Army general who served as commander of U.S. and NATO forces in Afghanistan, was once 'boss' to more than 150,000 service members. But that didn't stop him from losing touch with his subordinates. The general says he sent out more than 2,000 thank-you notes to his troops each year.

4) Let Them Rest

Though it may seem counterintuitive, napping may be an excellent way to motivate your workforce. In fact, plenty of companies, both large and small, have created 'nap rooms' where employees can catch a quick snooze, even if only for 15 minutes. It helps people recharge, it helps to think more creatively.

5) The power of a pizza

Taking your team out for lunch is a great way to lift morale and instill a good feeling in the group dynamics. Giving staff something to look forward to, such as pizza, should be something that is planned at least a week in advance.

6) Public praise

Be effusive in praising the efforts of your staffs. We all like praise for a job well done, and taking the time to give sincere and genuine thanks to a staff member in front of their peers will boost their self-esteem.

7) A beer brings cheer

There is a good reason that a drink after work is the traditional way to bond your team. However, there are many ways for coworkers to have fun together that need to involve consuming copious amounts of alcohol: an ‘Away Day’ paintballing or bowling, for example. But if you must drink, don’t get drunk in front of your team- it looks unprofessional.

8) Train all for the price of one

Providing people with the opportunity to attend an external training course is a great means of stimulation and simultaneously shows that you are prepared in their development .After they return, encourage them to outline what they have learned to the rest of your team.

9) Friday afternoon fun

Work doesn’t have to feel like a work all the time, and every hard working team needs a little downtime. Once a month, a Friday afternoon is often is a great time to do something different that keeps people motivated for the following month. Team prizes that combine humor with public recognition will be well received.

10) Additional responsibility

Learn to recognize when a member of your team wants and is ready for additional responsibility. Smart people often crave opportunities for development, figuring that the additional skills they pick up made them more marketable.

11) Job title

It costs nothing to improve someone’s title but may mean a great deal to him or her personally and the way that they are perceived in the workplace.

12) Demonstrate integrity ever day

Nothing destroys team morale and cohesiveness more quickly than a boss who no one trusts, particularly one who plays team members against each other. You must be prepared to demonstrate integrity and stand up your staff at all times.

13) Be flexible and gracious

Sometimes staff members may have to take time off unexpectedly. Try to be gracious and accommodating about such requests. In return, staff will often work exceedingly hard to make up for lost effort. Indeed, when happy, we’re all more productive.

14) Clear goals to a rewarding career

People need clear goals for the short and medium term at work. Do your best tp provide those objectives and steer staff towards meeting them.

Conclusion

Despite of the method, which a manger thinks is the best to use, the most important thing in motivating employees is to understand its importance and necessity. Employees, which are motivated in the correct way, will be a good tool in every manager's hands. It will not only guarantee the success of an organization, but also will make the process of running business easier and pleasant. It will aware about the engaged and disengaged employees having respective consequences. This paper has illustrated that the common beliefs can often cause the negative results. It has shown that awarding techniques sometimes result in the employee's discouragement. It has also shown that punishing techniques are more effective than awarding ones. Finally, it has illustrated that the motivating process is very complex and involves many nuances, which need to be considered by a manager. When you're successfully motivating employees, success is inevitable.

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CHALLENGES BEFORE E-COMMERCE IN INDIA

JAGRIT YERNE ***GUIDE: PROF. AMOL MANE***

Abstract:

E-commerce stands for electronic commerce. E-commerce means doing business online and electronically. E-commerce is booming rapidly in India. This paper attempts to highlight the different challenges faced by e-commerce in India.

Key words: Internet, e-commerce, Challenges

Introduction:

Electronic commerce comprises core business processes of buying and selling, goods, services and information over the internet. Electronic commerce refers to wide range of online business activities for products and services.

E-commerce is the use of electronic communications and digital information processing technology in business transactions to create, transform and redefine relationships for value creation between organizations and individuals.

Objective of Research:

- To study the growth & Development of e-commerce in India.
- To study the various challenges faced by E-commerce in India.

Research Methodology:

The information has been collected through secondary data i.e. research articles, research papers, newspaper, books, websites etc.

Growth and Development:

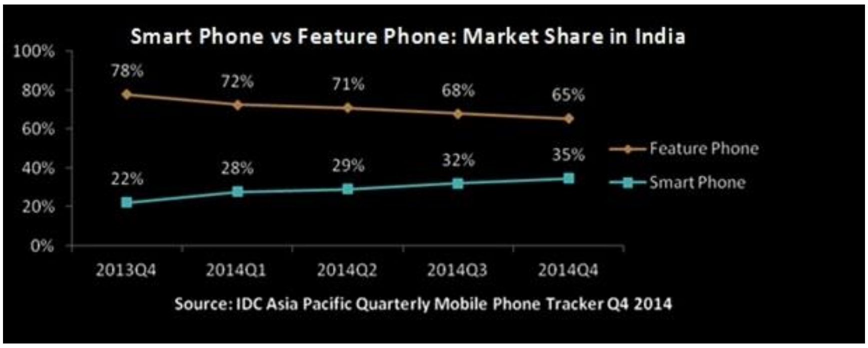
There is a massive growth in Internet and 3G Penetration in India. Following factors contribute in the growth and development of e-commerce in India:

- Availability of a much wider product range, legends and new e-Commerce players (including online purchase from international retailers and direct imports) compared to what is available at brick and mortar retailers.
- Busy lifestyles, urban traffic congestion and lack of time for off-line shopping.
- Real product experiences, flexibility to compare services/product, enhanced shopping experience (payment, shipping etc.) through shopping cart.
- The 100 % focus on Mobile app strategy only- Shopping on apps vs. websites.

Challenges :

1. **High Return Rates:** Though the trend is changing still e-Commerce players are experiencing heavy product return rates, which are incurring losses for them, as reverse logistics presents unique challenges..

2. **Consumer prefer COD (Cash on delivery):** Due to trust deficiency; still lots of people don't prefer to use a credit / debit card or internet banking methods for transaction, rather they opt for "Cash on Delivery" which is risky and leads less business margin.
3. **Payment gateways Inefficiency**: Consumers usually experience a high failure rate of payment gateways. Usually once a customer does not reattempt after a transaction failure. It leads to loss of businesses.
4. **Quality Internet penetration**: India has an internet penetration of about 19% in comparison to countries like US & UK where it is up to 90%. However, that is not the concern for e Commerce players it is prospecting, the major challenge is about quality of connectivity. The speed and frequent drops cause frustration and restrict user from using e Commerce for their major source of buying.



5. **Feature phones still rule the roost:** Majority of the population resides in villages and rural areas where the majority of residents use feature phones, not smart phones. However, this shift is being changed and with a steady rate it is growing up.
6. **Reliable Logistic and Supply Chain:** India is a large country which has thousands of cities and areas which are not easily accessible. Though the Metropolitan cities and other major urban centers have not issue with supply chain, but the attraction lies in market size due to its large population. Through eCommerce consumer want to buy a product in not just efficient manner but also expect to get it delivered at their place in least possible time.
7. **Tax norms and compliances:** Yet a lot of initiatives have to be taken by government to simplify complex tax norms which have different rates at different states.

Conclusion:

A developing country can become industrialized and modernized if it can extensively apply IT to enhance productivity and international competitiveness, develop e-commerce and e-governance applications. An information-based society or knowledge based society is composed of IT products, IT applications in society and economy as a whole. Internet economy will then become more meaningful in India. With the rapid expansion of internet, e-commerce, is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and small companies. The role of government is to provide a legal framework for E Commerce so that while domestic and international trade are allowed to expand their horizons, basic rights such as privacy, intellectual property, prevention of fraud, consumer protection etc are all taken care of and India is on the way of e-commerce.

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IMPLICATIONS OF SOCIAL MEDIA AMONGST COLLEGE STUDENTS

POOJA VASUDEO JOSHI & KAPIL MOHAN RAWLAI
GUIDE: PROF. VINITA NAWALAKHA

ABSTRACT

There is no doubt that Social media has gained wider acceptability and usability. It is also becoming the most important communication tool among students, especially at the higher level of educational pursuit. Social media is viewed as having bridged the gap in communication. Among the social media,Facebook,Twitter,whatsapp and other are gaining popularity. These websites and social forums are way of communicating directly with other people. Social media has the potentials of influencing decision. Herein with this paper, the researcher is focusing on the impact of whatsapp on the college students. Whatsapp and other social networking sites are seen as ‘GLOBAL CONSUMER PHENOMENON’ with an exponential rise in usage, within last few years. Therefore this study is intended to provide conceptual insight into emerging phenomenon of addiction to whatsapp. The findings indicate that extraverts appear to use whatsapp for social enhancement, whereas introverts use it for social compensation. Negative correlates of whatsapp usage include decrease in real life social community participation and academic achievements as well as relationship problems, each of which may be indicative of potential addiction.

INTRODUCTION

Social Networking Site (SNS) is a web based service, that allows user to construct a public profile, which facilitates to connect with other people. New developments in technological world had paved way for individuals and families to communicate through social media. Various social medias like FACEBOOK, TWITTER, WHATSAPP etc, are used to create and sustain relationships. Also users can upload their photos, post what they are doing, at any given time and send personal or public messages to whomever they choose.

In this information age, social media sites seem to be growing in popularity rapidly, especially among youth. In particular college students form a large proportion of users on social media networks. Social media networks offer a straight forward way to converse with peers and get a feedback which may influence young adults self esteem for e.g.: whatsapp is used by students primarily to maintain relationships with individuals they are acquainted with who live, near and far. This field of study is important because socialising is the underlying theme in using forms of social media, since this social media phenomenon is continuing to grow at a fast pace. Smart phones have become super colossal and crowd pleasing because many free applications such as whatsapp have been launched which entirely makes it more popular. The idea that this application is plainly a messaging application with no advertisements, games, reminders, gimmicks and extra banners. This is the major reason that users get addicted to it. But every beautiful thing has a dark side, in the same way whatsapp has its own disadvantages i.e it keeps you busy, it creates social detachment, becomes watchdog, etc.

Students were asked whether spending time on whatsapp affect their time management and schedule, whether they loose their productivity at work or study? whether it affects the use of proper language ? Also the researcher investigated that, does whatsapp help in instant communication? Whether it reduces the cost of communication? The questionnaire includes whether whatsapp reduces the real life interactions? Also whether it satisfies their emotional needs, etc.

RESEARCH METHODOLOGY

OBJECTIVES

- To study the implications of social media networking amongst college students.
- To understand the effects of social media on personal communication as it is growing at a fast pace.

HYPOTHESIS :STUDENTS ARE ADDICTED TO WHATSAPP

SAMPLE SIZE

A sample size of 60 students was taken

RESPONDENTS SELECTED

- Students from S.Y.B.COM.
- Students from S.Y/T.Y.BBA.
- Students from F.Y/S.Y/T.Y.BA

SOURCES OF DATA COLLECTION

- PRIMARY DATA : Collected through survey (questionnaire)
- SECONDARY DATA : Internet- wikipedia ,google

  Books –reference from SYBCOM communication book

LIMITATION

The study was conducted at SP COLLEGE only.

FINDINGS

Sr. No.	QUESTIONS	YES (%)	NO (%)	SOMETIMES (%)
1	Do you think you are addicted to Whatsapp?	40	27	33
2	Whether it affects your time management and schedule?	25	55	20
3	Whether you loose your productivity at work or study?	40	40	20
4	Does it help you in instant communication?	60	27	13

5	Do you use this tool in reducing the cost of communication?	57	28	15
6	Do you rely on the information you receive on Whatsapp?	35	23	42
7	Do you think Whatsapp is knowledge sharing tool?	48	12	40
8	Does it affect the proper use of language?	52	32	16
9	Does it satisfy your emotional needs?	30	37	33
10	Do you think it has reduced your real life interaction?	57	15	28

TABLE : 1.1

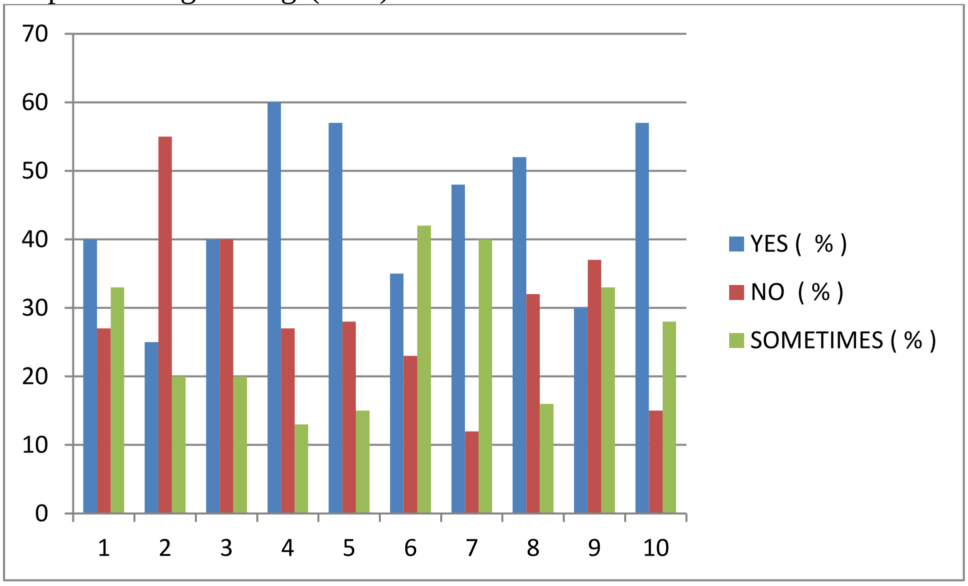
SOURCE : PRIMARY DATA

1. The findings indicated that 40% students are addicted to whatsapp. According to one of the previous survey only 25% students were addicted to whatsapp(sample size 60 students). There is a 15% rise as compared to previous survey.27% students say no,they are not addicted and 33% students say sometimes they are addicted to whatsapp.
2. 57% students say they use whatsapp as a cost reducing tool and 60% students say they use whatsapp for instant communication.27% students say they don't use whatsapp as a source of instant communication and 13% students say they sometimes use whatsapp as a instant communication tool.28% students say they don't use whatsapp as a cost reducing tool and 15% students say sometimes they use whatsapp as a cost reducing tool.
3. Mostly short forms of language are used while communicating on whatsapp to reduce the time and to type fast. Due to this, in examinations same form of language is used.when students were asked about this,52% students said yes whatsapp has affected the proper use of language.32% said no and 16% students said sometimes it affects the use of proper language.
4. Not only whatsapp but several other social medias have reduced the real life interaction. Hardly people meet and have a conversation.57% students say yes

whatsapp has reduced their real life interaction with friends and even families.28% students say sometimes use of whatsapp reduces the real life interaction,but only 15% say no whatsapp has not affected the real life interaction. When asked about the satisfaction of emotional needs,30% said yes it satisfies their emotional needs,37% said no,it does not satisfy their emotional needs and 33% said sometimes it satisfies their emotional needs. The response was mixed and so no definite inference can be drawn. Surprisingly 55% students said that whatsapp didn't affect their time management and schedule. Only 25% students said yes and 20% said sometimes it affects their time management.

5. 40% students said yes and 40% said no,20% said sometimes, when asked whether whatsapp reduces their productivity at work or study. Only 35% students rely on the information received on whatsapp.23% students said no and 42% students said sometimes they rely on the information received on whatsapp.48% of the students think that whatsapp is really a knowledge sharing tool.12% students said no and 40% students said sometimes they think whatsapp is a knowledge sharing tool.

Graph showing findings(in %)



Graph 1.1

RECOMMENDATIONS

Following can be ways to reduce the whatsapp addiction

- Finding a better addiction

  Eg : reading books, playing musical instruments, etc

- To un-install the application
- One can simply decide a time when to check it

- Avoiding sending jokes, irrelevant messages etc. Once in a while is ok, but making it a daily practice is not good.
- Whatsapp should be used as a communication tool only, addiction should be avoided.

JUSTIFICATION OF HYPOTHESIS :

QUE : Do you think you are addicted to whatsapp ?

ANS : Yes-40%

Sometimes -33%

No -27%

So 73% respondents says that they are using whatsapp in which 40% are addicted to whatsapp and 33% are sometimes addicted to it.

Hence, hypothesis is accepted.

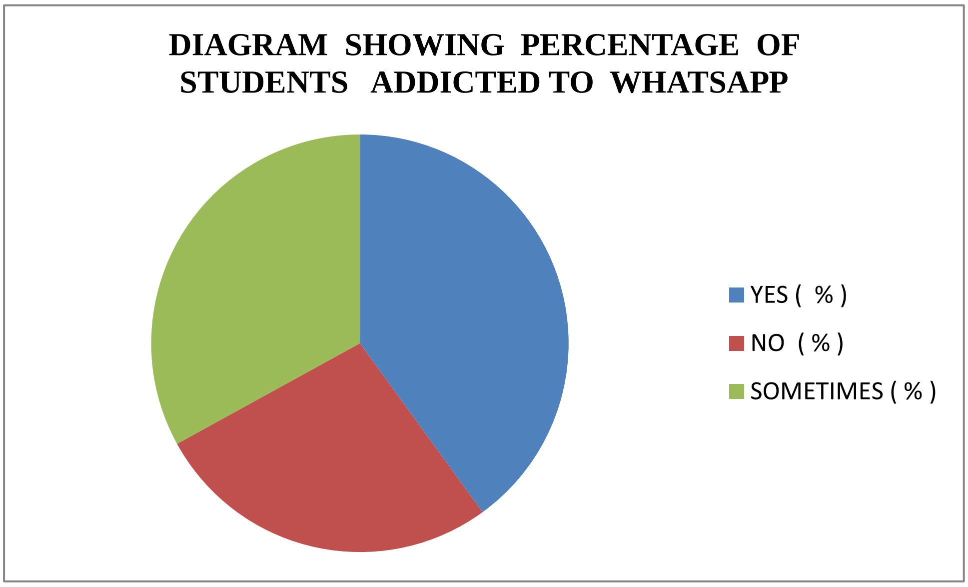


Diagram 1.1

CONCLUSION

From the survey it could be said that the percentage of whatsapp addiction among students is rising. There could potentially be a cause for concern particularly,when there is a rise in amount of time,students spend online. The stated recommendations can be taken into consideration to reduce the whatsapp addiction. Students should not forget the main aim behind whatsapp and other social medias that,it is just a medium to connect to people and share information.

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APPENDIX :
QUESTIONNAIRE FOR STUDENTS

Sr. No.	QUESTIONS
1	Do you think you are addicted to Whatsapp?
2	Whether it affects your time management and schedule?
3	Whether you loose your productivity at work or study?
4	Does it help you in instant communication?
5	Do you use this tool in reducing the cost of communication?
6	Do you rely on the information you receive on Whatsapp?
7	Do you think Whatsapp is knowledge sharing tool?
8	Does it affect the proper use of language?
9	Does it satisfy your emotional needs?
10	Do you think it has reduced your real life interaction?

MONEY LAUNDERING AND FINANCING OF TERRORISM

GHULAM HOSAIN ANOSH AND MOHAMMAD JAWID AHMADI
GUIDE: YOGESH S. BHUSARI

Abstract:

This paper involves describing the term money laundering and financing of terrorism. This is draws upon anti-money laundering and counter financing of terrorism.

First of all you will read about money laundering and financing of terrorism. In this part we introduced the term ML/FT, than defined this two term and finally we write about meaning of ML/FT. secondly we explain the methods of money laundering and terrorism financing. In this you will get basic idea about how money going to launder and use this laundered money for financing of terrorism. We also explain the stages of money laundering and financing of terrorism. Thirdly we are talked about the anti-money laundering and counter financing of terrorism (AML/CFT). In this part we introduce some institutions to combat money laundering and financing of terrorism in both India as well as international level. Finally we discussed about consequences of money laundering and counter financing of terrorism and also consequences of effective anti-money laundering and combating with financing of terrorism.

Key words: *Money laundering, Financing of terrorism, legitimate source, combating, counter, and criminal.*

1. Introduction to money laundering and terrorist financing:

The goal of a large number of criminal acts is to generate a profit for the individual or group that carries out the act. Money laundering is the processing of these criminal proceeds to disguise their illegal origin. This process is of critical importance, as it enables the criminal to enjoy these profits without jeopardizing their source.[1] "Money-laundering" is the participation in any activity that seeks to acquire, possess, use, convert, transfer, conceal or disguise the true nature, origin, location, disposal, movement or ownership of assets, in the knowledge that such assets are derived from criminal activity or from participation in criminal activity. [2]

Meaning of money laundering and terrorist financing

[1] Financial Act Task Force (FATF) http://www.fatf-gafi.org/faq/moneylaundering/
[2] money-laundering and terrorism financing prevention- Santander group global policy June-2010

The term "money laundering" is said to have originated from the mafia ownership of Laundromats in the United States. The mafia earned huge amounts from extortion, gambling etc. and showed legitimate source (such as Laundromats) for these monies.[1]

Money laundering is a process by which the illicit source of assets obtained or generated by criminal activity is concealed to obscure the link between the funds and the original criminal activity. Terrorist financing involves the raising and processing of assets to supply terrorists with resources to pursue their activities. While these two phenomena differ in many ways, they often exploit the same vulnerabilities in financial systems that allow for an inappropriate level of anonymity and non-transparency in the execution of financial transactions.[2]

2. Literature review:

How well do countries meet the AML/CFT standard? Interest in this question has grown as the international community (the FATF, the FATF- Style Regional Bodies, and the International Financial Institutions) reached the end of the third round of peer assessments and the completion of 161 mutual evaluation reports. This paper examines countries' compliance with the AML/CFT standard, and the effect of domestic factors on countries' compliance with the AML/CFT standard. While the literature on how well do countries meet the AML/CFT standard is large, the literature on the effect of domestic factors on countries' compliance with the AML/CFT is sparse. In the following, we discuss a subset of this literature.

A report on the overall compliance with FATF recommendations was prepared in 2005.[3] For that paper, the overall compliance with the recommendations of 18 countries (seven high incomes, six middle incomes, and five low incomes) was assessed.

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[1] Rediff.com http://www.rediff.com/money/report/how-money-is-laundered-in-india/20131231.htm

[2] IMF http://www.imf.org/external/np/exr/facts/aml.htm

[3] IMF and World Bank, Anti-Money Laundering and Combating the Financing of Terrorism: Observations from The Work Program and Implications Going Forward, Supplementary Information, August 31, 2005, pp. 5– 11. The IMF focused its analysis on the results of the assessments by 18 countries on compliance with AML/CFT standard using the 2004 methodology, later comparing results obtained in these countries in 2001 and 2004. The report shows that overall compliance with FATF Recommendations in the revised standard is lower across all the assessed countries compared to the earlier 1996 standard. Compliance with the CFT special recommendations is particularly weak. Compliance with main AML/CFT preventive measures has become more difficult. Countries are just beginning to address AML/CFT obligations for designated non-financial businesses and professions (DNFBPs) and non-profit organizations (NPOs). See also, Howell (2007) and Johnston (2008), for literature review, the later also reports low level of compliance during the third round of evaluations.

Putnam (1988) argues that the effectiveness of an international AML/CFT regime largely depends on the effectiveness of its constituents and vice versa.[1] Due to the global nature of ML/FT phenomena, the compliance of domestic regimes with the AML/CFT international standard is seen as the first mechanism for achieving the global effectiveness of AML/CFT regime against a global phenomenon.

Several authors argue that domestic factors determine the likelihood for implementing international standards. A typical explanation often cited for the absence of countries' convergence in international rules is that domestic differences persist.[2] The literature emphasizes the role of framework conditions such as cultural, institutional and socioeconomic settings as determining the likelihood of change to implement and harmonize international standards.

The relationship between some economic and financial domestic conditions is somewhat less clearly established. Some socioeconomic and financial domestic conditions are rarely mentioned in the literature but are especially relevant for compliance with the AML/CFT regime. This paper examines the effects of domestic factors, specifically domestic economic and financial factors, on countries' compliance with the AML/CFT standard.

3. Objectives

- ✓ To identify the term money laundering and financing of terrorism.
- ✓ To understand the methods of money laundering and financing of terrorism.
- ✓ To study the different stage of money laundering and financing of terrorism.
- ✓ To recognize where dose money launder.
- ✓ To identify the source of financing of terrorism.
- ✓ To describe how to fight against money laundering and financing of terrorism.
- ✓ To analysis the amount of money which are laundering every year and finance the terrorism.

4. Research methodology

The information in this paper is provided from internet and different articles which already wrote by some other researcher. So we can call it secondary methodology of research. The data which we are collected, they are from reliable sources and websites. Some fact and figure which is provided in this paper are from previous researched papers which have done

[1] To link domestic and international regimes more closely, we turn to Putnam (1988), who has suggested that episodes of international cooperation must be viewed as "two-level games."

[2] Busch 2002; Bissessar 2002; Bleiklie 2001; Coleman et al.,1998; De Bandt et al., 2000; Eyre et al., 2000; K. Harrison 2002; Howlett 1994; Lutz 2004, as cited in Heichel et al., 2005

by international organizations on anti-money laundering and combating financing of terrorism.

5. Methods of money laundering

Money laundering is a way for criminals to hide the cash proceeds of their illegal schemes. There are several ways to do this. They include using shell companies, small bank deposits, and regular, consistent bank deposits.[1]

i. **Creating Shell Company:** A shell company is an entity that has no active business and usually exists only in name as a vehicle for another company's business operations.[2] , shell companies are utilized by criminals to facilitate fraudulent activities. Such activities include money laundering, billing schemes, fictitious service schemes, bankruptcy fraud, tax evasion, and market manipulation.[3] Examples may include mechanics, landscapers, or hairstylists.

ii. **Investing in legitimate business:** Instead of creating a shell company, an alternative for money laundering may be to invest in a legitimate business, such as a casino or bar. The launderer can combine his illicit funds with the real income of the business or use the company's bank accounts to conceal the funds.[4]

iii. **Small amount of deposit on several banks:** Another method of money laundering involves making steady, consistent, legitimate deposits at a bank before the actual laundering occurs. For example in a reported case on money laundering, Sahara group deposited amount of Rs.3600 Crores on 4500 bank account on UK and US.[5] This method is sometimes referred to as "structuring" or "smurfing."

iv. **Offshore banks or banks in other countries:** Other money launderers may use offshore banks, or banks in other countries, to avoid detection in their own country. In years past, Switzerland was often considered an ideal source for storing laundered. Due to pressure by the U.S. government, however, it is now easier to keep watch over transactions that occur at Swiss banks. Other banks that may be used in money laundering can be found in places such as Hong Kong, Aruba, Ghana, and other countries.

v. **Underground banks:** Rather than make deposits in legitimate banks, some money laundering schemes use "underground" banks. These banks are not investigated by the government, and leave no paper trail. Such banks must therefore operate on a trust system

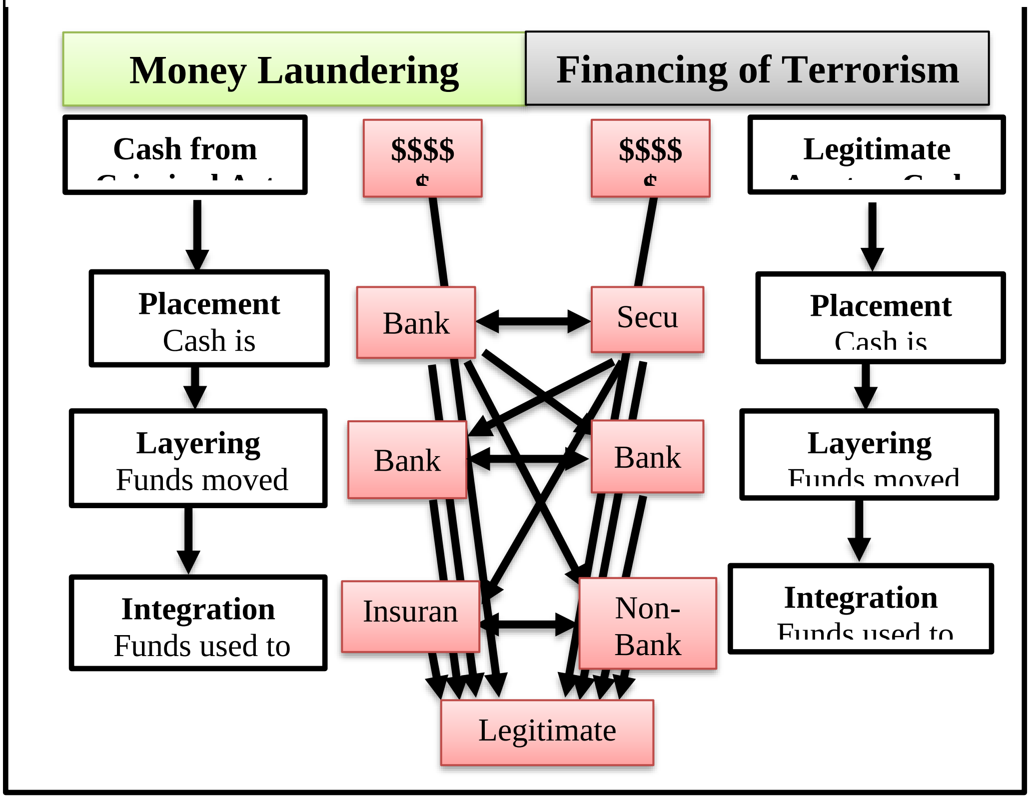
[1] http://www.wisegeek.com/what-are-the-different-types-of-money-laundering.htm
[2] Black's law dictionary
[3] Shell Companies By Marina Kinner, Siena College Leonard W. Vona, CPA, CFE
[4] http://www.wisegeek.com/what-are-the-different-types-of-money-laundering.htm
[5] India to day: http://indiatoday.intoday.in/story/money-laundering-case-ed-probes-4500-bank-accounts-of-sahara-group/1/496196.html October, 11, 2015

among those who use them. Two underground banks include the Chinese “fie chen” system and Pakistan's “hawala” system.

6. Stage of money laundering and terrorist financing

The initial concern over money laundering began with its early connection to illegal trafficking in narcotic drugs. The objective of drug traffickers was to convert typically small denominations of currency into legal bank accounts, financial instruments, or other assets. Regardless of the crime, money launderers resort to placement, layering, and integration in the process of turning illicit proceeds into legal monies or goods.[1]

Figure 1: Stage of money laundering and terrorist financing



[1] World bank, Money Laundering and Terrorist Financing: Definitions and Explanations page 7

i. **Placement**

At this stage, the launderer inserts the dirty money into a legitimate financial institution. This is often in the form of cash bank deposits.1 Generally, this stage serves two purposes: (a) it relieves the criminal of holding and guarding large amounts of bulky of cash; and (b) it places the money into the legitimate financial system. This is due to the fact that placing large amounts of money (cash) into the legitimate financial system may raise suspicions of officials. Some other common methods includes: loan repayment, gambling, currency smuggling, currency exchange, blending funds, etc.[2]

ii. **Layering**

The layering stage in the money-laundering process entails the transfer of funds between different locations and the continuous conversion of these funds from one type of instrument to another. During the layering stage, the funds or instruments are distributed through the financial system by using a series of transactions including electronic wire transfers, shell corporations, false invoicing, and fictitious import and export transactions.[3]

iii. **Integration**

The third stage involves the integration of funds into the legitimate economy. This is accomplished through the purchase of assets, such as real estate, securities or other financial assets, or luxury goods.[4]

These three stages are also seen in terrorist financing schemes, except that stage three integration involves the distribution of funds to terrorists and their organizations, while money laundering, as discussed previously, goes in the opposite direction—integrating criminal funds into the legitimate economy.

7. India and money laundering:

Out of 140 countries, India has been ranked 93rd and 70th in 2012 and 2013 respectively with a score of 6.05 in 2012 and 5.95 in 2013, as compared to Norway, which has a score of 2.36 and ranks No. 1 in the Anti Money Laundering (AML) Basel Index 2013.

This clearly shows that India, in the present-day scenario, is very vulnerable to money laundering activities and is a high risk zone. It is estimated that a total of $343

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[1] Money http://money.howstuffworks.com/money-laundering1.htm

[2] About business situation crime Inc. https://www.moneylaundering.ca/public/law/3_stages_ML.php#placement

[3] https://www.issafrica.org/pubs/Monographs/No51/Chap2.html

[4] World bank, Money Laundering and Terrorist Financing: Definitions and Explanations page 8

billion has been laundered out of India during the period 2002-2011[1]. On October, 12, 2015, Six Arrested in Bank of Baroda's Money Laundering Case. In this case Rs. 6000 crores laundered, - this money was being transferred through 59 accounts at the bank's Ashok Vihar branch to companies in Hong Kong and Dubai. The money was disguised as payments for imports.

Combating Money Laundering and terrorist financing in India:

In India, before the enactment of Prevention of Money Laundering Act, 2002 (PMLA) the major statutes that incorporated measures to address the problem of money laundering were[2]:

→ The Income Tax Act, 1961

→ The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA)

→The Smugglers and Foreign Exchange Manipulators Act, 1976 (SAFEMA)

→ The Narcotic Drugs and Psychotropic Substances Act, 1985 (NDPSA)

→ The Benami Transactions (Prohibition) Act, 1988

→ The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988

→ The Foreign Exchange Management Act, 2000, (FEMA)

Prevention of Money Laundering Act 2002:

PMLA, 2002 came into force w.e.f 1st July 2005, and was amended in 2009, and 2013, Budget 2015 also proposes some changes. It extends to whole of India including Jammu and Kashmir. Preamble is to prevent money-laundering and provide for confiscation of property derived from, or involved in money-laundering and to punish those who commit the offence.[3]

The number of money laundering cases filed under the Prevention of Money Laundering Act, 2002 from the year 2008 till 2015 in various High Courts and the Supreme Court are:[4]

Years	2008	2009	2010	2011	2012	2013	2014	2015

[1] http://www.rediff.com/business/report/how-money-is-laundered-in-india/20131231.htm

[2] By Paridhi Saxena, Student, 4th Year, BA.LLB. (H), Hidayatullah National Law University, Raipur, Available here: http://www.nja.nic.in/4.1.%20Paper-%20Money%20Laundering_1_%20Paridhi%20Saxena.pdf

[3] Introduction to PMLA- WIRC OF ICAI By: CA Dilip M. Shah (http://www.mashahca.com) , 4th April, 2015, Available here: http://www.wirc-icai.org/(X(1)S(xh34ac55rimxe555rkse2i2e))/material/Introduction-to-PMLA.pdf

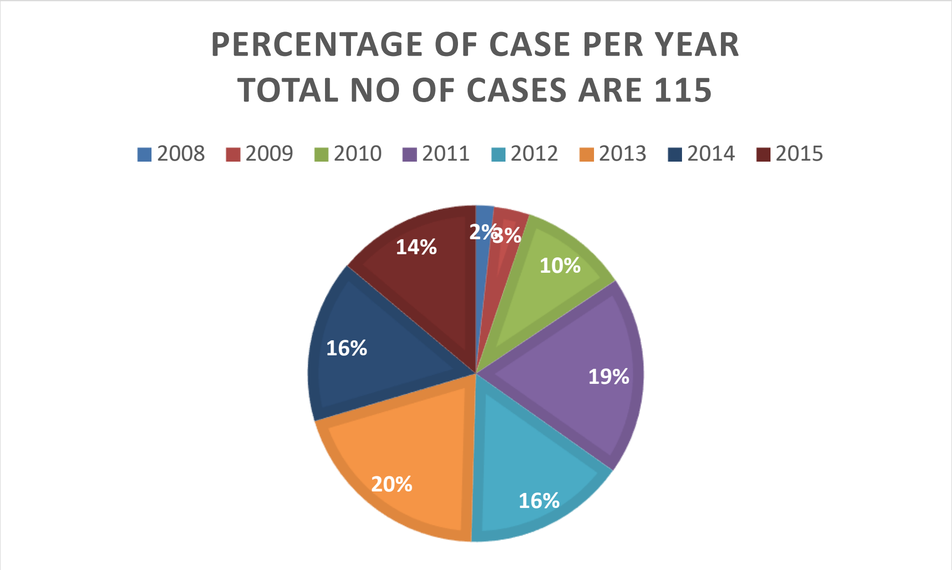
[4] MONEY LAUNDERING IN INDIA1- Paridhi Saxena, NLU, Raipur, available here: http://www.nja.nic.in/4.1.%20Paper-%20Money%20Laundering_1_%20Paridhi%20Saxena.pdf

No. of case filed	2	4	12	22	18	23	18	16

Table1: percentage of case per year in India

The table can be depicted in terms of percentage in the following chart where the total number of cases filed during the aforementioned period is 115.

Figure 2 Percentage of Case per year total number of cases are 115



To interpret the above data, obviously the number of case on money laundering is increased year after year. From 2% at 2008 increased to 19% at 201. In 2012 and 2014 the number of case was same, in 2013 is very high and 2015 decreased as compare to 2013 and 14 bout very high as compare to 2008. It shows that there is a lots of money are launder every year.

Know your Customer (KYC):

Reserve Bank of India has been issued guidelines in regard to Know Your Customer (KYC) standards to be followed by banks and measures to be taken in regard to Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT). The guidelines incorporate the:

• Obligations cast on banks under the Prevention of Money Laundering Act (PMLA), 2002.

• Recommendations made by the Financial Action Task Force (FATF) on AML standards and CFT.

• Paper issued on Customer Due Diligences (CDD) for banks by the Basel Committee on Banking Supervision.[1]

[1] Ellaquai Dehati Bank, Available here: http://www.edb.org.in/circulars/KYCAML.pdf

The objective of the KYC guidelines is to prevent banks from being used, intentionally or unintentionally, by criminal elements for money laundering activities. KYC procedures enable banks to know/understand their customers and their financial dealings better which in turn help them manage their risks prudently.[1]

8. Effects of Money Laundering and Terrorist Financing:

While money laundering and the financing of terrorism can occur in any country, they have particularly significant economic and social consequences for developing countries[2].

The following are some consequences of money laundering and terrorist financing:[3]

i. **Increased Crime and Corruption**: Successful money laundering helps make criminal activities profitable. Thus, to the extent that a country is viewed as a haven for money laundering, it is likely to attract criminals and promote corruption.

ii. **Damaged Reputations and International Consequences:** A reputation as a money laundering or terrorist financing haven, alone, could cause significant adverse consequences for development in a country. Foreign financial institutions may decide to limit their transactions with institutions from money laundering havens; subject these transactions to extra scrutiny, making them more expensive; or terminate correspondent or lending relationships altogether.

iii. **Weakened Financial Institutions:** Money laundering and terrorist financing can harm the soundness of a country's financial sector, as well as the stability of individual financial institutions in multiple ways. This effects are: loss of profitable business, liquidity problems through withdrawal of funds, termination of correspondent banking facilities, investigation costs and fines, asset seizures, loan losses and declines in the stock value of financial institutions.

iv. **Compromised Economy and Private Sector:** Money launderers are known to use "front companies," i.e., business enterprises that appear legitimate and engage in legitimate business but are, in fact, controlled by criminals. These front companies co-mingle the illicit funds with legitimate funds in order to hide the ill-gotten proceeds.

v. **Damaged Privatization Efforts:** Money launderers threaten the efforts of many countries to reform their economies through privatization. These criminal organizations are capable of outbidding legitimate purchasers of former state-owned enterprises.

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[1] J&K Bank, Available here: http://www.jkbank.net/pdfs/policy/revaml.pdf

[2] Reference Guide to Anti-Money Laundering and Combating the Financing of Terrorism (Second Edition), Paul Allan Schott page 1

[3] World Bank, Money Laundering Impacts Development, Page 3-7

9. Methods to combat money laundering

Every country has their own rules and regulation to combat with money laundering and terrorist financing. In India the two rules i.e. prevention of money laundering Act 2002 and Know Your Customer guidelines by RBI, set rules to combat money laundering and financing of terrorists. However in international level, there is different organization to combat money laundering e.g. UNODC and FATF. The most important of them are Financial Action Task Force.

Financial Action Task Force on Money Laundering (FATF):

The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The mandate of the FATF is to set standards and to promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and the financing of proliferation, and other related threats to the integrity of the international financial system. In collaboration with other international stakeholders, the FATF also works to identify national-level vulnerabilities with the aim of protecting the international financial system from misuse.

The FATF recommendation[1] set out the essential measures that countries should have in place to:

- identify the risks, and develop policies and domestic coordination;
- pursue money laundering, terrorist financing and the financing of proliferation;
- apply preventive measures for the financial sector and other designated sectors;
- establish powers and responsibilities for the competent authorities (e.g., investigative, law enforcement and supervisory authorities) and other institutional measures;
- Enhance the transparency and availability of beneficial ownership information of legal persons and arrangements.

In light of the growing threat of ISIL and other terrorist groups, the FATF conducted an urgent review of 194 jurisdictions in the global AML/CFT network, to determine whether they have implemented key measures to cut off terrorism-related finance, as part of a comprehensive AML/CFT framework.[2]

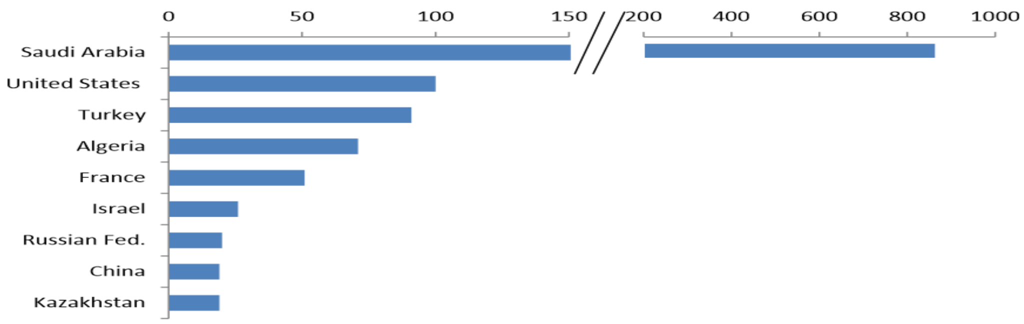
Among the 33 jurisdictions which have obtained convictions, the number of cases varies greatly: the number of convictions in each country since 2010 ranges from 1 to 863. The jurisdictions generating most convictions for terrorist financing are shown in the chart below:

[1] FATF recommendation 2012 available here: http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF_Recommendations.pdf

[2] FATF recommendation Nov. 2015, available: http://www.fatf-gafi.org/media/fatf/documents/reports/Terrorist-financing-actions-taken-by-FATF.pdf

Figure 3 Conviction for terrorist financing

(Ten jurisdictions with the greatest number of convictions. Note truncated axis truncated axis)



Terrorist financing is generally treated as a serious crime. The maximum sentence in most jurisdictions is between ten years and life imprisonment, although there are some jurisdictions outside this range. In three jurisdictions, terrorist financing is potentially punishable with the death penalty; and in five jurisdiction, the maximum sentence is five years or less.

10. The Benefits of an Effective AML/CFT Framework:

An effective AML/CFT has so many benefit, but important of them are as follow:[1]

Figure 4 Benefit of AML/CFT

Benefits of effective AML/CFT	Fighting Crime and Corruption
	Enhancing Stability of Financial Institutions
	Encouraging Economic Development

i. **Fighting Crime and Corruption:** A strong AML/CFT institutional framework that includes a broad scope of predicate offenses for money laundering helps to fight crime and corruption in general. When money laundering itself is made a crime, it provides another avenue to prosecute criminals, both those who commit the underlying criminal acts and those who assist them through laundering illegally obtained funds.

[1] Reference Guide to Anti-Money Laundering and Combating the Financing of Terrorism (Second Edition), Paul Allan Schott page 7

ii. **Enhancing Stability of Financial Institutions:** Public confidence in financial institutions, and hence their stability, is enhanced by sound banking practices that reduce financial risks to their operations. These risks include the potential that either individuals or financial institutions will experience loss as a result of fraud from direct criminal activity, lax internal controls, or violations of laws and regulations.

iii. **Encouraging Economic Development:** Strong AML/CFT regimes provide a disincentive for the criminal involvement in the economy. This permits investments to be put into productive purposes that respond to consumer needs and help the productivity of the overall economy.

11. Limitation of this paper

As you read about our objectives, we achieved some of those objectives, but still there is lots of things we need to know about money laundering and financing of terrorism e.g. that is not obvious which exactly how much money is laundering every year and how much cost has a terrorist bombing in a civil attack. Another important point is that, which at which sector money is more launder and at which criminal activities are use this laundered money. These are the limitations which I can address in this paper. In future research, we will do more efforts to solve those limitations which are exist in this paper.

12. Our recommendations:

As the terrorist activity is growing in the light of ISIS in Iraq and Syria, the dangerousness of global terrorism become more and more year after year. The Paris attack on February 13 shows that, no country will remain save from terrorism in the world. The question is that from where they receive money and finance those civil attack in different cities in the world? Of course the answer is money laundering, illicit business, and thousands of criminal activities like that.

For controlling, the spread of terrorism all around the world and destroying them in every part of the world, we have to be serous with anti-money laundering and combating financing of terrorism. Every government, every nation and every civil of the nation is responsible to fight against money laundering and financing of terrorism. If one civilian of India gives bribe to police, of course that police will receive bribe from a terrorist also. That terrorist going to kill us. That is why every single person is responsible to fight against money laundering and financing of terrorism.

13. Conclusion

To do conclude that, money laundering is, the disguise of sours of money which earn from drug trafficking, gambling, black marketing, and other criminal activities and show that the money is earned from a legitimate source. To do so, money launderer wash dirty money with the help of creating shell-company, investing in the legitimate business, depositing small amount of money in several accounts of different banks, transferring money to banks of other country etc. when they launder money, they can use it easily for financing of terrorism in all around the world.

The process of money laundering are taking place in three stage; placement, layering and integration. In this three stage money launderer can easily shows the source of black money from a legitimate source.

Anti-money laundering and counter financing of terrorism is very important for every country in the world. When a country has definite rules and legislation of AML/CFT; that country can prevent the attacks of terrorist on the civil of his country. The consequences of ML/FT are increased crime and corruption, damaged reputations and international consequences, weakened financial institutions, compromised economy and private sector and damaged privatization efforts etc.

On the other hand effective anti-money laundering and counter financing of terrorism has so many benefits e.g. fighting crime and corruption, enhancing stability of financial institution, and encourage economic development etc. India has taken up various Anti-Money Laundering measures to curb with this. In India the main institutions for anti-money laundering and counter terrorist financing is 'Prevention of Money Laundering Act 2002' and 'Know Your Customer' guide issued by RBI.

There are different international institutions for AML/CFT which they fight against money laundering and terrorist financing. One of this International institution is FATF. The FATF Recommendations are the internationally endorsed global standards against money laundering and terrorist financing. They increase transparency and enable countries to successfully take action against illicit use of their financial system.

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A RESEARCH ON E-COMMERCE - TODAY'S LIFESTYLE & A BILLIONAIRE BUSINESS

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Abstract:

E-commerce is trading of goods and availing services online. Due to changing technical age e-commerce has become a changing trend in doing services in this globalised world. After the liberalisation, privatisation and globalisation the markets in the world have become open drastically. E-commerce is playing biggest role in this dynamic business conditions. Today in big cities even the PRIEST is booked online. Coaching for professional courses is also provided online. Many big players are coming in the e-commerce markets directly or indirectly. Azim Premji, Ratan Tata and other such big personalities are funding the start-ups companies to expand their business. As our PM Narendra Modi rightly said, India has great market potential due to 3Ds, viz. Demand, Demography, Democracy. The Government led by NAMO is making constant efforts to make this potential a successful mission. In India, cash on delivery is the most preferred payment method, accumulating 75% of the e-retail activities. As of Q1 2015, **six Indian e-commerce companies have managed to achieve billion-dollar valuations viz. Flipkart, Snapdeal, InMobi, Quikr, OlaCabs and Paytm**.

Keywords: E-commerce, Retail Market, Startups, Niche Retailers, Funding, Venture Capitals, Networth

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Objectives: 1) To study the growth of E-commerce companies in India,

2) How the E-commerce business has turned to a Billionaire Business due to funding from various Venture Capital Funds and other sources.

Hypothesis - Today's majority of people have started buying goods and commodities online.

The e-commerce business in India is developing at rapid speed and has a bright future.

Source of Information and Research Methodologies:

1) Primary Data: A survey of S.P. College students. Sample size - 60 students.

2) Secondary Data: 1. Newspaper, 2. Websites: www.wikepedia.org, www.pwc.com, www.iamwire.com, etc.

Following survey was conducted:

1) Do you buy online? - Yes / No

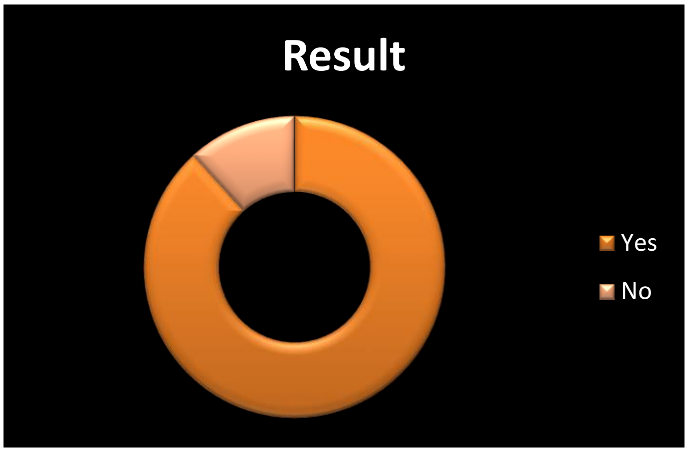

Figure 1.1

2) What do you prefer to buy online? - 1) Electronics and Gadgets, 2) Books and Media,
3) Fashion Apparels, 4) Home & Furniture,
5) Auto & Sports

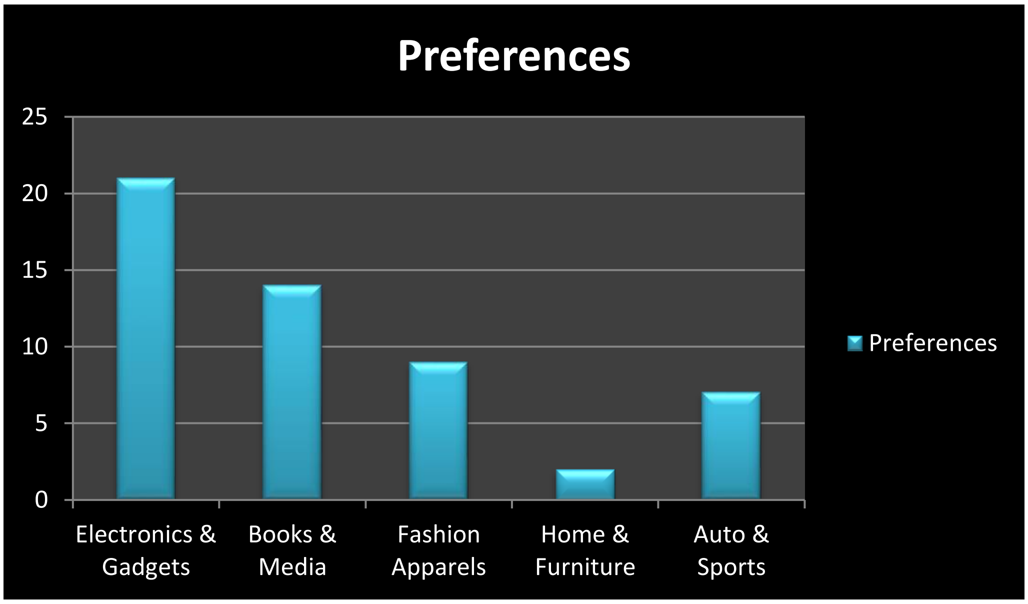

Figure 1.2

3) From where you buy online? 1) Flipkart, 2) Amazon, 3) Snapdeal, 4) Shopclues, 5) Myntra

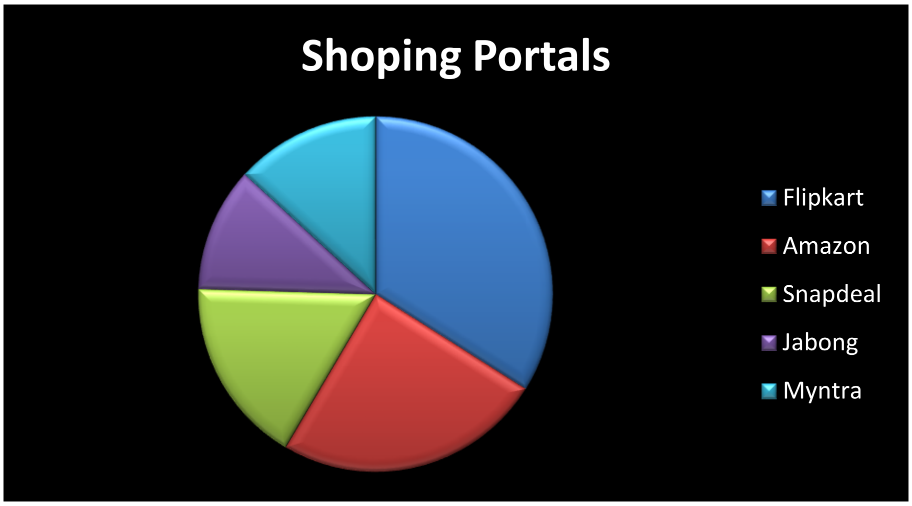

Figure 1.3

4) Which online portal you prefer to sell/buy second hand things online? 1) Quikr, 2) ebay, 3) Don’t prefer

Figure 1.4

5) How often do you visit the sites? 1) Often, 2) Sometimes, 3) At Sale, 4) Rarely

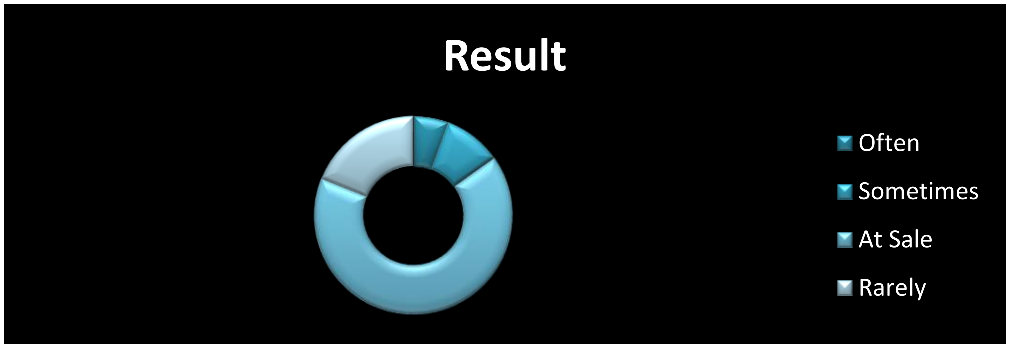

Figure 1.5

India's retail market is estimated at **$470 billion** in 2011 and is expected to grow to **$675 billion** by 2016 and **$850 billion** by 2020. According to Forrester, the e-commerce market in India is set to grow the fastest within the Asia-Pacific Region. Online travel constitutes a sizable portion (87%) of this market today. Online travel market in India is expected to grow at a rate of 22% over the next 4 years and reach **$12.2 billion** in size by 2015. Indian e-tailing industry is estimated at **Rs 3,600 Crore ($800 million)** in 2011 and estimated to grow to **Rs 53,000 Crore ($11.8 billion)** in 2015. Overall e-commerce market is expected to reach **Rs 1,07,800 crores ($24 billion)** by the year 2015 with both online travel and e-tailing contributing equally. Another big segment in e-commerce is mobile/DTH recharge with nearly **1 million** transactions daily by operator websites.

New sector in e-commerce is online medicine. Company like Reckwing-India, Buyonkart, Healthkart already selling complementary and alternative medicine where as NetMed has started selling prescription medicine online after raising fund from GIC and Steadview capital citing there are no dedicated online pharmacy laws in India and it is permissible to sell prescription medicine online with a legitimate license.

Market size and growth

India's e-commerce market was worth about **$3.8 billion** in 2009, it went up to **$12.6 billion** in 2013. In 2013, the e-retail segment was worth **$2.3 billion**. About 70 to 80% of India's e-commerce market is travel related. According to Google India, there were 35 million online shoppers in India in 2014 Q1 and is expected to cross 100 million mark by end of year 2016. Electronics and Apparel are the biggest categories in terms of sales.

Key drivers in Indian e-commerce are:

- Large percentage of population subscribed to broadband Internet, burgeoning 3G internet users, and a recent introduction of 4G across the country.
- Explosive growth of Smartphone users,
- Availability of much wider product range compared to what is available at brick and mortar retailers.
- Increased usage of online classified sites,
- Evolution of Million-Dollar startups like Jabong.com, Saavn, Makemytrip, Bookmyshow, Zomato, Flipkart, Snapdeal etc.

Infrastructure

There are many hosting companies working in India but most of them are not suitable for e-commerce hosting purpose, because they are providing much less secure and threat protected shared hosting.

There could be various methods of ecommerce marketing such as blog, forums, search engines and some online advertising sites like Google Adwords and Adroll. Most recent (GOSF) Great Online Shopping Festival was held during Dec 10 to 12, 2014. In early June 2013, Amazon.com launched their Amazon India marketplace without any marketing campaigns. In July, Amazon had said it will invest **$2 billion** in India to expand business, after its largest Indian rival Flipkart announced **$1 billion** in funding. Amazon has also entered grocery segment with its Kirana now in bangalore and is also planning to enter in various other cities like Delhi, Mumbai and Chennai and faces stiff competition with Indian startups.

Niche Retailers

The spread of e-commerce has lead to the rise of several niche players who largely specialize their products around a specific theme. As many as **1,06,086** websites are registered daily and more than 25% are for niche businesses. Online apparel is one of the more popular verticals, which along with Computers and consumer electronics make up 42% of the total retail e-commerce sales. Niche online merchandising brands like Headbranger's Merch, Redwolf. Some of the bigger online retailer like VoxPop Clothing have secured multiple rounds of funding, the last round raising **$1 million** from Blume Ventures in 2014. As these niche businesses get popular, they are slowly getting acquired by the big players. BabyOye was acquired by Mahindra Retail. Ekstop was acquired by the Godrej Group to complement their offline chain of Nature's Basket stores.

With a high influx of foreign capital in multiple startups, an acceleration was provided to both great and not so great ideas. Many faded out before shining, and some continue on the path to become even bigger. A few Indian companies made to the list of the most valuable startups in the world in terms of their valuation.

Here is a list of top 10 most valuable online Indian companies (some are too big to be called startups).

Funding by Venture Capitals, other Companies.

As of 2012, most of the e-commerce companies are yet to start making money. However, due to their growth prospects, many venture capital firms such as Accel Partners have invested considerably. In February 2014, online fashion retailer Myntra.com raised **$50 million** from a group of investors led by Premji Invest, the investment company floated by Azim Premji, Chairman of Wipro. May 2014 also witnessed an acquisition of Myntra by Flipkart reportedly for **2,000 crores**. In October 2014, KartRock, an Indian e-commerce platform, announced granting of a Series A round led by technology investor Nirvana Venture Advisors and 500 Startups, together with Tokyo-based Beenos, previously known as Netprice.com. In July 2015, price comparison service website MySmartPrice raised **$10 million** from Accel Partners and Helion Venture Partners.In September 2015, PepperTap raised **$36 million** from Snapdeal and others.

Flipkart

Flipkart Founders Sachin Bansal & Binny Bansal.

Founded in 2007 by Sachin Bansal and Binny Bansal, Flipkart is an online shopping destination, valued at around **$11 billion**. While its parent company is incorporated in Singapore, all of its operations are in India. Till date, it has received a total funding of **$2.5 billion** in 11 rounds from 16 investors, Tiger Global, Naspers, Baillie Gifford, DST Global and others. Flipkart has also acquired a few companies namely Myntra, LetsBuy.com, weRead, Chakpak and Mime360. In its latest series of funding in December 2014, it secured **$700 million** from investors Digital Sky Technologies, Qatar Investment Authority, T.Rowe Price, Steadview Capital and others. E-commerce giant Flipkart's founders Sachin and Binny Bansal (not related to each other) made their debut on the country's top 100 rich list as per Forbes magazine's latest India rich list released. It is to be noted that the Bansals are country's first e-commerce billionaires as well. The Bansals made their debut at 86th position with a net worth of **$1.3 billion** each.

InMobi

InMobi Founder Naveen Tiwari.

The eight-year old company was founded by Mohit Saxena, Abhay Singhal, Amit Gupta and Naveen Tewari, InMobi offers advertising services based on the profiles and behavior of the users. Valued at **$2.5 billion**, the firm has received a total capital of **$220.6 million** in 5 Rounds from 4 Investors namely, SoftBank, Sherpalo Ventures, Kleiner Perkins Caufield & Byers among others. In December 2014, the company had secured **$5 million** from SoftBank Capital. InMobi has recently invested **Rs. 8 crore** in Bengaluru-based online home rentals firm, NestAway with participation from Venture Capital firm IDG Ventures.

Snapdeal

Snapdeal Founders Kunal Bahl & Rohit Bansal.

Snapdeal was founded in 2010, which started as a deals site and is now an e-commerce marketplace, valued at **$2 billion**. Co-founded by Kunal Bahl and Rohit Bansal, the company has secured a total funding of **$1.1 billion** in 8 rounds from 16 investors including Bessemer Venture Partners, Indus Ventures, Nexus Venture Partners among others. In October 2014, it had secured **$627 million** from Japanese telecom and internet corporation, Softbank. Also, the firm is in talks with Taiwan-based, Foxconn Technology Group for potential investments.

Paytm

Paytm Founder Vijay Shankar Sharma

Noida-based Paytm, which is owned and operated by One97 Communications, is a web and mobile platform digital payments and shopping. It is valued at **$1.5 billion**. Paytm's parent had raised a total capital of **$610**

million from investors including, Ant Financial, SAIF Partners, Intel Capital, SAP Ventures and Silicon Valley Bank. Founded in 2010 by Vijay Shankar Sharma, Paytm has recently raised a funding from Ratan Tata, the amount of which has not been disclosed.

OlaCabs

OlaCabs CEO and Co-Founder Bhavish Aggarwal

Mumbai based online cab booking service Olacabs was founded in 2010 by Ankit Bhati and Bhavish Aggarwal, currently valued at **$1 billion**. The company had received a total funding of $**276.8 million** in 5 rounds from 9 investors including Tiger Global, SoftBank, Sequoia Capital, Steadview Capital, matrix Partners and others. Ola had raised **$ 210 million** from Japan's Softbank Corp in October 2014. It acquired its competitor TaxiForSure for **$200 million** in a cash and equity deal in March 2015.

Zomato

Founders Deepinder Goyal & Pankaj Chaddah.

Zomato was founded in 2008 by Deepinder Goyal and Pankaj Chaddah, it is an online and mobile restaurant search and discovery service, providing information for 300,000 restaurants across 19 countries. Valued at around **$ 660 million**, the company has raised a total capital of **$113.8 million** in 6 rounds from 3 investors namely, Sequoia, Info Edge and VY Capital. In April, the firm has received **$50 million** led by existing investor InfoEdge.

ShopClues

Sanjay Sethi, CEO and Co-Founder, Shopclues.

Founded in July 2011 in Silicon Valley, ShopClues.com is Indian marketplace that connects buyers and sellers online. Currently, the company valued at **$500 million**. Till date, it has received a total capital of **$116.3 million** in 5 rounds from 5 investors including Tiger Global, Nexus Ventures Partners, Helion Venture among others.In its latest fundraising, the firm had received a capital of **$100 million** in series D round led by Tiger Global with participation from the past investors.

Jabong

Jabong Co-Founder and Managing Director, Pravin Sinha

Gurgaon-based Jabong, is an online fashion portal for men, women & kids. It is a part of Rocket Internet's Big Foot Retail (Family of Jabong, Dafiti, Lamoda, Namshi and Zalora), and in November 2014, there were rumors that Amazon would acquire Jabong in a deal amount worth **$1-1.2 billion**, however, no further development has been witnessed so far. It is also planning to go for an IPO and is currently valued at **$450-500 million**. Founded in 2012 Jabong **had secured $27.5 million** in its latest round of funding from CDC Group.

Quikr

Quikr Founder Pranay Chulet

Online and mobile classifieds site Quikr, helps people find and sell products and services across diverse categories, and is valued at around **$1 billion**. Founded in 2008 by Pranay Chulet and Jiby Thomas, the company had received a total funding of **$346 million** in 6 rounds from 9 investors. It is backed by Matrix Partners India, Omidyar Network, Norwest Venture Partners, Nokia Growth Partners, Warburg Pincus and others. In its latest round of funding, Quikr has raised **$150 million** in a series H round of funding from its existing investors, including Tiger Global Management, Swedish VC fund Investment AB Kinnevik and Hong Kong-based Steadview Capital.

GirnarSoft

GirnarSoft Founder Amit Jain

Jaipur based Girnar Soft is an IT company working on offshore and outsourced software development, valued at **$300 million**. Co-founded by Anurag Jain and Amit Jain in 2007, the firm had secured a total capital of **$75 million** in 2 rounds from 4 investors including Sequoia Capital, Tybourne and Hillhouse Capital Group. It is running multiple online properties like CarDekho, PriceDekho and so on. In its latest round, the company had raised **$50 million** in series B from Sequoia Capital, Tybourne and Hillhouse Capital Group.

Housing.com

Housing.com is an Indian online real estate listing portal that aims to simplify finding, renting and selling homes in India, valued at **$250 million**. Founded in 2012 the company has secured a total funding of **$139.5 million** in 4 rounds from 4 investors. It is backed by Nexus Venture Partners, Qualcomm Ventures, Helion Venture Partners and others. In December 2014, the firm had received a total capital of **$90 million** from SoftBank Capital.

Closures

Though the sector has witnessed tremendous growth and is expected to grow, a lot of e-commerce ventures have faced tremendous pressure to ensure cash flows. But it has not worked out for all the e-commerce websites. Many of them like Dhingana, Rock.in, Seventy MM amongst others had to close down or change their business models to survive.

Some of the challenges and Recommendations thereon:

E-commerce in spite of opportunities, hoopla and hype, also bears the connotations of challenges as well at the same time. We, therefore, enumerate the major challenges e-commerce in small enterprises is facing and also submit the remedial measures to meet these challenges.

1. Infrastructural Problems:

Internet is the backbone of e-commerce. Unfortunately, internet penetration in India is so far dismally low at 0.5 per cent of the population against 50 per cent in Singapore. Similarly, penetration of personal computer (PC) in India is as low as 3.5 per thousand of population compared to 6 per thousand in China and 500 per thousand in US. Internet is still accessible through PCs with the help of telephone lines. Given the penetration of telephone only 2.1 per cent of population, e-commerce remains far away from the common man. It is difficult for e-commerce to reach to 1,000 million population spread over 37 million households in 6, 04,374 odd villages and 5,000 towns and cities. Besides, both cost of PCs and internet access in India are quite high.

2. Absence of Cyber Laws:

Other big challenge associated with e-commerce market is the near absence of cyber laws to regulate transactions on the Net. WTO is expected to enact cyber laws soon. The India's Information Technology (IT) Bill passed by the Indian Parliament on May 17, 2000 intends to tackle legislatively the growing areas in e-commerce.

3. Payment and Tax Related Issues:

Issues related to payment and tax is yet another problem continuously hinting e-traders. The electronic payment is made through credit card or plastic money which could, however, not become popular so far in India mainly due to two reasons. The penetration of credit card in India is very low (2 per cent of the population).

4. Digital Illiteracy and Consumer Psyche:

At present, digital illiteracy is one of the formidable problems e-commerce is facing in India. On the other hand, the continuous exodus of skilled computer engineers to other countries has denuded India of software engineers. This has posed a real threat to the Indian IT industry.

5. English Specific:

Last but not the least, the software so far in the country is English specific. But, in order to make e-commerce reach to the small enterprises, it needs to be available in the languages (regional).

Justification:

At the time of survey, 5 questions were asked. Majority of students out of 60 students are buying goods and commodities online and are availing different services online. According to their responses, it is clear that they are passionate of E-commerce. Hence it is justified E-commerce has bright future and is developing at a rapid speed.

Conclusion:

From the above it is clear that the E-commerce business in India has a great potential. The worth of Indian E-commerce business is increasing drastically. Many venture capital companies, big companies are funding the start-ups e-commerce companies. As the Indian market has potential the e-commerce companies have great profitability in future. It has really become present generation's lifestyle. Though the picture is sweet, there are some tough challenges such as competition, infrastructure problems, language barriers, etc. To overcome these challenges the companies has to frame dynamic policies and take brave decisions.

Limitation of Information: The secondary information has been obtained from different sites.

REFORMS OF PRIVATE SECTOR BANK AFTER 1991

MR. DHARMESH DOSHI & MR. BHAGWAT JUMBAD

Introduction

India's banking system until **1991** was an integral part of the government spending policy. Through the directed credit rules and the statutory pre-emptions, it was a captive source of funds for the fiscal deficit and the key industries. Through the CRR and the SLR more than 50% of the savings had either to be deposited with the RBI or used to buy government security. Of the remaining savings, 40% had to be directed to priorities sectors that were defined by the government. Besides these restrictions on the use of funds, the government had also controlled over the prices of the funds, that is, the interest rates on saving and loans.

Like the overall economy, the Indian banking sector had severe structural problems by the end of 1980s. The major of those problems were unprofitability, inefficiency and financial unsoundness. By international standards, the Indian banks were even despite a rapid growth of deposits, extremely unprofitable. Despite the impressive progress made by the banks in the two decades following nationalization, the excessive controls enforced on them by the government fostered certain rigidities and inefficiencies in the commercial banking system. This not only hindered their development but also eroded their profitability.

These adverse developments coupled with the balance of payments crisis, which followed in the wake of Gulf War of 1990 coupled with the erosion of public savings and the inability of public sector to generate resources for investments rapidly brought forth the imperatives for financial sector strengthening in India14.

Post Liberalization Developments

- The year 1991 marked a decisive changing point in India's economic policy since independence in 1947.
- Following the 1991 balance of payment crisis, structural reforms were initiated that fundamentals changed the prevailing economic policy in which the state was supposed to take the commanding heights of the economy. After decades of far reaching government involvement in the business world, known as 'The mixed Economy' approach, the private sector started to play a more prominent role15.
- The enacted reforms not only affected the real sector of economy, but the banking sector as well. The characteristics of banking in India before 1991 were a significant degree of state ownership and far reaching regulations concerning among others the allocation of credits and the setting of interest rates.
- The blueprint for banking sector reforms in India was the report of Narasimham committee in 1991.

Private-sector banks in India

- Banking in India has been dominated by public sector banks since the 1969 when all major banks were nationalised by the Indian government. However, since liberalisation in government banking policy in the 1990s, old and new private sector banks have re-emerged.
- They have grown faster & bigger over the two decades since liberalisation using the latest technology, providing contemporary innovations and monetary tools and techniques.
- The private sector banks are split into two groups by financial regulators in India, old and new. The old private sector banks existed prior to the nationalisation in 1969 and kept their independence because they were either too small or specialist to be included in nationalisation.
- The new private sector banks are those that have gained their banking license since the liberalisation in the 1990s.

Private-sector banks in India

Old Private Sector Banks	New Private Sector Banks
1. Bank of Rajasthan Ltd.	1.Bank of Punjab Ltd. (since merged with Centurian Bank)
2. Catholic Syrian Bank Ltd.	2. Centurian Bank of Punjab (since merged with HDFC Bank)
3. City Union Bank Ltd.	3. Development Credit Bank Ltd.
4. Dhanalakshmi Bank Ltd.	4.HDFC Bank Ltd.
5. Federal Bank Ltd.	5.ICICI Bank Ltd.
6. ING Vysya Bank Ltd.	6.IndusInd Bank Ltd.
7. Jammu and Kashmir Bank Ltd.	7.Kotak Mahindra Bank Ltd.
8. Karnataka Bank Ltd.	8.Axis Bank (earlier UTI Bank)
9. Karur Vysya Bank Ltd.	9. Yes Bank Ltd.

Liberalization of Banking Sector

- Following the 1991 balance of payments crisis, structural reforms were initiated that fundamentally
- changed the prevailing economic policy in which the state was supposed to take the "commanding
- heights" of the economy. After decades of far reaching government involvement in the business world,

Privatization of Banking Sector

- Until 1991-92, all Public sector banks were owned by government. After the reform was initiated, the Governments stake was permitted to be reduced to 51 per cent.
- The reduction in government stake in Public sector banks amounted to partial privatization of banks. Competition was also promoted through the entry of new private sector banks and more liberal entry of foreign banks.
- In 1951, there were 566 private banks, 474 non-scheduled and 92 scheduled as classified on the basis of their capital size. The role of private sector banks started declining when the Government of India entered banking sector with the establishment of State Bank of India in 1955. Consequently, the existence of public sector banks has increased.

Globalization of Banking Sector

- There are three distinct spells of development of Banking industry in post independent India, the pre-nationalization era from 1947 to 1969, the post-nationalization cum pre-liberalization era from 1969 to 1991 and the neo-liberalization era from 1991 onwards.
- Expansion of credit to agriculture, small scale industries and small entrepreneurs, artisans – even to the marginal farmers, small shop owners, vegetable vendors etc.
- **NARASIMHAM COMMITTEE – I (FIRST GENERATION REFORMS)** To restore the financial health of commercial banks and to make their functioning efficient and profitable, the Government of India appointed a committee called 'The Committee on Financed System' under the chairmanship of Sri M. Narasimham, ex-Governor of Reserve Bank of India which made recommendations in November 1991.

Conclusion

- Introduction of LPG policy in 1991 has made tremendous change in Indian banking Sectors, It has also contributed to development of various sectors in Indian Economy
- Today Private sectors banks are also known as base of Indian Economy
- Private sectors banks contributes to development of various sectors in economy and also made banking very easy for each and every person

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Benefits and Challenges of "Make in India" Concept(A comparative study of India and China)

Prem Somani & Rushabh Masram ***Guide: Prof. Shubhangi Birelly***

Abstract:

Rapidly increasing global competition has provided the manufacturers from around the globe the opportunities of cheap labor, raw material, potential high profit making markets. Focusing on the employment generation, boosting trade and economic growth, safe guard and sustain the overall development of INDIA and its citizen; the 15th and current Prime Minister of INDIA "Mr. Narendra Modi" on September 25th 2014 launched the ""Make in India"" which is a new national program designed to facilitate investment (both domestic and foreign) in INDIA, fostering innovation, intensify skill development, generate employment opportunities, preventing brain drain and making the use of internationally standardized technology affordable for INDIAN citizens. There are various field where a large amount of investment is required which can't be affordable by Indian citizen therefore they are mainly going for foreign investment by which various sectors are developing. Their main goal is to make INDIA a manufacturing hub and a bench mark of development and prosperity.

Keywords:

Manufacturing hub, "Make in India", Innovation, brain drain, catalyst, FDI

Introduction

"Make in India" campaign was launched in New Delhi by the Indian Prime Minister Narendra Modi on 25th of September in 2014. It is an initiative to make a call to the top business investors all across the world (national or international) to invest in India. The recent launch of the "Make in India" campaign by Prime Minister Mr. NarendraModi where leading businessmen and CEOs of about 3000 companies from 30 countries were present is an impressive effort on the part of the new Government to boost investor confidence in the country. It is a big opportunity to all the investors to set up their business (manufacturing, textiles, automobiles, production, retail, chemicals, IT, ports, pharmaceuticals, hospitality, tourism, wellness, railways, leather, etc) in any field in the country. This attractive plan has resourceful proposals for the foreign companies to set up manufacturing powerhouses in India. Moreover, Mr. Modi's recent US visit and meeting with CEOs of some of the top global firms like Goldman Sachs, Google, General Electric, Cargill, Boeing and many others definitely set the ground for investment in India. But at the ground level, there are a lot of challenges that the government has to overcome in order to turn the vision of achieving a sustainable 10% growth in the manufacturing sector into reality.

"Make in India" campaign launched by the Indian government focuses on building the effective physical infrastructure as well as improving the market of digital network in the country to make it a global hub for business (ranging from satellites to submarines, cars to softwares, pharmaceuticals to ports, paper to power, etc). This national program is designed to transform the country into a global business hub as it contains attractive proposals for top local and foreign companies. This campaign focuses on creating number of valuable and honored jobs as well as skill enhancement in almost 25 sectors for improving the status of youths of the country. The sectors involved are automobiles, chemicals, IT & BPM, aviation, pharmaceuticals, construction, electrical machinery, food processing, defense manufacturing, space, textiles, garments, ports, leather, media and entertainment, wellness, mining, tourism and hospitality, railways, automobile components, renewable energy, mining, bio-technology, roads and highways, electronics systems and thermal power.

The successful implementation of this plan will help in the 100 smart cities project and affordable housing in India. The main objective is to ensure solid growth and valuable employment creation in the country with the help of top investors. It will benefit parties, the investors and our country. The government of India has created a dedicated help team and an online portal (makeinindia.com) for the easy and effective communication of investors. A dedicated cell is committed to answer all the queries from business entities anytime. . This research paper aims to analyse the key issues facing the "“Make in India”" vision, benefit and challenges faced during this campaign.

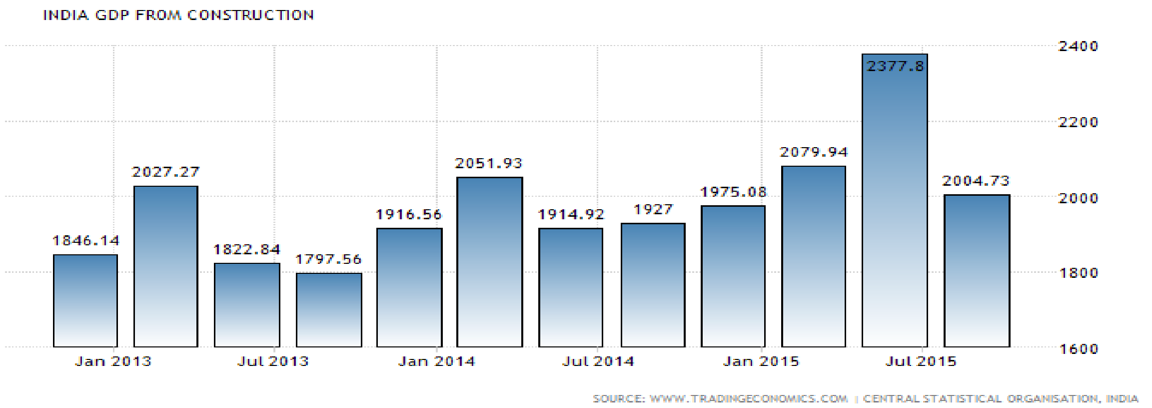
Statistical data of different sectors in India:

1. **GDP from Manufacturing Sector**

GDP from Manufacturing in India decreased to 4768.43 IND Billion in the third quarter of 2015 from 5407.38 IND Billion in the second quarter of 2015. GDP From Manufacturing in India averaged 4161.39 IND Billion from 2011 until 2015, reaching an all time high of 5407.38 IND Billion in the second quarter of 2015 and a record low of 3455.83 IND Billion in the fourth quarter of 2011. GDP from Manufacturing in India is reported by the Central Statistical Organization, India.

2. **India GDP from Construction Sector**

GDP from Construction in India decreased to 2004.73 IND Billion in the third quarter of 2015 from 2377.80 IND Billion in the second quarter of 2015. GDP From Construction in India averaged 1945.25 IND Billion from 2011 until 2015, reaching an all time high of 2377.80 IND Billion in the second quarter of 2015 and a record low of 1736.49 IND Billion in the third quarter of 2012. GDP from Construction in India is reported by the Central Statistical Organization, India.



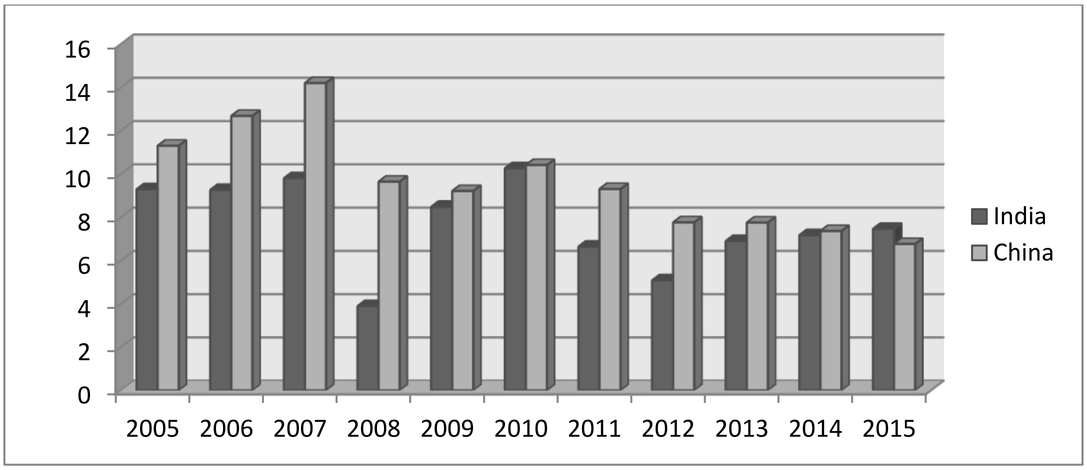
3. India's GDP

The Gross Domestic Product (GDP) in India was worth 2066.90 billion US dollars in 2014. The GDP value of India represents 3.33 percent of the world economy. GDP in India averaged 550.27 USD Billion from 1970 until 2014, reaching an all time high of 2066.90 USD Billion in 2014 and a record low of 63.50 USD Billion in 1970. GDP in India is reported by the World Bank Group.

Comparison of India and China's GDP from last 10 years

The rapid rate of economic growth in the two large countries of Asia – China and India – stands in striking contrast to the Western world's developed countries' feeble growth rate. The dis-appointing growth rate was compounded by recession which struck in the USA in 2008 and spread to the countries of Europe. They are still struggling to overcome the effects of recession. Hence the two countries have become the engine of growth. India was slightly ahead of China in the 1970s but since the 1990s China has surged well ahead of India but finally at 2015 India got ahead of china. Both have embarked on economic reforms from the eighties onward.

But China's growth rate has been much faster than India's It is spectacular in respect of infra-structural development—highways, construction, railways, airports, power and apartment buildings in cities.



"Make in India" Campaign

PM Modi has officially launched the much hyped ""Make in India"" campaign. India, in the last decade or so had relied more on service sector rather than manufacturing for economic growth, as a result proportion of manufacturing sector in GDP has stagnated to 15-16% and shrunk by .7% in financial year 2013-2014 showing a negative growth. This campaign will also help in achieving objectives of National Manufacturing Policy i.e. to increase the share of manufacturing sector in GDP from current 15-16% to 25% till 2022 and creating 100 million jobs in this sector by 2022. There are various benefit and challenges which is faced by the country.

Benefit of "Make in India" Campaign

1. Manufacturing sector led growth of nominal and per capita GDP. While India ranks 7th in terms of nominal GDP, it ranks a dismal 131st in terms of per capita GDP.
2. Export-oriented growth model will improve India's Balance of Payments and help in accumulating foreign exchange reserves.
3. Foreign investment will bring technical expertise and creative skills along with foreign capital.
4. "Make in India" will give an unprecedented boost to FDI flows, bringing India back to the global investment radar.
5. The urge to attract investors will actuate substantial policies towards improving the Ease of Doing Business in India.
6. As Mr. Modi emphasized on the development of labor intensive manufacturing sector. So, this campaign will generate a lot of employment opportunities.
7. Employment will increase people's purchasing power which ultimately helps in poverty eradication and expansion of consumer base for companies.
8. The model of "look east and link west" policy will strengthen the industrial linkages as well as bilateral ties with many countries.
9. Government has decided to formulate an auto response mechanism and issues pertaining to procedural clearings will be resolved at different levels in a given time frame, which is a positive step in making industrial friendly environment.
10. This campaign will make India a key part of global value chain and unfolds numerous opportunities for other countries as well.

Challenges faced in "Make in India" campaign

1. From a theoretical perspective, "Make in India" will tend to violate the theory of comparative advantage. If it is not economically feasible to manufacture a commodity in India, it is best to import the same from a

country which enjoys comparative advantage in its production. International trade, after all, is welfare augmenting.

2. Reiterating the point made by Dr. RaghuramRajan, India, unlike China, does not have the time advantage as it undertakes a manufacturing spree. The essential question is - Is the world ready for a second China?

3. “Make in India” will lead to an unsustainable focus on export promotion measures. One such measure is artificially undervaluing the rupee. This will have devastating consequences for the import bill.

4. A relative neglect of the world economic scenario may not predict well for “Make in India”. With the US and Japan economies yet to recover from their economic crises, one needs to be worry about the demand side of “Make in India”.

5. The biggest challenge is to restore the broken trust between industry and government, which was hampered by the policy paralysis.

6. India has a myriad of infrastructural bottlenecks and to overcome these it needs to invest $ 1trillion during 12th five year plan. Generating such a huge capital will be a challenging task.

7. Another biggest issue is of Environmental clearance, which has been surfaced in many projects especially related to mining sector.

8. Uncertainty in tax regime (highlighted by Vodafone case) and delay in implementation of GST is also a matter of concern for industries.

9. India along with poor infrastructure lacks a proper logistical network for the supply chain of components and materials required in manufacturing industries.

10. Manufacturing sector demands highly skilled labor whereas India lacks highly skilled labor force.

11. Complex processes have proved to be hurdles in getting procedural and regulatory clearances especially for new entrepreneurs. This also reflects in World Bank’s “Ease of Doing Business” report which ranked India at 134 out of 189 countries in 2013.

12. Land acquisition for establishing manufacturing industries will prove to be a tedious task for successful unfolding of this campaign.

The objective of the study is to

1. To understand the concept of“Make in India”.
2. To identify the impact of ““Make in India”” Concept on manufacturing and Construction sector and GDP of India.
3. To compare the growth rate of India and China from 2005 to 2015.

Research Methology

The present study is based on secondary data. Basically, the required information has been derived from various books, Articles from Newspapers, Magazines and Journals, and from the various related web-sites which deal directly or indirectly with the topics related to FDI and Indian retail sector. After searching the important web-sites, relevant information was downloaded and analyzed to address the objectives of present study.

Limitations of the study

1. The study is based on published data and information. No primary data is being collected.
2. Every care has been taken to entice qualitative and correct data; still secondary data have collected for the purposes other than problem at hand.
3. Secondary data may be lacking in accuracy, or they may not be completely current or dependable.

Conclusion:

The apprehensions of industrial sector are genuine. But the government’s effort will act as the catalyst in mitigating these apprehensions. Also, Indian Prime Minister has clearly mentioned that India is seeking long term capital investment because short term investment is volatile in nature and only aims at profit making.

This aspect also reflects in PM's definition of FDI i.e. "First Develop India". So, these efforts will give the much needed initial thrust to this campaign and its success will make India the powerhouse of manufacturing sector in the world."Make in India" is an ambitious project, but it is one that India desperately needs to kickstart and sustain its growth momentum. With relentless policies towards this end, it is possible to make India the powerhouse of manufacturing sector in the world.

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ONLINE SHOPPING: ENHANCED TECHNIQUE OF SHOPPING FOR YOUTH

ANKITA SINGH & VANSHIKA AGARWAL *GUIDE: MS. ANITA RATHOD*

ABSTRACT:

At existent, Globalization environment gives scope to internet sphere. As a B2C commercial tool raises interest in understanding the key issues in building relationships with customers on the Internet, use of the e-commerce concept increasing. E-commerce is buying and selling of goods and services via internet uses. In online shopping various components includes selection of product, online funds transfer, logistic management, supply chain management, customer feedback etc. Trust is believed to be the crucial to these relationships. With the click of a mouse, a customer can find another provider cause of huge competitors. As youth embrace e-commerce, their expectations about service, support, quality, delivery time, purchasing power are increasing. Services to customers offered electronically to enhance their online shopping experience include search support, e-response to customer queries, orders and transactions, e-payment, e-transaction record management, e-assurance and trust, e-help and other online support in the B2C e-space. E-services are important in B2C e-commerce for managing customer relations and enhancing sales. In the electronic world the customer and the merchant do not meet face-to-face, and the clients are more discerning with increased options and solutions available to them online. However this paper discusses youth's attitude towards online shopping and their views on the same.

KEYWORDS:

Online shopping, Internet, time- consumption, youths attitude

INTRODUCTION:

Internet literacy increase scope of online shopping. As youth are creating more interest in online shopping because easy and simplest way of handling internet at their figure tips. The number of Internet users around the world has been steadily growing and this growth has provided the impetus and the opportunities for global and regional e-commerce. Youth are more interested than that adult or old age people, As they are adoptable in nature, wants to move with trend and internet friendly.

However with Internet, different characteristics of the local environment, both infrastructural and socioeconomic, have created a significant level of variation in the acceptance and growth of e-commerce in different regions of the world. Over time, various studies have been conducted and models have been developed to identify diffusion of e-commerce in different environments. These models have looked at "infrastructure" (e.g. connectivity hardware and software, telecommunications, product delivery and transportations systems) and "services" (e.g. e-payment systems, secure messaging, electronic markets, etc.).

The variables that were tested included usefulness of internet shopping, ease of use, compatibility, privacy, security, normative beliefs, self-efficacy, attitude and student's buying intention.

The need of online shopping describes its necessity among the youths about demanding products from various online shopping sites. It does not only save time but energy too. Now a day, trends are fluctuating and ultimately, it is generating a higher level of craze among the new generation about ordering of various types of products. Basically individuals it is necessary to identify its desire in the terms of what to buy when to buy and how to buy..

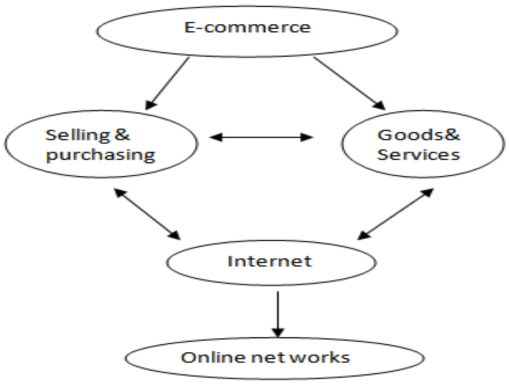

Figure 1: diversified ecommerce

As per this figure no.1 shows that ecommerce is being classified into two aspects i.e.

a) Selling & Purchasing (Trading)
b) Goods & services (Products)

These two aspects are to be interlinked to each other through internet for online networks. Online networks build up platform among people who sell or purchase products through internet access. They transfer money via internet sources. Online network is useful for online shopping. There are various types of online shopping sites which provides various products such as car, bikes, garments, cosmetic products, electronic gazettes, home and furniture, auto and sports, books, groceries and liquors, personal accessories, toys and games flats etc.. to customers which tends to satisfy customer's need. Even these sites have been segregated customers as per gender and age group.

LIST OF ONLINE SHOPPING SITES ARE AS FOLLOWS:

Figure no 3: List of online shopping sites

PROCEDURE OF ONLINE SHOPPING :

Fig no.2 shows simplest way to analyze the procedure of online shopping. In this procedure, customer place order by choosing number of product at shopping cart. He uses different modes of payment for purchasing product online such as- credit card, debit card, network banking, and cash on delivery etc. through security agencies banking details verified and payment has done. It means order completed by customer. The confirmation mail sent to customer by seller sites. Requisition of product sent to warehouse or supplier for fulfillment. Supply chain management (shipping carrier) picks up shipment and deliver to right place at right time.

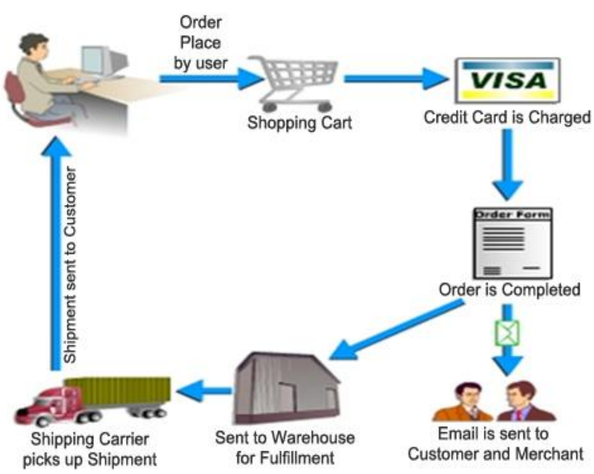

figure no 2: procedure of online shopping

NEED OF ONLINE SHOPPING

In modern era, youth are more busy with their work schedule. They don't get enough time to go in market and purchase, what they want. Sometime people want branded products at cheaper price. Online shopping gives solution to both the issues. Even though, person became able to compare product with its price, quality and specification instead of wondering in market from shop to shop.

The basic need of online shopping comes from within itself; it can be related to emergency, or for offering to someone in the form of gifts. Sometime it seems that, while browsing these sites, creates the awareness among customer of different age groups about the various products which is unknown by several market places.

Internet world changed mindset of youth generation. Instead of roaming, discussing and being together with friends, they spend more time on internet by browse on shopping sites during their free time. It became need of youth to use valuable time by wasting on shopping sites more.

Youths are trying to avoid rush; stand in queue for longer time to avail any product or service. They are more interested in surprises. They can easily book the product and give surprises to dear ones.

Youths are handy with internet access and they don't have fear of online money transaction. They easily go with these sites. They even secure about products also. If they have any doubts about products quality, they keep option as cash on delivery.

IMPORTANCE OF ONLINE SHOPPING:

- Youths can Save the Time for selecting and getting time.
- Youths can purchase any time any where
- The can compare the price and specifications with the others retailers very easily.
- Compare the advertising price and actual price
- Youths can easily track their product
- Youths can use cash back policy
- Youths can purchase the product from the foreign Marketers.
- Youth can put their reviews about products(Positive or negative)
- Youth get quick response from customer care about any doubts
- Apps available in smart phone for quickly connectivity to shopping sites and customer
- Its saves time, cost and physical efforts while purchasing any product

RESEARCH METHODOLOGY

Objectives :

- To analyze need of online shopping among youngster
- To determine application of online shopping

Research Design : Research paper includes Descriptive type of research design.

Data collection method : research paper collected data with the help of secondary data method. This source of data collection includes internet websites, journals, articles and library etc..

CHALLENGES FOR ONLINE SHOPPING

- More awareness towards online shopping:
- Varied payment options:
- Awareness regarding security measures
- Highlight the benefit of shopping at home
- Make the prices more competitive
- Reliability
- Home delivery policies
- Post sell activity
- Social media marketing
- Building trust among youth
- Converting visitors into buyers
- Getting noticed
- Understand competitors and develop strategies accordingly

CONCLUSION :

Research paper mainly concerned with involvement of youth in online shopping. Online shop plays a greater role for those types of consumers who have no time and want to avoid the crowd. But still there are some points who affect the consumer's behavior about online shopping but overall in the next 5 to 10 years the online shop give a huge competition to the retailers. Because online consumers are rapidly increasing and if consumers increase than online shop will increase. In last it is clear that in future there is huge scope for online shop and online shopping. The consumers are more attracted towards online shopping. Main drawback is it creating problems to local retailers. In India, most of the families are depends upon retailers, who earn their bread and butter for their livelihood. Online shopping creates problem to retailers to earn, cause of percentage of visitors to retailers are decreasing day by day. The concept of doing online shopping is totally based on consumer `s attitude and behavior.

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