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Dear Readers,

One needs to be focused if he wishes to achieve even a small thing in life. For this a positive attitude must be there within. Your mind must follow only positive thoughts along with full dedication, devotion, hard work of enthusiasm. There must be a gesture of magnanimity to learn, to make people understand about the things. In fact, you need to unlearn all what you have learnt in your past, if you wish to learn something new in your interest area. Only a true leader can be like this.

I whole heartedly congratulate the proud Editorial Team & the researchers for the outcome as a Journal Volume IX.

With Best Wishes.

A handwritten signature in black ink, appearing to read 'Vineet Aggarwal', with a horizontal line underneath the name.

Vineet Aggarwal
Secretary General

Message from Editor –in – Chief

***“IF YOU WANT TO GROW YOUR MANAGERIAL SKILLS,
THEN YOU MUST GROW YOUR INNERSELF FIRST”***

Dear Readers,

Management is the oxygen for all the related activities of the manager and other working hands in the organization, and composed with the mind full of research activities makes it supplementary.

Research is a tedious task of putting all the hard labour and factual information together at one place for the benefit of the self society and the whole universe at large.

The scope of research really provides an acumen to deal with laborious facts of life to proceed ahead to achieve target.

Success comes to those who really think of success, while sleeping, dreaming or in an awkward state.

For achieving success one has to work honestly, sincerely and truthfully.

The 9th volume of Ideal Journal of Management & IT is being published by the hard working editorial board, is a matter of great pleasure.

I wish the team all the accolades.

My Best compliments to one and all.

In the service of the nation.

Always Yours



Prof. (Dr.) Anil Parkash Sharma
Director cum Editor-in-Chief

From the Editor's Desk

Management is about arranging and telling. Leadership is about nurturing and enhancing.

Tom Peters

Dear Readers,

With 2018, Ideal Journal of Management and IT has completed its Nineth edition of publication and has established itself as one of the leading journal. On behalf of IJM team, we would like to extend a very warm welcome to the readership of IJM.

Our goal is to create a new forum for exchange of information in every field of research. Our consistent efforts are aimed towards providing the forum for critical issues in every field, latest developments in basis research, regulatory issues, original research and quality of our journal .We hope Ideal Journal of Management and technology will become the forum for researchers to share their valuable research achievements, practical experiences and discuss all perspectives of management and IT in the development of future innovations that will greatly benefit all Academicians ,Research Scholars and Students also.

We hope our readers and patrons share a similar vision and we look forward to a prolific , impeach and a successful 2018 year ahead. The success of this journal depends on your feedback for further improvements.

We request our readers to send their critique and valuable feedback for further improvements of our upcoming journal.

With Best Wishes and Season's Greetings,

Ms. Sonal Goel
Editor



Ms Seema Nath Jain
Managing Editor

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“E-Wallet Marketing – A Study of risk involved and customers’ satisfaction”

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ABSTRACT

Now days, majority of the people prefer to buy items of the need through smart phone or through laptop especially young generation. That is why number of companies/firms are emerging day by day with a fast pace. There are companies generating huge profits through online shopping business. The gap of the work is restricted to the consumer’s experience and what they think about the main purpose of genuine utility of E-wallets. This study has tried to cover the customers’ satisfaction level and also discussed about the risk factors involved in e-wallet purchasing from the customers perspective. The present research aims to empirically examine the major purpose/use of e-wallet, customers’ satisfaction and also to study the risk factors in use of e-wallet.

Keywords: *e-wallet, customer, online shopping, risk, customers’ satisfaction.*

1. AN INTRODUCTION TO E-WALLET

India is heading on the path of a major digital revolution. Digitalization of the payment mechanism will be considered as landmark in the era of cashless future economy. The present research aims to empirically examine the adoption patterns of digital wallets by of the respondents. An exploration of customer perception, usage pattern preferences and satisfaction level regarding digital wallets is made based on a study of 52 respondents. To attain the aforesaid purpose a well-structured questionnaire was administered to respondents wherein they were asked various with regards to adoption of digital wallets

The main objective of e-Wallet is to make paperless money transaction easier. The main idea behind this paper is to bring in a cheaper, more versatile and much more easily usable kind of a card. Using this e-Wallet the transaction procedure can be as simple as: the customer goes to the point of sale (POS), does the purchasing and when it comes to the payment, the customer submits his e-Wallet to vender who connects it to his terminal (PC). The vender displays the billing information to the customer who finalizes it. The amount in the e-Wallet is updated accordingly. Later at periodic intervals, the vender intimates the bank (in case of credit cards) which transfers the amount from the customer’(s) account to his. Electronic wallet is a cashless way of making payments, using online and app-based services for transaction. These wallets are either linked to bank accounts, or are filled with cash using debit/credit cards and can be used as regular wallets to make payments at both online and offline points of sale.

1.1 Literature Review

Rathore (2016) in her research has advocated that digital wallets are quickly becoming mainstream mode of online payment. More and more shoppers are adopting digital wallets at an very rapid pace. It is being

done due to convenience and ease of use. Tech-savvy shoppers are demanding more seamless retail experiences. UpadhyayaAbhay (2012) in his research paper has studied about electronic commerce and e-wallet. He has concluded that with e-wallets one can send and receive payments anywhere in the world and the account can be managed from our mobile phone. Money can be transferred from e-wallet to e-wallet without sharing personal account numbers. He has also put a light on the negative side of e-wallets i.e. authentication should be taken care of in electronic payments system. Sardar Ramesh in his research paper on PREFERENCE TOWARDS MOBILE WALLETS AMONG URBAN POPULATION OF JALGAON CITY has stated that Cash as a mode of payment is an expensive proposition for the Government. The country needs to move away from cash-based towards a cashless (electronic) payment system. Doing this will help reduce currency management cost, track transactions, check tax avoidance / fraud etc., enhance financial inclusion and integrate the parallel economy with main stream in the economy. He has also stated that the usage of Mobile wallets is still at nascent stage only 15% of the internet users go for mobile wallets, therefore the companies should promote the same through their marketing and advertising campaign. KalayaniPawan (2016) in his study has pointed out that e-wallet is restricted to the mobile users. People are using a few services mostly for recharging the DTH and paying bills. He has also pointed out that the awareness and practical usability of the e-wallet is low. So to overcome the low usability he has suggested that more value added services should be added to e-wallets. According to him the benefit of e-wallet is that it provides a large variation in limit. People can create their e-wallet with amounts as low as Rs. 10 and as high as Rs. 10,000 or more. Chauhan Pinal (2013) has studied E-Wallet: The Trusted Partner in our Pocket. According to him the key of success of this payment method are security, anonymity of transactions, the cost of transactions, as well as the plurality of functions (payment, travel card, e-key for building access, etc.). but still he feels that e-Wallet still has some disadvantages in terms of interoperability and standardization of security and formats. Salodkar Ambarish, Morey Karan and Shirbhate Monali (2015) in their study on electronic wallet have advocated that future of the electronic payment systems will be based on the elements like the mobile environments and devices, the electronic wallet and standards meant to increase the flexibility of the transactions. According to them E-wallet will definitely pave the way for a secure, fast and futuristic way of transactions. They also feel that e-wallet will give a user the liberty to shop and pay from anywhere with just a click of a button and without any kinds of worries regarding the security. Also the transactions that took a lot of time will now be completed in a matter of seconds.

2. RESEARCH GAP

The gap of the work is restricted to the consumer's experience and what they think about the main purpose of genuine utility of E-wallets. This study has attempted to cover the gape of customers' satisfaction level and also discussed about the risk factors involved in e-wallet purchasing from the customers perspective.

3. RESEARCH METHODOLOGY

3.1 Research Objective:

The present research aims to empirically examine the major purpose/use of e-wallet, customers satisfaction and also to study the risk factors in use of e-wallet.

3.2 Type of Research:

The research is exploratory in nature. The research design is characterized by flexibility in order to be sensitive to the unexpected and to discover insight not previously recognized. To achieve the defined objectives it outlines the approach for conduct of the whole research work describe the scope, research

design, research instruments, respondents’ characteristics, sample planning and data collection methods, hypothesis formulation, data analysis tools and techniques, and period of study.

3.3 Sources of Data Collection:

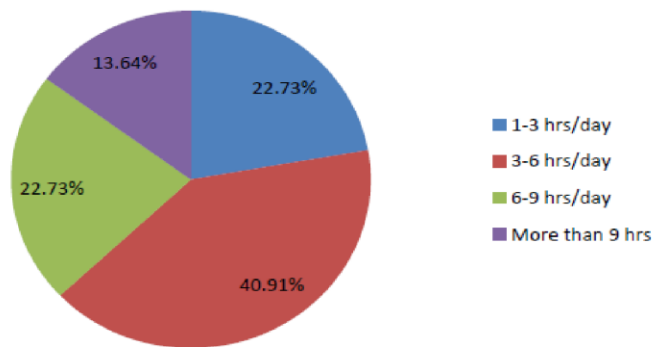
A survey was conducted to collect primary data for the location of different variable, probable contemporary issues and clarity of concepts. The questionnaire was structured and most of the questions were closed ended. Secondary data used in this study taken from newspapers, magazine, reports, research papers, journals, websites etc.

3.4 Sample size:

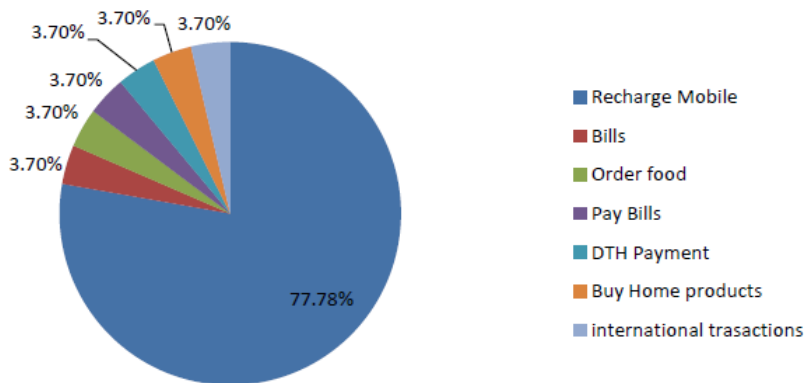
Total sample size was 100 respondents and the sampling used is convenience. The populations for this research are professionals & students at Delhi & NCR. The city was chosen on a convenience basis. Convenience sampling involves using samples that are the easiest to obtain and is continued until the sampling size required is reached.

4. EMPIRICAL RESULTS

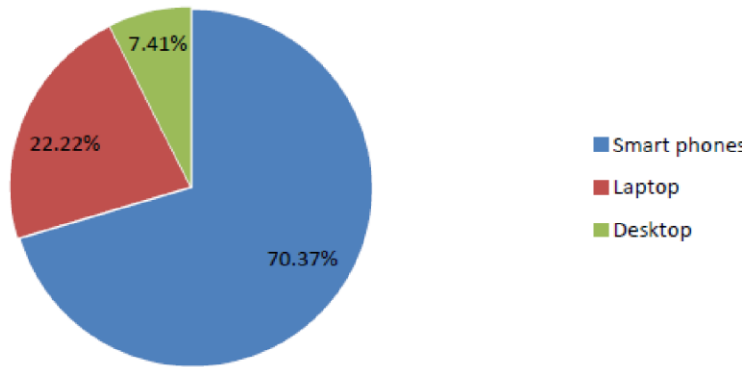
Q.1. How much time do you spend over the internet?



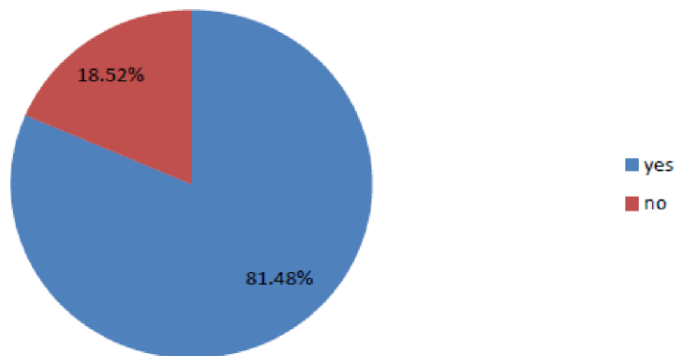
Q.2. What type of transaction do you shop over the internet?



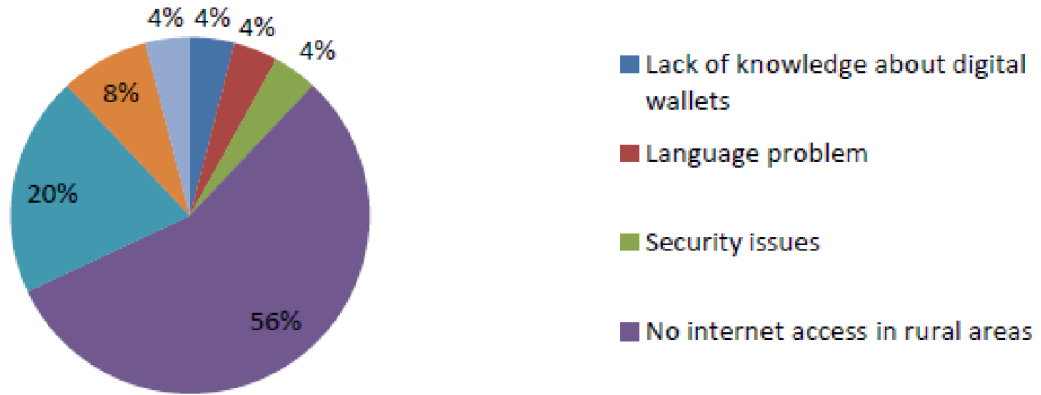
Q.3. From which device(s) you access internet mostly?



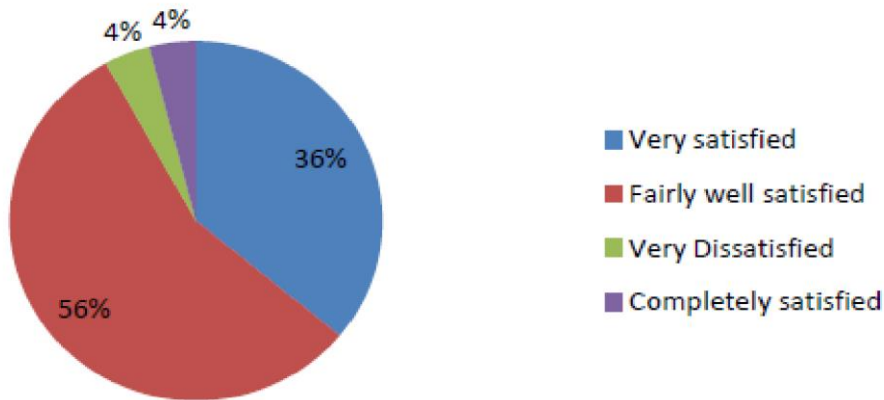
Q.4. Would you like most of the transactions to be digitized and cash-less?



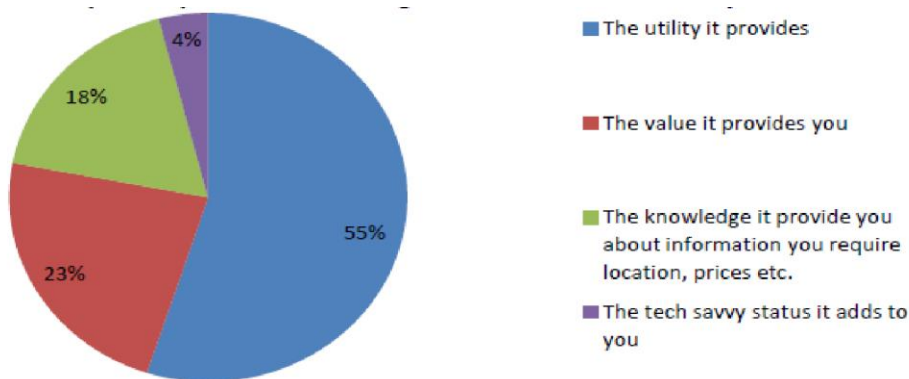
Q.5. Why do you think digital transactions and wallets are not so used?



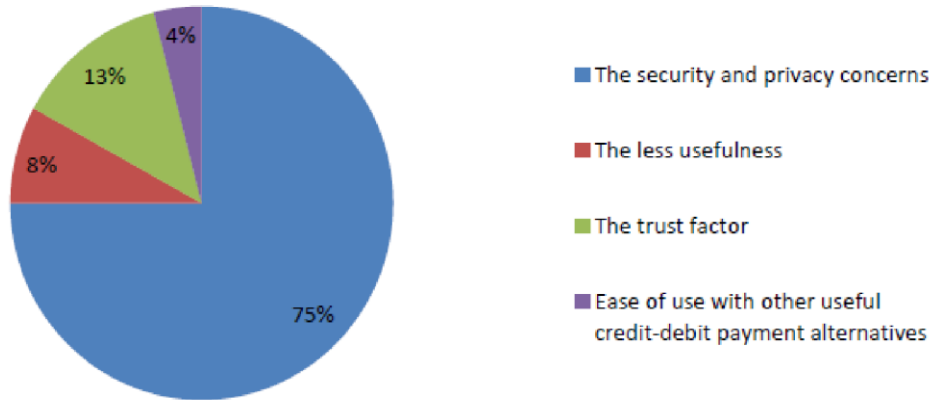
Q.6. Are you satisfied with privacy provided by online digital wallet?



Q.7. The priority reason of using the mobile wallet for you is?



Q.8. The priority risk factor related to digital wallet usage according to you is?



5. FINDINGS OF THE STUDY

At the time of digitalization, the review intends to concentrate the client perception, use pattern preferences and satisfaction level regarding advanced wallets based on an investigation of 52 respondents. It additionally identifies the boundaries and challenges to the adoption of the same. The outcomes indicate that there exists a gigantic untapped showcase for advanced wallets both in terms of increasing awareness and in addition its utilization. Likewise, the frequency and estimation of each transaction using computerized wallets remains constrained. Online shopping rose as the prime reason for utilization of computerized wallets. The review watched that respondents incline toward using wallets since they spare time and are anything but difficult to utilize and get to. In any case, security of money transacted remains their major concern. Security issues in terms of dread of money misfortune and absence of convenience for international transactions are the prime boundaries to its adoption.

Major chunk of respondents were male. As a general rule span on the internet found was 40.99%. Around 41% people said they knew in regards to cutting edge wallet Fairly well. For the most part used automated wallet is Paytm with the greatest share of 77.78%. Most of the transactions used in electronic wallet is 77.78% for compact resuscitate for various products it was low 3.3% approx. Underneath 1 lakh customers are 59.26%. Device used generally were Smartphone around 70.32%, second being versatile PC at around 22.22% and desktop to around 7.41%. By far most around 81% want many transactions to be digitized. Most of the overall public said they "To some degree agree" for Internet of things(Iot) associated in stores for enhancing consumers buying experience and second greatest said they strongly assented to this point.

While 56.55 % people say that they don't have the knowledge of using automated wallet demonstrates people are being made taught about how and why to use propelled wallets. Moreover 65% say people say that online shopping pushes them to know their brand better. Around 56% people are truly all around satisfied and around 36% people say that they are incredibly content with the modernized wallet organizations. Around 42% people say they ask in regards to similarly online and buy things also online. Around 23% say they look at online and then would see store to purchase the things. The generally used medium for buying online things is through Mobile devices 52% and then took after by PCs to around 35% and only 13% through physical stores. Around 30% say that doing online shopping for their brand makes them feel and look incredible. Around 22% people say that leading brands draw in them and makes them different amongst others. Around 17 % people said the brand helped them tell their personality. Only 9% said they do shopping for brands just for fun. An extensive segment of the overall public said that they might need to use mechanized wallet since it helps them organizing their arrangements of things to get on smartphones. And the second most wrath was shown for propitious offers and managing point balances which were around 21% both. Only 87 % people said that they have used convenient wallets for

little transactions.

Around 55% people agree to the utility gave by cutting edge wallet. Around 22% say they got a motivator from cutting edge wallets and 18% people use it for the knowledge it gives while only applications. Authentic types of identification certainly need to be made accessible within applications and any other thing that a client would keep in a wallet ought to likewise be made accessible (coupons, client affinity cards and so on.).

It is likewise particularly inevitable that a wide range of Master cards will be accessible for use through computerized wallet applications, so development ought to necessarily move center to the issue of substantial identification. This may likewise require some work with establishments and the government, because of the major restrictions that run along with identification. When using E-wallet benefit security will be the main concern for the clients. In this manner, suppliers who are providing the administration needs pay extraordinary care in protecting client's information from identity burglaries and cheats. One method for protecting the client's information could be through strong encryption of the information.

In the event that the entire client's information encrypted as a Passcode it will be harder for untouchables to take the information. Besides, to prevent any malevolent programming that could saturate into the gadget the E-wallet framework needs to accompany anti-infection programming. On the off chance that the gadget can channel the infections in the primary spot, it will be without a doubt more averse to be hacked. All the more importantly E-wallets hold the guarantee of that momentous day when a consumer can certainly leave their home without a wallet. With recent developments ranging from the advent of the smartphones to unbundled network tokenization, that day is definitely nearer than ever some time recently. Likewise the historical backdrop of payments innovation offers an obvious manual for accomplishment for advanced wallets. The way for the banks is likewise more uncertain, yet fabricates on clear key goals and recorded canals. Following them will without a doubt ensure the continued relevance of banks even as a wide range of players do quicken innovations around how consumers move, pay and likewise manage their money.

Since demonetization took off, computerized wallet companies have part of opportunity to penetrate into advertise and make India develop at advanced life. The Prime of Minister of India Narendra Modi additionally talks on Digital India. Computerized wallet is an integral of advanced India. With Digital wallet development controls dark money in the country in light of the fact that computerized wallet prompts to transparency in society.

The review makes a significant contribution to examine in the zone of finance, by exploring computerized payment frameworks in India. Notwithstanding, considering the currency of the zone of research and the ever expanding opportunity sets, there still exists a great deal of degree for research into the wellbeing and security issues for its viable adoption. Additionally research could investigate in more prominent profundity the association between other statistic factors like income level, educational level, nature of employment, marital status and so on.

6. RECOMMENDATIONS

It is observed that there are instances and incidents of misuse of Sims and cards so it is recommended to prevent impersonation and sim swapping attacks nowadays. Avoid falling prey to social engineering tricks: Financial service providers and support staff will never ask their customers for sharing their private information such as passwords or payment account numbers over email requests or phone inquiries etc.

a) Some Mobile network operators send an SMS to alert their customers of a SIM swap, the affected customer can act and stop this fraud in its tracks by contacting the mobile operator immediately. To prevent this risk it is important to verify the webpage by establishing its authenticity by validating its

digital certificate.

b) It is important to enable passwords on the user's phones, tablets, and other devices before e-wallets can be used with different characters and figures. Additional layers of security provided by these devices should be used.

c) It is equally important to Install Apps from Trusted Sources. Reading the user ratings and reviews can provide some clues about the integrity of the e-wallet app. The user must check for the e-wallet provider to be showing strong legacy of securely, reliably and conveniently handling sensitive financial data and providing customer support (in the event of card loss or account fraud).

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Comparative Analysis of Classification Techniques on Different Datasets Using Weka

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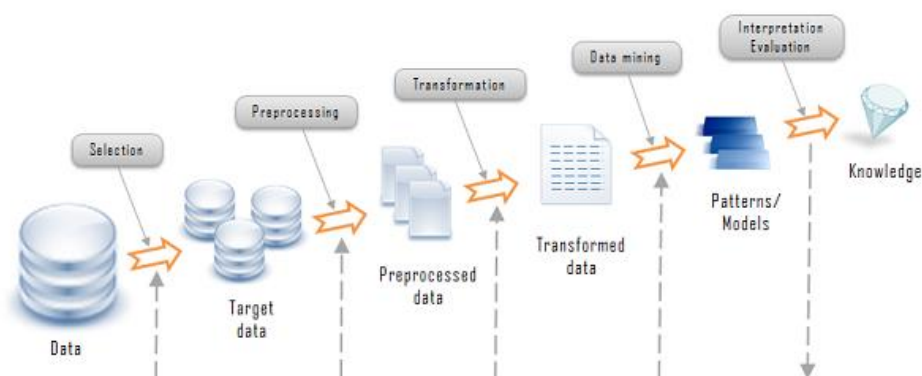
ABSTRACT:

Classification algorithms have been compared and analysis in the research paper. We have compared seven different classification algorithms using weka tool. These algorithms are compared on the basis of correctly classified instances (CCI), Incorrectly Classified Instance(ICI), Kappa Statistic (KS), Mean Absolute Error (MAE),Root Mean Squared Error (RMSE).These algorithms have been compared three different datasets (Glass, CMC, Lymphograph). We have used real world data for our work which has been obtained UCI repository. From our comparative study we found that the different data mining algorithms are designed to perform better for some types of dataset.

Keywords: *Classification, Kappa Statistic, Algorithms, Data Mining.*

1. INTRODUCTION

Data mining sometimes called data or knowledge discovery process. Data mining discovers knowledge or information that you never knew was present in your data. Usually the uncovered Hidden knowledge manifests itself as relationship or patterns relationship may be between two or more different objects along with time dimension. Relationship may be between the attributes of the same object. Pattern discovery is another outcome of data mining operations. Data mining refers to extracting or mining knowledge from large amount of data .data mining is knowledge mining from databases knowledge extraction ,data/pattern analysis, data archaeology and data dredging. Data mining popular name is knowledge discovery in databases or KDD.data mining as an analogy imagines a very wide and very deep pit densely packed with some important material. We use set of sophisticated drilling tool to dig and unravel the contents.



KNOWLEDGE DISCOVERY PROCESS

Classification is a data mining function that assigns data in a collection to target categories or classes. The aim of classification is to accurately predict the target class for each case in the data. Classification is the most commonly applied on data mining technique, which employs a set of pre-classified examples to develop a model that can classify the collection of records at large. WEKA is an open source data mining tool which includes implementation of data mining algorithms. Various type of classification are performed in mining these are decision tree induction, Bayesian classification, back propagation, association rule etc...In this paper we using these algorithm Decision table (DT), Bayesnetwork (Bayesnetwork), Logistic, Multilayer perception, and Part, J48. On three dataset glass, CMC, lymphograph.

2. DATA SET DETAILS

We find the data from UCI machinery website for experimental data. We have used weka data miming tool for our study. We have tested the Decision table (DT), Bayesnetwork (Bayesnetwork), Logistic, Multilayer perception, and Part, J48 and VFI. We are taking three data sets Glass, CMC, Lymphograph for observed the following results. Table 1 shows the brief description of all three data set this table show this information of the data – Data set, Data set characteristics, number of attributes, attribute characteristics, number of instances. We have compared these algorithms on the following parameters c. correctly a classified instance is a test set are supposed to be the actual correct classification. Incorrectly Classified Instance means find out wrong classified instance using GUI version of weka. Kappa statistic as a means for evaluating the prediction performance of classifiers. Mean absolute error means that quantity used to measure how predictions are eventual comeout.it is used to calculate forecast error. Root-mean-square-error is used to determine the variation between sample values and population value.

Table 1: Data set Description

Data set	Data set characteristics	Number of Attributes	Attribute characteristics	Number of Instances
Glass	Multivariate	10	Real	214
Lymphography	Multivariate	18	Categorical	148
CMC	Multivariate	9	Categorical, integer	1473

Description of Datasets available from UCI repository

3. TOOL

We use WEKA tool for our result .The full form of WEKA: Waikato Environment for Knowledge Learning. Weka is a computer program that was developed by the student of the University of Waikato in New Zealand that implements data mining algorithms using the JAVA language. WEKA is open source software issued under General Public License. The data file normally used by Weka is in ARFF file format, which consists of special tags to indicate different things in the data file. The Weka Explorer will use these automatically if it does not recognize a given file as an ARFF file. Classify tab in Weka Explorer is used for the classification purpose. WEKA is a state-of-the-art facility for developing machine learning (ML) techniques and their application to real-world data mining problems. WEKA implements algorithms for data pre-processing, classification, regression, clustering and association rules; it also includes visualization tools. The new machine learning schemes can also be developed with this package. The main interface in Weka is the Explorer. It has a set of panels, each of which can be used to perform a certain task. Once a dataset has been loaded, one

of the other panels in the Explorer can be used to perform further analysis. The experiments are conducted in a system with configuration Intel Pentium Processor P6100, 2 GB DDR3 Memory and 500 GB HDD. Experiments are conducted 3 times and an average accuracy and time is recorded.



Weka interface

4. RESULTS AND DISCUSSIONS

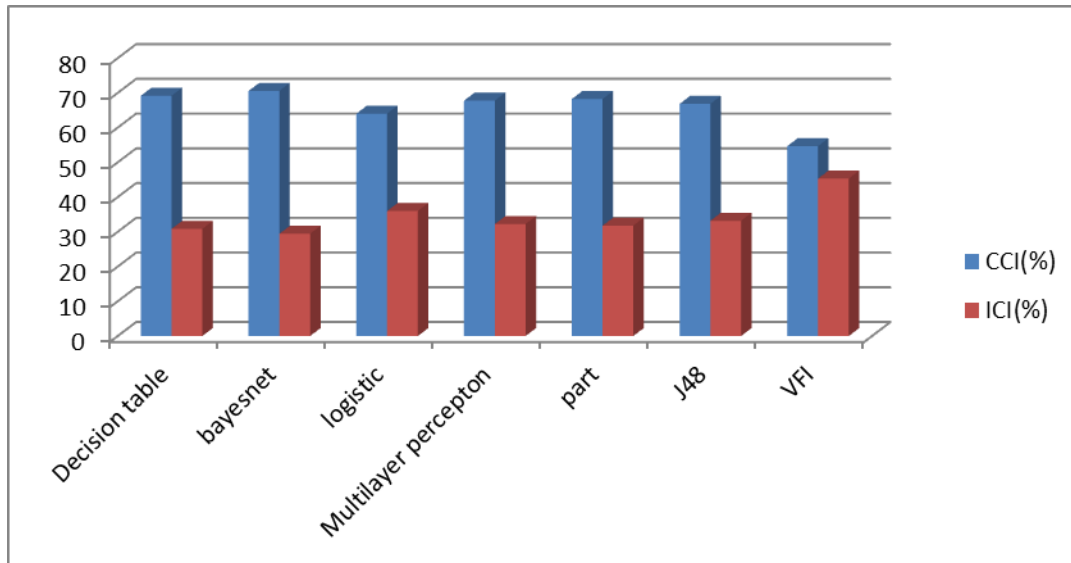
4.1 Result from weka for Glass dataset

In glass dataset there are 10 attributes (Id number-1 to 214, RI-refractive index, Na-Sodium (unit measurement: weight percent in corresponding oxide, as are attributes 4-10) Mg-Magnesium, Al-Aluminium, Si-Silicon, Potassium, Ca-Calcium, Ba-Barium, Fe-Iron) and 214 no of instances, the class attribute all attributes are continuously value.

Table 2: Glass dataset result

Algorithm	CCI (%)	ICI (%)	KS	MAE	RMSE
Decision table	69.16	30.84	0.56	0.11	0.27
Bayesnet	70.56	29.43	0.59	0.10	0.24
Logistic	64.01	35.98	0.50	0.12	0.27
Multilayer perception	67.75	32.24	0.55	0.11	0.26
Part	68.22	31.77	0.56	0.10	0.29
J48	66.82	33.17	0.55	0.10	0.28
VFI	54.67	45.32	0.42	0.20	0.31

In *glass* dataset bayesnet provide the highest percentage of correctly classified instances. Decision table also provide near to highest percentage of correctly classified instances but it followed by bayesnet. The Kappa Statistic value for bayesnet is much closer to 1 (i.e. 0.59) which indicates that bayesnet provides the perfect agreement for classification of data items. VFI has larger error rate in mean absolute error and root mean squared error.



Graph of CCI and ICI for glass data



Graph of KS, MAE and RMSE for glass data

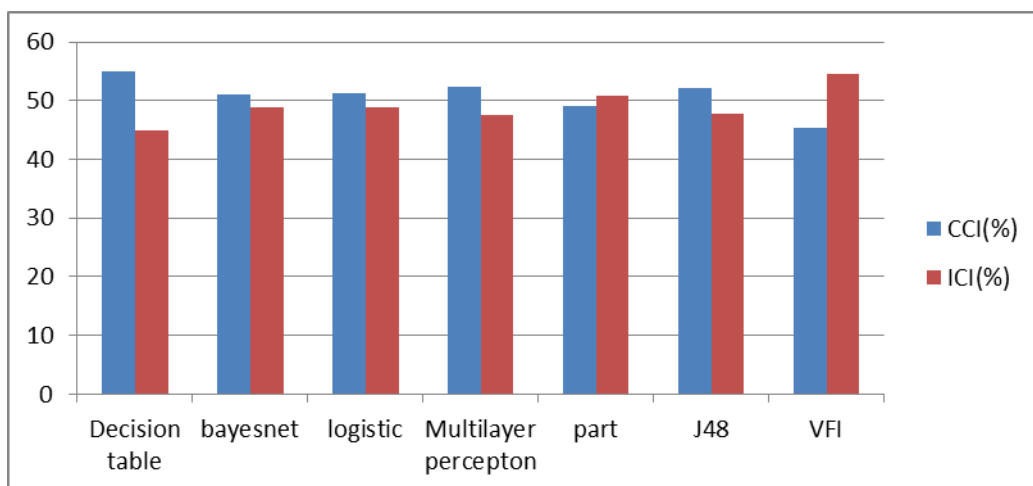
4.2 Result from weka for CMC DATA SET

There are 10 no of attributes (Wife's age(numerical),Wife's education(categorical),Husband's education(categorical),Number of children eve born(numerical),Wife's religion(binary),Wife's now working?(binary),Husband's occupation(categorical),Standard-of-living index (categorical),Media exposure(binary),Contraceptive method used(class attribute)) and 1473 instances in CMC data set.

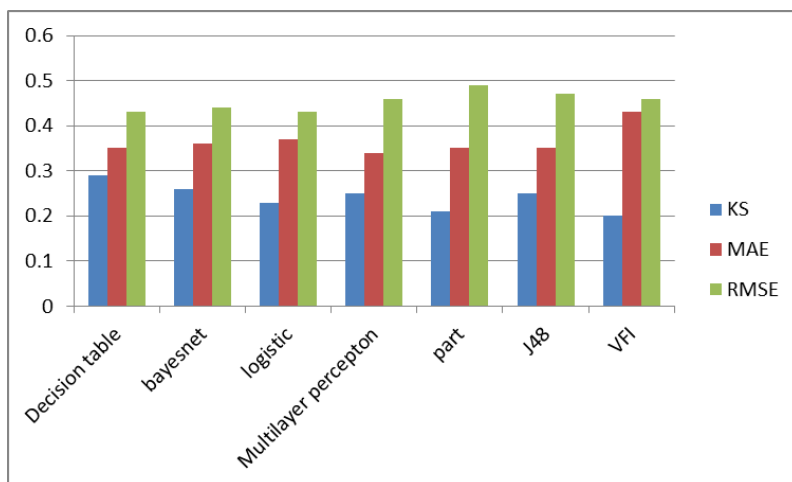
Table 3: CMC dataset result

Algorithm	CCI (%)	ICI (%)	KS	MAE	RMSE
Decision table	54.98	45.01	0.29	0.35	0.43
Bayesnet	51.05	48.94	0.26	0.36	0.44
Logistic	51.18	48.81	0.23	0.37	0.43
Multilayer perception	52.34	47.65	0.25	0.34	0.46
Part	49.15	50.84	0.21	0.35	0.49
J48	52.13	47.86	0.25	0.35	0.47
VFI	45.34	54.65	0.20	0.43	0.46

In CMC dataset decision table provide the highest percentage of correctly classified instances. Multilayer perception also provide near to highest percentage of correctly classified instances but it followed by decision table. The Kappa Statistic value for Decision table is much closer to 1 (i.e. 0.29) which indicates that Decision table provides the perfect agreement for classification of data items. VFI has larger error rate in mean absolute error and PART has larger error rate in root mean squared error



Graph of CCI and ICI for CMC data



Graph of KS, MAE and RMSE for CMC data

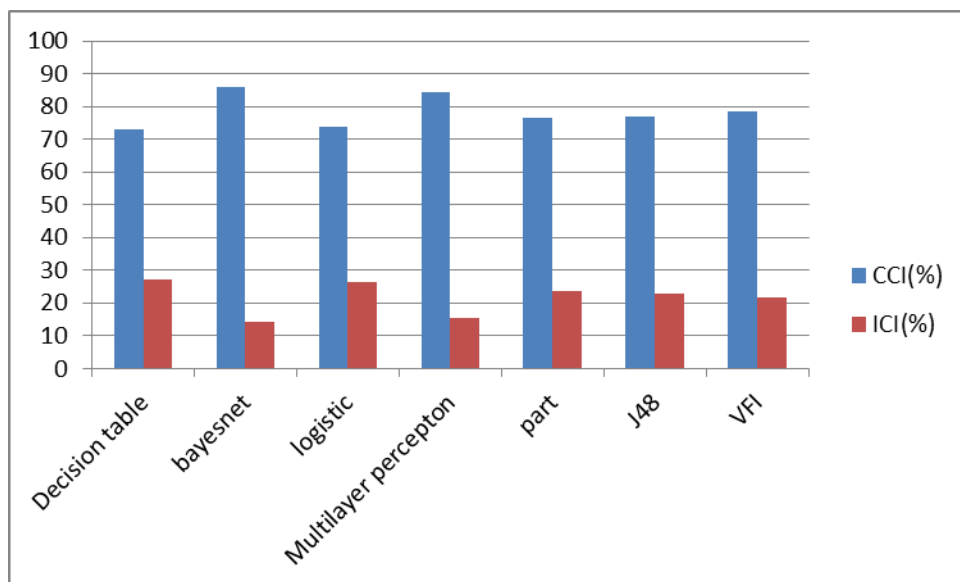
4.3 Result from weka for lymphograph dataset

There are 19 no of attribute (class,lymphatics,block of affere,bl. of lymph,bl.of lymph, by pass,extravasates,regeneration of, early uptake,lym.nodes dimin,lym.nodes enlar,changes in lym,defect in node, changes in node, changes in stru,special forms, dislocation of, exclusion of no, no. of nodes) and 148 instances in CMC data set. The data items are classified in normal find, metastases and malign lymph

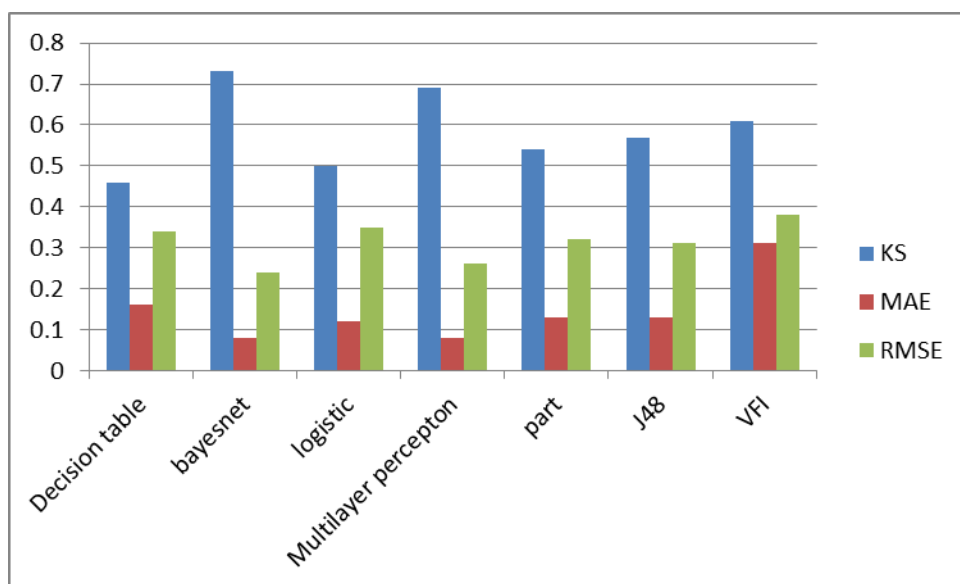
Table 4: Lymphograph dataset result

Algorithm	CCI (%)	ICI (%)	KS	MAE	RMSE
Decision table	72.97	27.02	0.46	0.16	0.34
Bayesnet	85.81	14.18	0.73	0.08	0.24
Logistic	73.64	26.35	0.50	0.12	0.35
Multilayer perception	84.45	15.54	0.69	0.08	0.26
Part	76.35	23.64	0.54	0.13	0.32
J48	77.02	22.97	0.57	0.13	0.31
VFI	78.37	21.62	0.61	0.31	0.38

In lymphograph dataset bayesnet provide the highest percentage of correctly classified instances. Multilayer perception also provide near to highest percentage of correctly classified instances but it followed by bayesnet. The Kappa Statistic value for bayesnet is much closer to 1 (i.e. 0.73) which indicates that bayesnet provides the perfect agreement for classification of data items. VFI has larger (0.31) error rate in mean absolute error and also larger error rate in root mean squared error



Graph of CCI and ICI for lymphograph data



Graph of KS, MAE and RMSE for lymphograph data

5. CONCLUSION

In this paper we have studied and compared Decision Table, Bayesnet, Logistic Multilayer Perception, Part, J48, VFI algorithms on three data sets in WEKA. Our study is that no algorithm performs the best for every data set. For glass dataset and lymphograph data set bayesnet provide the highest percentage of correctly classified instances. But in CMC dataset decision table provide the highest percentage of correctly classified instances. The Kappa Statistic value for bayesnet is much closer to 1 (i.e. 0.59) in glass dataset. The Kappa Statistic value for Decision table is much closer to 1 (i.e. 0.29) in CMC dataset. These results clear that no algorithm performs the best for every data set the accuracy of predictive model is affected by the selection of attribute now we can say that the different mining algorithms are designed to perform better for some types of dataset.

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Financial Inclusion: Importance in India

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ABSTRACT

Financial inclusion or inclusive financing is the delivery of financial services at affordable costs to sections of disadvantaged and low-income segments of society, in contrast to financial exclusion where those services are not available or affordable. Financial refers to all types of financial services, including savings, payments and credit from all types of formal financial institutions. An estimated 2 billion working-age adults globally have no access to the types of formal financial services delivered by regulated financial institutions. It is argued that as financial services can be viewed in that are significant positive externalities when more people and firms participate. The availability of financial services that meet the specific needs of users without discrimination is a key objective of financial inclusion.

Financial Inclusion is a relatively new socio-economic concept in India that aims to change this dynamic by providing financial services at affordable costs to the underprivileged, who might not otherwise be aware of or able to afford these services. Global trends have shown that in order to achieve inclusive development and growth, the expansion of financial services to all sections of society is of utmost importance. In this paper an attempt has been made to study the importance of financial inclusion in India.

Keywords: *Financial Inclusion, Rural Finance, Microfinance, Micro insurance.*

1. INTRODUCTION

1.1 Concept and Definition of Financial Inclusion

Financial inclusion is one of the most important aspects in the present scenario for inclusive growth and development of economies. The financial inclusion term was first time used by British lexicon when it was found that nearly 7.5 million persons did not have a bank account. But financial inclusion concept is not a new one in Indian economy. Bank Nationalisation in 1969, establishment of RRBs and introduction of SHG- bank linkage programs were initiatives taken by RBI to provide financial accessibility to the unbanked groups. According to committee on Financial inclusion headed by Dr. C. Rangarajan defined financial inclusion as “The process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost.”

Financial inclusion does not stand for delivery of financial services for all at all cost. But it means that the delivery of financial services and products at affordable costs of excluded sections of population and low income groups. It plays a crucial role to remove away the poverty from the country. Financial inclusion is to provide equal opportunities to vast sections of population to access mainstream financial services for better life, living and better income. It provides path for inclusive growth. Financial inclusion can be described as the provision of affordable financial services, namely saving, credit, insurance services, access to payments and remittance facilities by the formal financial systems to those who are excluded. So, financial inclusion refers to access to vast range of financial product and services at affordable cost. It

not only includes banking products but also other financial services such as loan, equity and insurance products. Households need access to finance for several purposes like creating buffer, retirement, saving to hedge against unpredictable situations and take products for insurable contingencies. Household also needs access to credit for livelihood creation, housing, consumption and their emergencies. Finally households require financial services to access a wide range of saving and investment products for wealth creation but it all depends upon their level of financial literacy.

Financial inclusion is expected to make significant changes in the economy, especially the rural economy, which is expected to witness a revolution in availability of financial instruments mainly because of PMJDY, gold monetization scheme, MUDRA, DBT; which will operate through the banking system will also ensure regularity of flow of liquidity in households and therefore opportunities for investment.

2. IMPORTANCE OF FINANCIAL INCLUSION

Easy access to financial services will allow the population living in lower strata, to save money safely and help in preventing concentration of economic power with a few individuals, thus mitigating the risks that the poor could face as a result of economic shocks. Therefore, providing access to financial services is becoming an area of concern for the policymakers as it has far reaching economic and social implications. In India, the single most frequently used source of loan for medium Indian household is still moneylender. Large parts of our financial system are still hampered by political intervention and bureaucratic constraints, limiting their potential contribution. India's poor, many of who work as agricultural and unskilled semi skilled wage laborers and low salaried workers are largely excluded from the formal financial system. Even micro and small enterprises, find it difficult to have an access to formal sources of finance and thus are largely excluded from financial system. Over 40% of India working population earn but have no saving. Financial inclusion provides protection to poor from the control of the spurious money lenders.

3. IMPORTANCE OF FINANCIAL INCLUSION IN INDIA

The policy makers have been focusing on financial inclusion of Indian rural and semi-rural areas primarily for three most important pressing needs.

- ***Creating a platform for inculcating the habit to save MONEY*** – The lower income category has been living under the constant shadow of financial duress mainly because of the absence of savings.
- ***Providing formal credit avenues*** – So far the unbanked population has been vulnerably dependent of informal channels of credit like family, friends and moneylenders. Availability of adequate and transparent credit from formal banking channels shall allow the entrepreneurial spirit of the masses to increase outputs and prosperity in the countryside.
- ***Plug gaps and leaks in public subsidies and welfare programs*** – A considerable sum of money that is meant for the poorest of poor does not actually reach them. While this money meanders through large system of government bureaucracy much of it is widely believed to leak and is unable to reach the intended parties. Government is therefore, pushing for direct cash transfers to beneficiaries through their BANK ACCOUNTS rather than subsidizing products and making cash payments.

4. STEPS TAKEN BY RBI TO SUPPORT FINANCIAL INCLUSION

- **Initiation of no-frills account** – These accounts provide basic facilities of deposit and withdrawal to accountholders makes banking affordable by cutting down on extra frills that are no use for the lower section of the society. These accounts are expected to provide a low-cost mode to access BANK ACCOUNTS. RBI also eased KYC (Know Your customer) norms for opening of such accounts.
- **Banking service reaches homes through business correspondents** – The banking systems have started to adopt the business correspondent mechanism to facilitate banking services in those areas where banks are unable to open brick and mortar branches for cost considerations. Business Correspondents provide affordability and easy accessibility to this unbanked population. Armed with suitable technology, the business correspondents help in taking the banks to the doorsteps of rural households.
- **Electronic Benefits Transfer** – To plug the leakages that are present in transfer of payments through the various levels of bureaucracy, government has begun the procedure of transferring payment directly to accounts of the beneficiaries. This “human-less” transfer of payment is expected to provide better benefits and relief to the beneficiaries while reducing government’s cost of transfer and monitoring. Once the benefits starts to accrue to the masses, those who remain unbanked shall start looking to enter the formal financial sector.

5. FUTURE SCOPE OF FINANCIAL INCLUSION

FINANCIAL inclusion of the unbanked masses is a critical step that requires political will, bureaucratic support and dogged persuasion by RBI. It is expected to unleash the hugely untapped potential of the bottom of pyramid section of Indian economy. Perhaps, financial inclusion can begin the next revolution of growth and prosperity.

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Gramin Digital Saksharta Abhiyan: Accelerating the pace of women empowerment in rural areas

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ABSTRACT

The 20th century's technological revolution aims at minimizing the effects of geographical, social, economic and political barriers as well as cost of transactions and information dissemination resulting in increase productivity, development and empowerment of citizens. India is in the era of technological transformation needs to promote digital literacy to accelerate the productivity and growth. Digital literacy refers to the knowledge of handling digital electronic devices such as computers, tablets, smart phones and internet usage. The union budget of 2016-2017 has presented the proposal of spreading the digital literacy among 16.8 crores households living in rural areas. This research paper focus on the contribution of digital literacy's schemes towards the upliftment and empowerment of women living in rural areas and challenges faced in this context.

Keywords: *Digital literacy, Women empowerment, Digital literacy mission, Rural women.*

I. INTRODUCTION

Despite of the India's recent development in global economy some segments of the population, especially those living in rural areas are untouched by these developments as they are unable to access these on account of lack of financial literacy. According to the gender inequality index GII of human development, India stood on 130th position among 148 countries in respect of maternal mortality rate. The population in the rural areas in India accounts for 68.84% of the total population. The women in the rural area are deprived off basic facilities of life i.e. education, health care, socio-economic development and political participation. Thus empowering the women in rural areas has become one of the major challenges for the policy makers and social organization in India. The use of internet is growing at a fast pace in India, making it the second largest with online user base of 342 millions internet users. The segment of internet users largely consists of those living in rural areas. A study by Boston Consulting Group forecast an increase in internet consumers in rural areas from 120 million in 2015 to almost 315 million in 2020.

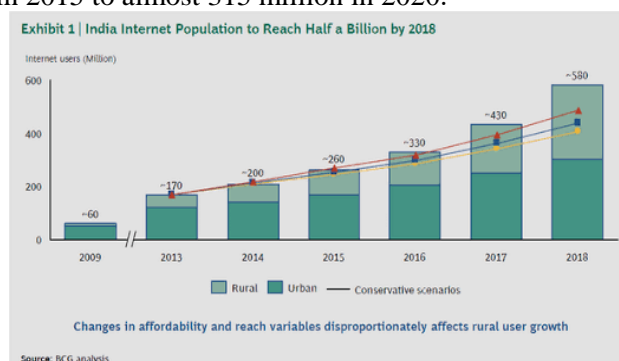
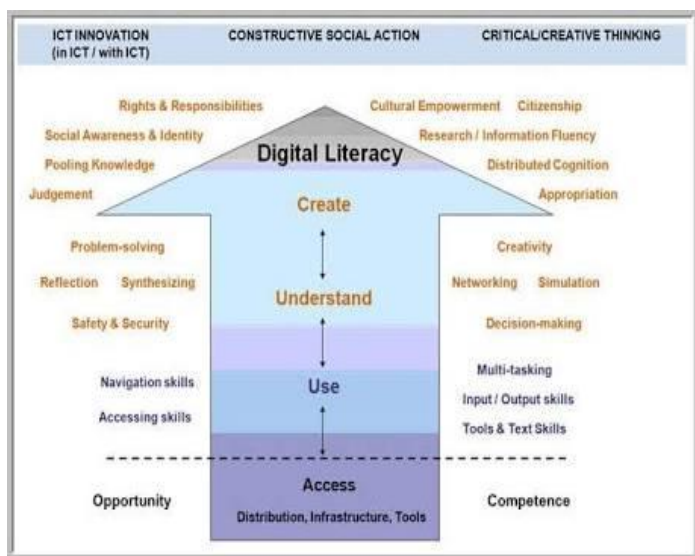


Fig 1: Growth in Internet users

The above figure illustrates the growth in internet users which will be around half a billion by the end of 2018. The growth in rural areas will be almost equal to that of urban areas. Digital literacy imparts the ability to understand and use digital technologies for meaningful action within a live situation among individuals and communities.

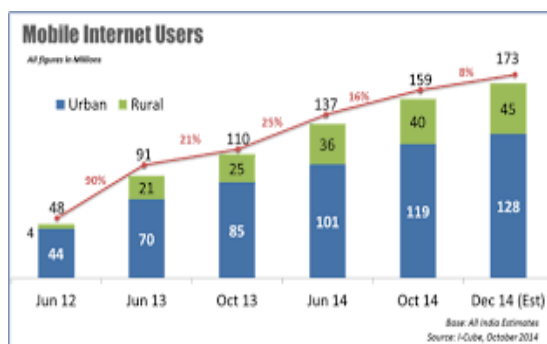


In 2015, the Indian government has launched its Digital India initiative “to transform India into a digitally empowered society and knowledgeable economy. The scheme focuses on three main core areas i.e. developing digital infrastructure, improving public service delivery through e-governance and providing digital empowerment through universal digital literacy. During its initial phase, it connected around 68,000 rural villages with high speed broadband networks.

2. GOVERNMENT’S INITIATIVES

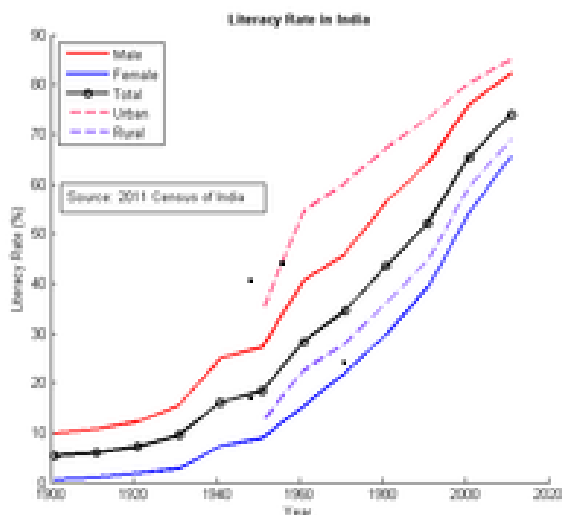
Internet is not only a medium of fast communication but also a source of knowledge, with a potential to give voice to the marginalized sections of the society, especially the women in rural areas. The growth rate of women internet users in rural areas is only 27%.

The government of India has launched National Digital Literacy mission, also known as “Digital Saksharta Abhiyan” (DISHA) to impart basic information technology training to digital illiterate population, enabling them to participate in the nation’s development and upgrade their livelihoods. National Digital Literacy Mission (NDLM), which was launched in August 2014, is a dynamic and integrated platform for digital literacy awareness, education and training which enable people to take a lead on global digital economy and maintain the competitiveness and establish a technologically driven and empowered society.



The internet mobile user increases from 4 millions in June 2012 to 45 millions in December 2014.

DISHA is expecting to be one of the largest digital literacy programs on the world level. The scheme sets the target to train 25 lakhs candidates in the financial year 2016-17, 275 lakhs candidates in 2017-18 and 300 lakhs candidates in 2018-19. Under this scheme, any individual who is digitally illiterate within the age group of 14 to 60 years can avail the benefits of the scheme. DISHA once launched will help in fulfilling the objective of digital India by making excessive use of mobile banking and internet banking for cashless transactions.



Google India has launched a campaign – “Helping women get online” which aims at imparting the basic internet knowledge and skill to around 1.2 million women spread across 40,000 villages in India.

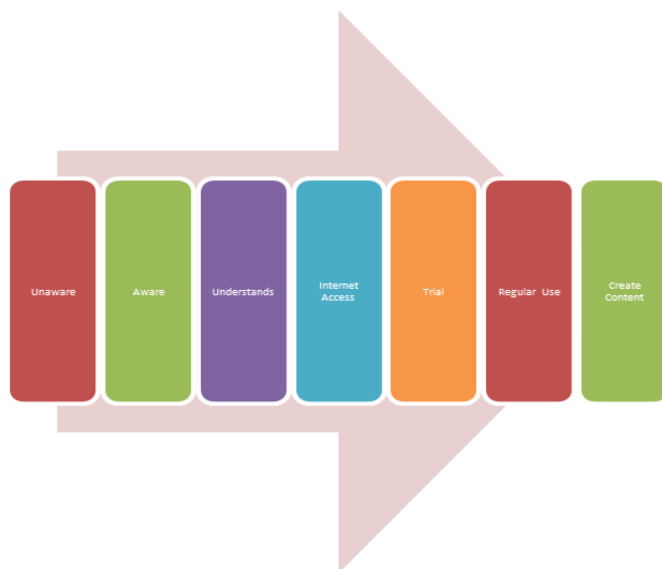
Exhibit 2 | The 2018 Internet Population Will be Older, More Rural, More Gender Balanced, More Mobile, and More Vernacular

	2013	2018
Older	• 60% under 25	• 54% over 25
Rural	• 29% rural	• 40-50% rural
Gender balances	• 2.6 men online for every woman online	• 1.9 men for every woman among 18-24 years olds
Mobile	• 60-70% of users	• 70-80% of users
Mobile	• 4% of users use vernacular content	• 62% print media market vernacular in 2013 • 70-90% Indians do not speak English, less than 1% speak as primary language

Fig 5: Distribution of Internet Population

In addition to this TATA Trust link with the local NGOs to identify and monitor the growth and development of Online Saathis and Internet Carts available in villages for minimum of two days every week for 4-6 months.

According to NSSO Survey on education in 2014, 94% of the total rural household of 16.85 crores are deprived of computer usage and hence are digitally illiterate.



3. BENEFITS OF DIGITAL LITERACY

Digital literacy offers a series to benefits to the women resulting in their empowerment and independency. It enables them to go hand in hand with the expansion of the global markets resulting in expansion of rural markets and improvement in the living standards of the rural population especially the women. Employability, household support, development of entrepreneurial skills etc. are some of the benefits enjoyed by rural women on account of digital literacy. \

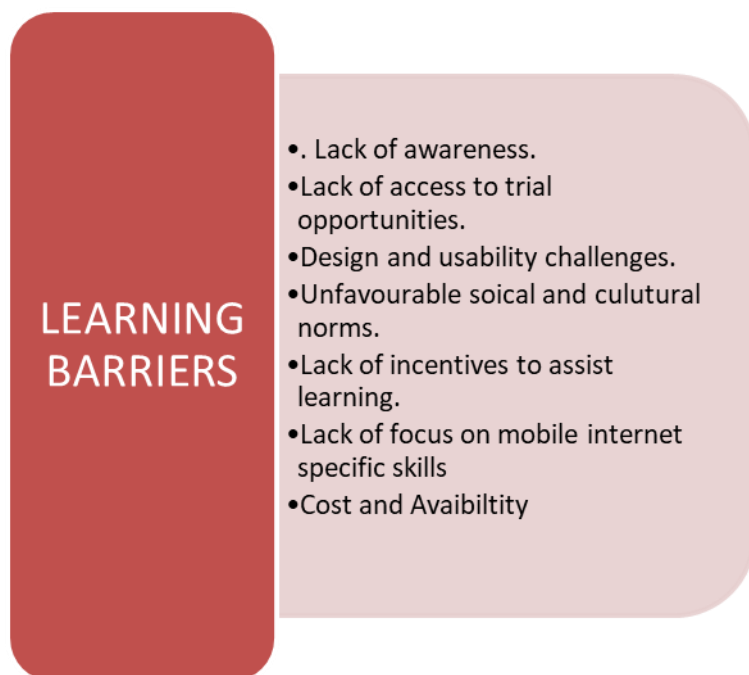
The others can be summarized as :

- Acquiring sustainable living standards through employment.
- Elimination of middlemen
- Encouragement of youth towards higher education especially girls.
- Inculcating the entrepreneurial skills
- Securing access to online banking
- Securing self reliance and self motivation.

4. BARRIERS

Digital literacy- the ability to extend connectivity to all corners of the globe is one of the most complex and multi- facet phenomena. The ability of people to adopt digital technologies majorly depends upon their skills and confidence and compatibility with the technology. Besides several benefits offered by Internet to its users, it also possess online threats like internet scams, hoaxes, viruses and cyber bullying.

Despite of the several efforts to promote the importance of digital literacy, greater efforts are required to encounter the problems faced by large number of population like availability of online content in a limited number of languages.



Inappropriate and inadequate resource allocation accounts for non availability of networks. To encounter this **problem, broadband network providers has invested millions to enable the reach but it covers only 80% of the population.**

Insufficient infrastructure and teaching support for digital education among people often restrict them from obtaining and enhancing their digital skills required exploring the benefits of internet.

In addition to the above barriers, lack of awareness about realities of digital era, ability and alternatives to avoid risk aversion, availability of poor roadmaps for effective digital engagement and transformation are also there.

5. CONCLUSION

The schemes, initiatives and digital literacy drive undertaken by the Indian government and related agencies will stimulate women in rural areas to adopt the technological developments resulting in their contribution towards shaping the rural India. The policy makers and agencies need to streamline the contribution of rural women towards the scheme of digital India. The transformation in the medium of delivery of knowledge will result in more collaborative and interactive learning experience for women helping them to adopt digital literacy.

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HR Measures to Alienate with Diversified Indian Labour Market

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ABSTRACT

Labour market is an important measure for global competitiveness. It contributes to the growth of every economy by giving a quality and of productivity. Labour market has shown a versatile trend in itself and therefore supplying a diversified manpower to the industries in India. India too have a characterized manpower and if we look at the Indian labour market since few decades back, a large number of participation can be seen. Migrations can be seen from the agricultural sector towards the employment in other sectors. The labour force in India can be categorized in to skilled, semi skilled and non skilled labour. This regards that the character of the Labour also depends on the level of education and training. The supply and demand of the labour force, if administered properly and good HR practices can prove to play a major role in reigniting the productivity of an economy. This paper first examines the nature of labour market in India by analyzing the growth of employment in the different sectors in Indian economy. Meanwhile the paper also highlights the few factors affecting the workforce participation, which forms the reasons for diversified Labour market in India. The paper enunciates the problems faced by the Indian economy in accommodating with the Labour market. These problems indicate the gap between the demand and supply of the Labour. The gap arises in the form of non availability of the type of jobs for the available Labour in the market. The discussion paper provides a relationship between the human resource professionals and the human capital present in the economy. India is now working on the notion of “Gainful Employment”. There is a need to understand the type of labour present and to make suitable labour policies. The paper suggests how the organizations can shape their policies and develop in line with the current Labour market and what measures can be implemented at micro level by the institutions related to the labour market. This may help the Indian economy to grow its productivity and result in a quality production subsequently proceeded by increase in the GDP.

1. INTRODUCTION

1.1 Meaning of Labour Market

Labour market refers to the availability and allocation of the human capital, in which the employees provide the supply and the employers create the demand. The labour gives its major contribution to GDP. This discussion paper projects the facts about the labour market at micro level. India is witnessing a notable growth in GDP since past 2 decades of approximately 7.6 %. The structure and patterns in the Labour market has been changed a lot showing a diversified Labour force. However, the recent reports of ILO shows that India is facing an increase in the unemployment level as the Labour market is expanding every year. India being world’s second most populous country have a Labour force of 500 million. The Oxford Internet Institute of the University of Oxford published a report hosting “ i Labour Project”which produced the online Labour index indicates that the largest overall supplier of online Labour is 24% . The software development and technology is dominated by the workers from India and this accounts to 55%of the market share.

1.2 Labour Market as a Factor of Production and Its Contribution to the Economy

Labour is one of the factors among the 4 factors of production the other three are land, capital and entrepreneurship. Labour have some special characteristics. Firstly, it is perishable which means the work done at a particular time by a worker cannot be stored for the time in future. Secondly, it is inseparable from its owner. Thirdly, it is immobile but now a days Labour mobility can be seen in the form of brain drain and Labour migration. Fourthly, it takes a lot of time to produce a worker. A wide study of Labour market in the context of economy includes the supply and demand of Labour and national income. National income calculated in terms of Labour market is done by income method. The people who receive income from their services contribute to GDP. Therefore, income method of calculating National income includes the factor incomes like rent, interest and profits. Incomes are earned by the employees and Labour, rent is received as income and the corporate profits earned by the organizations. This gives an idea how Labour market is important and contributes to the productivity of economy.

GDP in terms of the contribution of different sectors to gross value

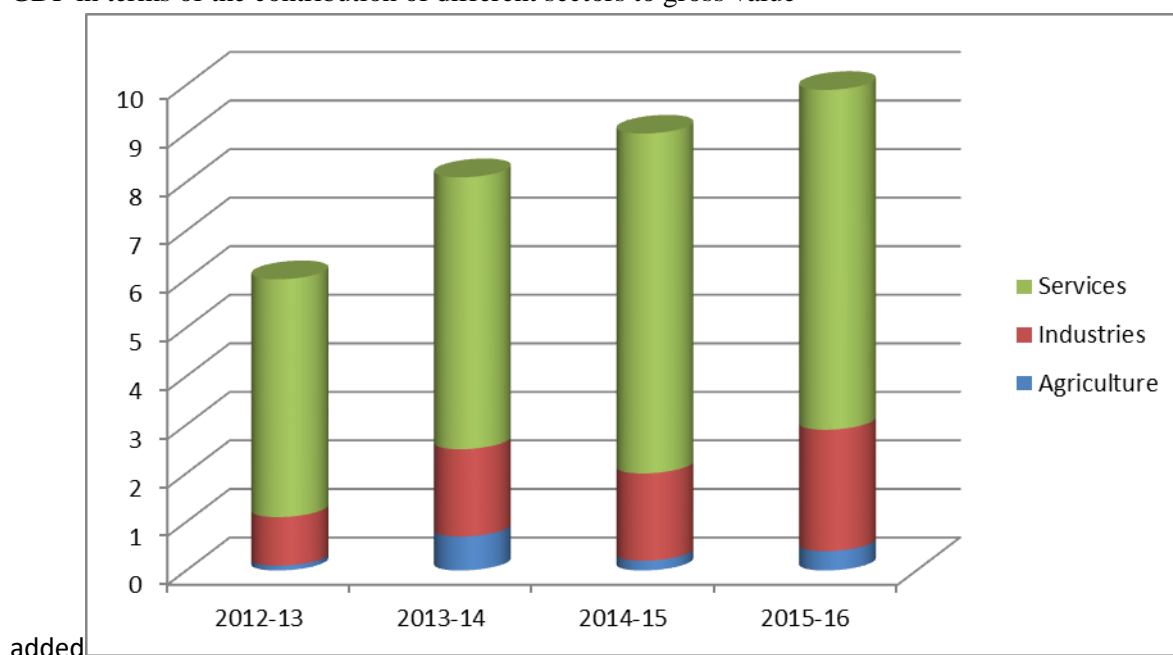


Figure 1, Source: Central Statistics Office, MOSPI, Government of India; author’s calculations.

Years	Agriculture	Industry	Services
2012-13	0.1	1	4.9
2013-14	0.7	1.8	5.6
2014-15	0.2	1.8	7
2015-16	0.4	2.5	7

Table 1 shows the contribution of different sectors to the Gross Value Added. The Y Axis shows the percentage growth rate and the table below the chart shows the numbers of estimates.

The number of employed persons in India increased to 29650 Thousand in 2012 from 28999 Thousand in 2011. Employed Persons in India averaged 25169.51 Thousand from 1971 until 2012, reaching an all time high of 29650 Thousand in 2012 and a record low of 17491 Thousand in 1971. The country needs to raise its labour productivity growth to 7.3 per cent to attain a GDP growth rate of 9 per cent, India Ratings and Research (Ind-Ra). The country's labour productivity grew 4.2 per cent in 2014-15, and to attain the double-digit growth of 10 per cent, labour productivity growth will have to be nearly doubled to 8.3%.

First Advance Estimates of GVA at Basic Price by Economic Activity
(At current prices)

(crore)

Industry	2014-15 (1st RE)	2015-16 (PE)	2016-17 (IstAE)	Per centage change over previous year	
				2015-16	2016-17
1. Agriculture, forestry & fishing	1,995,251	2,093,081	2,318,239	4.9	10.8
2. Mining & quarrying	304,300	318,672	321,701	4.7	1.0
3. Manufacturing	1,845,541	1,994,330	2,186,573	8.1	9.6
4. Electricity, gas, water supply & other utility services	288,935	320,186	335,457	10.8	4.8
5. Construction	1,003,903	1,016,659	1,075,632	1.3	5.8
6. Trade, hotels, transport, communication and services related to broadcasting	2,140,370	2,281,533	2,482,019	6.6	8.8
7. Financial, real estate & professional services	2,359,279	2,534,422	2,845,239	7.4	12.3
8. Public administration, defence and Other Services	1,534,831	1,720,527	2,037,315	12.1	18.4
9. GVA at Basic Price	11,472,409	12,279,410	13,602,175	7.0	10.8

RE: Revised estimates PE: Provisional Estimates; AE: Advance Estimates

Table 2

The above table shows the estimates of the amount contributed to GVA by the Labour employed in sectors.

1.3 Nature and worker's participation in The Labour Market in India

The structure and nature of the Labour force play an important role in the development of the economy. The force characterized by good education levels, possession of skills and training is a competitive advantage for the country. India has a diversified Labour force but not of such good quality. Even now most of the portion of Labour is engaged in agriculture and other low paid jobs (Figure 3). The agriculture sector only gives its 14% to the GDP and the other industries contribute to 58% but the level of employment is low in these sectors.

Share of Sectors in Employment

Sectors	(%) 1999-2000	(%) 2004-05	(%) 2009-10
Agriculture	59.9	56.6	53.2
Manufacturing	11.1	12.2	11.0
Non-manufacturing	5.3	6.5	10.5
Services	23.7	24.7	25.3

Table 3 (<https://data.gov.in/catalog/proportionate-share-sectors-employment-percentage>)

Nature and diversification of Labour market can be categorized on the basis of following criterion:

BASIS	DIVISIONS
On the basis of Industrial sectors	Labour employed in primary sector Labour employed in secondary sector Labour employed in tertiary sector
On the basis of Education	Uneducated Primary Education Secondary Education Higher Secondary Education Degree Holders
On the basis of skills	Unskilled Semiskilled Skilled
On the basis of Gender	Males Females

Table 4

Indian Labour can broadly be classified under the heads shown in the table 4. The Labour working in the different types of industries the primary, secondary and the tertiary sectors according to the education and skills they possess. Primary industries are the extraction industries like mining, crude oil extraction, fisheries etc. the secondary industries are the manufacturing and the production units and the tertiary are the service industries. The second basis is the education. Education is one of the main reasons of versatility of the Labour. Lower education provides low paid jobs and vice versa. The third basis is skills, skills are the expertise area in which a worker has the command. They are the jobs like crane operators, plumbers, electricians, carpenters. Although these jobs need respective skills but still they are low paid in India. The fourth basis is gender; along with males India has a good number of females also working in all types of industries. Women's participation can be noticed in all forms of job right from low paid mostly working in construction industries to the high paid jobs in production units and in service industry.

Distribution of Indian Labour by production unit and employment status

Employment Status	Informality	Formal Sector Enterprises	Inormal Sector Enterprises	Households	Total Employment
Own Account Workers	Informal		32.3	n.a	32.3
	Formal	0.5			0.5
Employers	Informal		1.3		1.3
	Formal	0.1			0.1
Contributing Family Workers	Informal	0.1	17.9		18.0
Employees	Informal	9.6	30.0	0.8	40.4
	Formal	7.0	0.4	0.01	7.4
Members of Prpducer's cooperatives	Informal		n.a		n.a
	Formal				n.a

Table 5

Note: Covers employed persons of all ages. Cells shaded in dark grey refer to jobs, which, by definition, do not exist in the type of production unit. Cells shaded in light grey refer to formal jobs. Unshaded cells represent various types of informal workers.

Source: Calculated from NSSO's Employment-Unemployment Survey, 2011-12, based on the International Conference of Labour Statisticians (ICLS) 2003 framework.

The above table shows another evidence of diversified Labour in India under the head of employment status. A majority of workers are employed in the informal sector. The share of informal workers in the organized sector (i.e. workers without access to social security) increased significantly because of a greater use of contract and other forms of casual labour.

2. PROBLEMS IN ACCOMMODATING WITH INDIAN LABOUR MARKET

- The overall ratio of population and Labour in India is low. India has a good portion of male workers but the females do not have a comparable proportion in the Indian Labour market. The workforce participation of females in 2012 was 42.7% which declined to 31.1% in the year 2015.
- A large number of worker's population is engaged in agriculture. Actually the problem is not that they are engaged in agriculture but they cannot contribute more towards the GDP of the country due to the old agricultural techniques and low profits to the farmers. India should try to generate more share from the sector in which its most of the population is involved by using new agricultural techniques and take measures to improve in the agriculture sector.
- A large share of workers is engaged in the informal sector where they have no social security schemes and are paid very low. They do not have job security and no safety measures are taken for them. They work on daily basis and sometimes do not earn anything for their families. This is making the Labour poorer and hindering the productivity also.
- The industries could not find compatible workers for their jobs. They lack in experience and right type of training. The education level is good in India but the students are not educated of what they will do in future. The education in India is still confined to the books only; it really needs some practical exposures so that the future workers can be introduced with the real industry work. This will improve the quality of work. However the Indian government has started many programmes for training the workers into different skills along with the private institutes also but people merely join them.
- India is having a diversified population of different religions and castes. There is still lot of disparities related to the social categories. These categories are of low and high castes. A large number of people belong to backward classes and they are employed in low paid jobs. There is a concentration of wealth among the dominant classes. This is making the poor sections of the society poorer.
- The regional disparity can also be seen in India. People in the southern region are more educated and employ for high paid jobs as compared to the northern and the central region in India.
- There is a large difference in the rural and urban areas. The urban areas are facing lot of worker mobility due to the existence of industries. The urban population is well educated and so do not work for the low paid jobs so there is a deficiency in the urban areas for the low paid jobs. This problem mainly arises with the small scale entrepreneurs who need skilled Labour but not so educated.
- The women workforce in India is at disadvantage, the uneducated women who are employed in the low paid jobs are unsecured. Besides this the well women who want to work may not get the family support.

3. HR PROFESSIONALS AND LABOUR MARKET

The Labour market is related to the human resource department in the organizations in a close way. The practices and their implementations can help the country in gaining a competitive advantage of Labour present in the economy. The Labour market information is needed by the human resource department to take decisions like recruiting and human resource planning. The good qualities of their employees create more value to their organizations. A Labour market analysis reveals how other employees pay for the different positions of their employees. This helps in making comparisons within different employers of the employees. The HR professionals so, can identify the talent, skills and qualifications needed for the respective job positions and the pay scales according to the job responsibilities. The Labour analysis helps the organizations in making the retention policies for their quality employees and maintaining internal equality. The HR department can take following measures in different areas to gain uniqueness related to their workforce.

- **Gaining competence in hiring:** The human resource department is responsible for new hiring and recruitments. The employees in the private organizations have to face different rounds of interviews before they the appointment for the job positions. They are tested for the skills needed for the respective designations along with the related experience. The skills needed, can be in the form of professional courses or the technical skills. The HR professionals test the candidate for the internal attributes and quality of the person as an employee. The Labour market study helps them to be confined to a certain group of candidates who fall eligible for the job. If there is surplus or underutilized staff, the management will take initiative in determining the problem and defining the workforce requirement for the organization. They also need to get new fresh blood for organization by improving the current career system and understand the characteristic of those senior positions. The use of staffing practices might benefit most organization regardless of varying internal or external factors. Some organization will moderate the relationship between the use of effective staffing and its level outcomes. The Labour market is characterized by the level of education, experiences, skills and knowledge and training and the HR is related to it because it had to recruit its employees from here only. The demand and supply of the Labour in the market is the reason why HR is affected by it.
- **Competing with the techniques:** The HR professionals need to compete with the new technological advancements in their workings. The Labour market in India is now very mobile and therefore the HR needs to opt for the measures which can give them the access to best talent and the right candidate needed to fill up their job vacancies. Use of internet is common for the recruitment process. Moreover, the self assessment modules are also now being used by many of the companies. The self automated systems connecting the employees to the employers or to the clients are very effective and helps to make better relations and remove the barriers of communication. The technology advancements are very important to be adopted by the HR professionals, they make all the processes easy and error free right from the recruitments up till the retirement. Technology enhances Human Resource Management (HRM) functions in recruiting, training and development, performance management, payroll and attendance records, employment benefits.
- **Making sustaining policies:** The Labour market is characterized with the growth in productivity. Quality workforce increases the growth of productivity and decreases the unemployment ratio of the economy. HR professionals need to recognize the real growth making employees and sustain them in the organizations. This will help them have a unique workforce.
- **Creating a democratic and harmonious environment:** Indian Labour market is diverse in nature. It includes the workers of all religions, castes and from all regions. Besides this the Indian Labour market has also expanded due to the migrations from its neighbouring countries. To have a competitive workforce it is essential to have good working environment in which everybody is having equal rights. It is essential to build up a harmonious ambience to work with others without any clashes within the social environment of an organization. The

management of any organization is responsible for the maintenance of good relations among its employees and the employers and among the employees within their peer group also. This gives a feeling of belongingness to the workforce and so they work with loyalty and dedication bringing good times for that organization. The HRM department can be more obligatory towards the peaceful and democratic environment because it is most closely attached to the employees. Both of them share same ambience so the workforce and their problems can be better understood by the HRM department.

- **Providing training and career planning:** The HR professionals can a competitive work force by providing proper training to its employees and work for their career planning so that they can achieve higher goals in their life. This will inculcate the feeling of goodness among the employees that the employer thinks of the betterment of the employees also. It ensures availability of people with efficient skills and highly talented employees. Here the organization concentrates more on promoting data set resources. The employees are allowed to face the dangers which are full of competition. It changes the rapid skills, knowledgeable workforce, focus etc. An organization will help in employee's career growth and development so as to set personal goals and opportunities to make the employee to undergo adequate training. It recognizes shared responsibility of the employee that ensures various policies and programs within the training provided. It has additional responsibility towards higher level employees. It is important when the company has trusted resources and even the employees with various natural tendencies. Here the best thing to slack off starts where an individual is responsible for the outcome of the project. It endures repetitiveness that maximizes the gap for learning.
- **Creating fair remuneration scales:** The Labour market analysis helps in comparisons of the employee's pay scales in same industry but different companies. The employees work for financial aid and the pay scales can help the HR professionals to retain their good employees. The HR can help in making standards for a particular job in the industry so that the employees know the worth of their work and services they are rendering to the organization. When HR professionals create pay ranges for the organization, they use market data as the guide for determining into which pay grade each job falls. Smart HR validates the placement of a job into a grade with their own understanding of the internal alignment of jobs within their organization. The advantage of having grades and pay ranges associated with grades is that the organization can slot the position into an appropriate pay range based on its alignment with comparable jobs within the organization. Realizing that their pay is fair as compared to other companies and is similar to the others in the Labour market makes it easier for employees to work through challenges of their work. This stability in employment helps the company maintain better organizational knowledge and the employee can find opportunities for internal development and promotion.
- **Providing for the safety of the employees:** Safety is a topic gaining importance in this business world of contingencies. In India as most of the workers are employed in low paid jobs which do not cover them under any safety schemes, it is important that they are to be monitored by the government. These jobs are mostly in the small scale industries where the Labours do not have any job security also and they work on daily basis. Along with this the HR professionals in the medium sized organizations also must pay attention towards this. Government safety regulators are changing the way they view the relationship of contractors and their customers when it comes to worker safety and, much to the chagrin of business owners, governments are tightening the enforcement of grey areas and the loopholes are to be filled up by the HR professionals. Absence of safety rules drops the morale of the employees and result in absents on the work. The safety rule if followed by the organizations make better public relations and reduces the cost on the cure of injuries caused to their employees. Safety rules increases the productivity.

4. CONCLUSION

The paper concludes that Indian Labour market is much diversified. The unorganized sector has low productivity and offers lower wages. Even though it accounted for over 94 percent of workers, India's unorganized sector created just 57 percent of India's national domestic product. The reasons of this diversification are the different education levels, male and female participation in the Labour market, workers from different regions and religions. The organizations need to use this workforce smartly so that it can become competitive advantage for them and the economy too. The paper shows the relation between the Labour market and the HR professionals and how they can make their employees more skilled and create a better workplace environment. It's important to safeguard the rights of the employees also to take out good from them. Apart from the payments the employees receive the safety rules are also important. Organizations must try to create a democratic environment to make the relations of employee and employer better.

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Liquidity Risk Management in Banking – A driver to sustainable development

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ABSTRACT

Liquidity represents the ability of a bank to meet contractual obligations and to fund increases in assets. A bank is said to have adequate liquidity when it can raise sufficient funds both by increasing liabilities by way of deposits or by converting assets, promptly and at a cheaper cost. Bank's liquidity management, therefore, is the process of generating funds to meet contractual obligations like new loan demand, existing loan commitment and deposit withdrawals at reasonable prices at all times. Since there is a close association between liquidity and solvency of banks, sound liquidity management reduces the probability of banks becoming insolvent, thus reducing the possibilities of bankruptcies and bank runs. Ultimately, prudent liquidity management as part of the overall risk management of the banking institutions ensures a healthy and stable banking sector. An effective liquidity management brings depositors' confidence in banking practices, gives a shield to its reputation and protects the runs to the banks. This paper will highlight the effects of liquidity risk to a bank. Further it will analyze the sound practices adopted by banks for an effective liquidity risk management. The suggestions from Basel Committee and RBI will be the torch bearer in the path of such analysis. The paper will be based on secondary data, duly acknowledged at the end.

1. INTRODUCTION

Liquidity is a bank's capacity to fund increase in assets and meet both expected and unexpected cash and collateral obligations at reasonable cost and without incurring unacceptable losses. Liquidity risk is the inability of a bank to meet such obligations as they become due, without adversely affecting the bank's financial condition. Effective liquidity risk management helps ensure a bank's ability to meet its obligations as they fall due and reduces the probability of an adverse situation developing. This assumes significance on account of the fact that liquidity crisis, even at a single institution, can have systemic implications. Traditionally, liquidity has been defined as: .the capacity of financial institutions to finance increases in their assets and comply with their liabilities as these mature.

Bank liquidity has two distinct but interrelated dimensions: liability (or cash) liquidity, which refers to the ability to obtain funding on the market and asset (or market) liquidity, associated with the possibility of selling the assets. Both concepts are interrelated, and the interaction between them tends towards their mutual reinforcement. However, under adverse conditions this dependency tends to weaken market liquidity because adverse circumstances that affect one dimension can rapidly be transferred to the other. Under normal circumstances liquidity management is basically a cost-benefit trade off, because a financial institution will be able to obtain funding provided it is willing to pay the prevailing market prices, or has the choice of selling or committing its assets. In like manner a bank can store a stock of

liquid assets to ensure some liquidity (liquidity warehousing), although at the expense of smaller returns. However, in the event of a crisis specific to a bank, its access to liquidity may be found to be severely restricted because its counterparties may be unwilling to provide it neither with funds, not even providing collateral nor in exchange for high rates. In a systemic liquidity crisis it may even be impossible for the bank to place its assets on the market.

2. OBJECTIVE OF THE STUDY

The main objectives of present paper are:

- To find out the effect of Liquidity risk over a bank.
- To analyze various measures & practices adopted by banks for curbing liquidity risk.
- To highlight the role of Basel committee in supervision of banking company.

3. RESEARCH METHODOLOGY

It includes research design, sampling framework, methods of data collection, framework of analysis and limitations.

4. REVIEW OF LITERATURE

The paper relates to the literature on bank liquidity risk and refinancing frictions. Early papers on liquidity risk, such as Diamond and Dybvig (1983) and Chari and Jagannathan (1988), assumed the absence of informed refinancing even for banks with valuable assets. The seminal work of Goodfriend and King (1988) provided a benchmark that 6 banks known to be solvent should be able to refinance themselves in well-functioning interbank markets. Their work implies that, in order to describe modern liquidity risk in banks, models need to demonstrate how market failures may restrict the market-based refinancing of solvent institutions. One such market failure is informational frictions. In Flannery (1996), potential lenders are uncertain of their screening ability, and restrict refinancing to avoid lemon costs. Rochet and Vives (2004) model a coordination failure among bank creditors, where each withdraws if expects others to do the same. Freixas et al. (2004) consider a solvent bank that seeks refinancing but is indistinguishable from an insolvent one that attracts funds to gamble for resurrection. Huang and Ratnovski (2011) argue that sophisticated lenders may over-react to solvency concerns when they are senior and do not incur the full cost of liquidations. Our paper contributes to this literature with a simple model driven by a basic information friction, where the probability of bank failure is initially low, but its posterior can increase at an intermediate date, exposing affected banks to prohibitive lemon costs. Another market failure that may restrict refinancing is an increase in moral hazard as in Holmstrom and Tirole (1998, 2011).

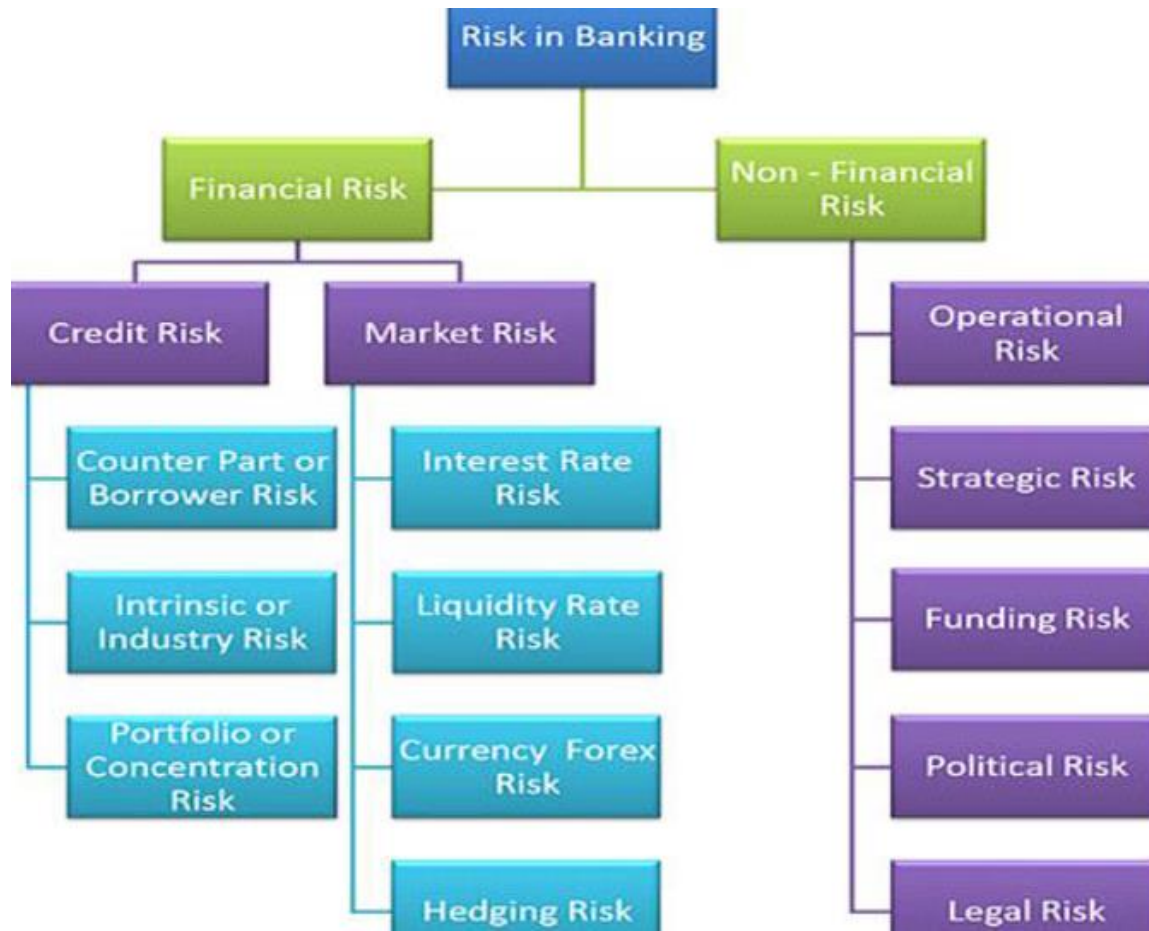
The key distinction between the Holmstrom and Tirole framework and our approach is that they consider a net liquidity need: a bank needs to attract additional funds to continue the project, but a moral hazard-related leverage constraint may prevent it from doing so. As a result, such models may be more attuned to the analysis of leverage and capital regulation (cf. Farhi and Tirole, 2012). In contrast, our and similar models consider a gross liquidity need: a firm needs to attract funds to substitute the outflow. The bank's leverage does not change and its overall borrowing constraint does not become more binding. Our focus on liquidity buffers and transparency as instruments of liquidity risk management is consistent with the empirical results that both stock liquidity (Paravisini, 2007) and access to external refinancing (Kashyap and Stein, 1990, Holod and Peek, 2004) are important in determining bank financial pressures. There is evidence that banks may be insufficiently liquid (Gatev et al., 2004, Gonzalez-Eiras, 2003) or trans- 7 parent (Morgan, 2002). The issue of transparency may be most relevant for advanced banking

systems (Bennet and Peristiani, 2002, Chaplin et al., 2000), since banks in developing countries (with less deep financial markets) predominantly rely on stock liquidity to manage refinancing risks (Freedman and Click, 2006).

5. COLLECTION OF DATA

Secondary sources have been used for data collection. Secondary data have been obtained from journals, RBI and other websites and published research papers, Internet etc.

Types of Various Risks affecting Banking Industry:



Liquidity Risk Management – Sound Practices and Measures taken by banks

- **Governance of Liquidity Risk Management:** The Reserve Bank had issued guidelines on Asset Liability Management (ALM) system, covering inter alia liquidity risk management system, in February 1999 and October 2007. Successful implementation of any risk management process has to emanate from the top management in the bank with the demonstration of its strong commitment to integrate basic operations and strategic decision making with risk management. Ideally, the organisational set up for liquidity risk management should be as under:

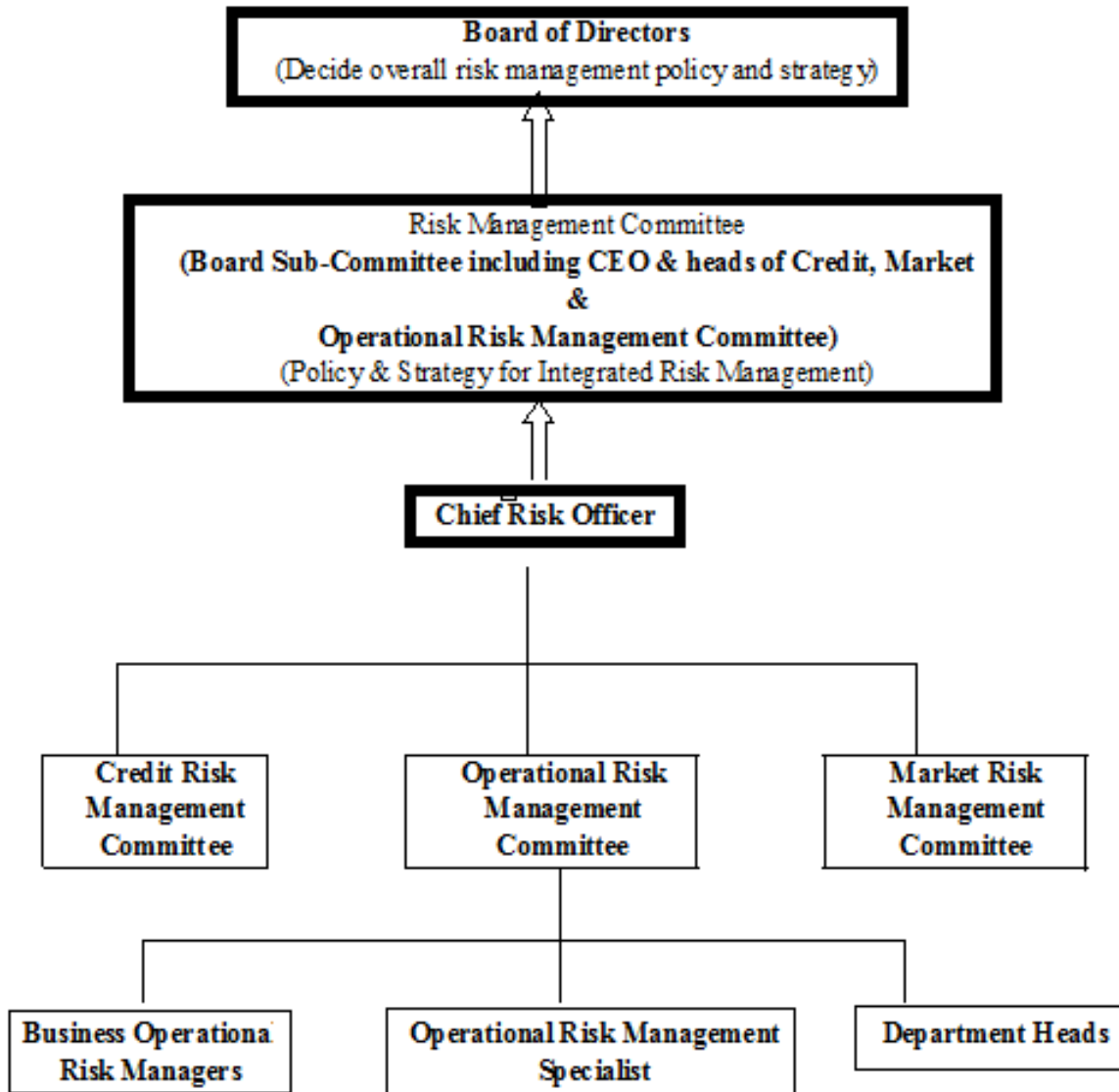
* The Board of Directors (BoD)

* The Risk Management Committee

* The Asset-Liability Management Committee (ALCO)

* The Asset Liability Management (ALM) Support Group

A general Architecture followed by banks to curb liquidity risk is as follows-



- The ratios used for Liquidity Risk Management:

Table 1

Sl. No.	Ratio	Significance	Industry Average (in %)
1.	$\frac{\text{(Volatile liabilities}^2 \text{ - Temporary Assets}^3)}{\text{(Earning Assets}^4 \text{ - Temporary Assets)}}$	Measures the extent to which volatile money supports bank's basic earning assets. Since the numerator represents short-term, interest sensitive funds, a high and positive number implies some risk of illiquidity.	40
2.	$\frac{\text{Core deposits}^5}{\text{Total Assets}}$	Measures the extent to which assets are funded through stable deposit base.	50
3.	$\frac{\text{(Loans + mandatory SLR + mandatory CRR + Fixed Assets)}}{\text{Total Assets}}$	Loans including mandatory cash reserves and statutory liquidity investments are least liquid and hence a high ratio signifies the degree of 'illiquidity' embedded in the balance sheet.	80
4.	$\frac{\text{(Loans + mandatory SLR + mandatory CRR + Fixed Assets)}}{\text{Core Deposits}}$	Measure the extent to which illiquid assets are financed out of core deposits.	150
5.	$\frac{\text{Temporary Assets}}{\text{Total Assets}}$	Measures the extent of available liquid assets. A higher ratio could impinge on the asset utilisation of banking system in terms of opportunity cost of holding liquidity.	40
6.	$\frac{\text{Temporary Assets}}{\text{Volatile Liabilities}}$	Measures the cover of liquid investments relative to volatile liabilities. A ratio of less than 1 indicates the possibility of a liquidity problem.	60
7.	$\frac{\text{Volatile Liabilities}}{\text{Total Assets}}$	Measures the extent to which volatile liabilities fund the balance sheet.	60

- Collateral Position Management:** A bank should have sufficient collateral to meet expected and unexpected borrowing needs and potential increases in margin requirements over different timeframes, depending upon the bank's funding profile. A bank should also consider the potential for operational and liquidity disruptions that could necessitate the pledging or delivery of additional intra-day collateral. . A bank should have proper systems and procedure to calculate all of its collateral positions in a timely manner, including the value of assets currently pledged relative to the amount of security required and unencumbered assets available to be pledged and monitor them on an ongoing basis. A bank should also be aware of the operational and timing requirements associated with accessing the collateral given its physical location
- Funding Strategy - Diversified Funding:** A bank should establish a funding strategy that provides effective diversification in the sources and tenor of funding. It should maintain an ongoing presence in its chosen funding markets and strong relationships with fund providers to

promote effective diversification of funding sources. A bank should regularly gauge its capacity to raise funds quickly from each source. It should identify the main factors that affect its ability to raise funds and monitor those factors closely to ensure that estimates of fund raising capacity remain valid. These factors may also be incorporated in the bank's stress test scenario and contingent funding plan.

- **Intra-day Liquidity Position Management:** A bank's failure to effectively manage intra-day liquidity could lead to default in meeting its payment obligations in time, which may affect not only its own liquidity position but also that of its counterparties. In the face of credit concerns or general market stress, counterparties may view the failure to settle payments as a sign of financial weakness and in turn, withhold or delay payments to the bank causing additional liquidity pressures. Given the inter-dependencies that exist among systems, this may lead to liquidity dislocations that cascade quickly across many systems and institutions. As such, the management of intra-day liquidity risk should be considered as a crucial part of liquidity risk management of the bank.
- **Contingency Funding Plan:** A bank should formulate a contingency funding plan (CFP) for responding to severe disruptions which might affect the bank's ability to fund some or all of its activities in a timely manner and at a reasonable cost. CFPs should prepare the bank to manage a range of scenarios of severe liquidity stress that include both bank specific and market-wide stress and should be commensurate with a bank's complexity, risk profile, scope of operations.

Statement of Structural Liquidity: The Maturity and Position statement (MAP) submitted by the banks at monthly intervals is discontinued as the same is now addressed by statement for foreign currency, Indian operations. The periodicity in respect of each part of the return is given below:

Table 2

Sl. No.	Name of the Liquidity Return (LR)	Periodicity ⁶	Time period by which required to be reported
	Structural Liquidity Statement		
(i)	Part A1 - Statement of Structural Liquidity – Domestic Currency, Indian Operations	Fortnightly*	within a week from the reporting date
(ii)	Part A2 – Statement of Structural Liquidity – Foreign Currency, Indian Operations	do	do
(iii)	Part A3 – Statement of Structural Liquidity – Combined Indian Operations	do	do
(iv)	Part B – Statement of Structural Liquidity for Overseas Operations	Monthly#	within 15 days from the reporting date
(v)	Part C – Statement of Structural Liquidity – For Consolidated Bank Operations	Quarterly#	within a month from the reporting date
* Reporting dates will be 15th and last date of the month – in case these dates are holidays, the reporting dates will be the previous working day.			
# Reporting date will be the last working day of the month / quarter.			

Basel Committee's Recommendation:

Requirements	Under Basel II	Under Basel III
Minimum Ratio of Total Capital To RWAs	8%	10.50%
Minimum Ratio of Common Equity to RWAs	2%	4.50% to 7.00%
Tier I capital to RWAs	4%	6.00%
Core Tier I capital to RWAs	2%	5.00%
Capital Conservation Buffers to RWAs	None	2.50%
Leverage Ratio	None	3.00%
Countercyclical Buffer	None	0% to 2.50%
Minimum Liquidity Coverage Ratio	None	TBD (2015)
Minimum Net Stable Funding Ratio	None	TBD (2018)
Systemically important Financial Institutions Charge	None	TBD (2011)

6. CONCLUSION

Liquidity Risk being one of the reasons for financial distress should not be ignored. Following the Basel Committee recommendations and framing an effective liquidity risk management system is the only way to fight out its ill effects. Depression that fled away the Lehman Brothers was just an alarm to the leading developed and developing economies to cry out for such bitter experiences from a time before it strikes again. Banks and financial institutions all over the world are planning for such arrangements. India, although not systematically absent, is however, trying to find out the best possible way to meet out the current economical imbalances caused due to liquidity matters. Indian financial system is set sure to boldly face all situations as it comes in the future

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Make In India will creates Job

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ABSTRACT

Make in India is an initiative launched by the Government of India to inspire multi-national, as well as national companies to manufacture their products in India. It was launched by Prime Minister Narendra Modi on 25 September 2014. Led by the Department of Industrial Policy and Promotion, the initiative aims to raise the contribution of the manufacturing sector to 25% of the Gross Domestic Product (GDP) by the year 2025 from its current 16%. Make in India has introduced multiple new initiatives, promoting foreign direct investment, implementing intellectual property rights and developing the manufacturing sector.

This program aims at endowing the country's manufacturing industry through a set of fundamental changes. As the drive gains momentum, speculations on how the job market will be impacted are also underway. There is a strong opinion building that India's attempt to accomplish East Asia style manufacturing growth depends largely on the employment generation and output. Experts are taking different sides on the expected outcomes, but the air of optimism cannot be denied. "Make in India will create jobs"

With this paper we will study what is current scenario of employment in manufacturing sector and how it contributing to the GDP of India.

Keywords— *Employment Opportunity, Manufacturing sector*

1. INTRODUCTION

Modi Govt. has already created a special Ministry of Entrepreneurship to boost job creation in the country, which aims to train and develop 12 lakh youths who enter the job market every year. Last year, Govt. had launched a job portal for the unemployed skilled worker.

The current boom in the job creation market inside India can be a cumulative effect of these initiatives, along with a fast growth experienced by the market. The biggest challenge for the Govt. would be to maintain this high rate of growth and to create more opportunities for job creation.

Prime Minister Narendra Modi launched the Make in India initiative on September 25, 2014, with the primary goal of making India a global manufacturing hub, by encouraging both multinational as well as domestic companies to manufacture their products within the country. Led by the Department of Industrial Policy and Promotion, the initiative aims to raise the contribution of the manufacturing sector to 25% of the Gross Domestic Product (GDP) by the year 2025 from its current 16%. Make in India has introduced multiple new initiatives, promoting foreign direct investment, implementing intellectual property rights and developing the manufacturing sector.

It targets 25 sectors of the economy which range from automobile to Information Technology (IT) & Business Process Management (BPM), the details of each can be viewed on the official site (www.makeinindia.com).

It also seeks to facilitate job creation, foster innovation, enhance skill development and protect intellectual property. The logo of 'Make in India' – a lion made of gear wheels – itself reflects the integral role of manufacturing in government's vision and national development

2. OBJECTIVE

- To know the status of employment in various sector
- To know the GDP growth rate
- To know the latest development through Make in India
- To know what are the challenges faced in Make in India

I. RESEARCH METHODOLOGY

This paper is based on secondary data and Information has been sourced from various Govt portals and websites, trade journals, Government publications, newspapers etc. IBEF report and Economic survey report.

II. TABLE : 1 DATA ANALYSIS

S. No.	Item	Rural India	Urban India	India
1.	a) Number of establishments (in 000)	35,023	23,447	58,470
	b) Percentage share	59.9%	40.1%	100.0%
2.	a) Number of establishments (in 000)			
	i) Outside household without fixed structure	7,333	4,646	11,979
	ii) Handicraft/ Handloom	1,294	899	2,193
	b) Percentage share in total establishments			
	i) Outside household without fixed structure	20.94%	19.81%	20.49%
	ii) Handicraft/ Handloom	3.69%	3.83%	3.75%
3.	Growth rate (%) in number of establishments over Fifth Economic Census (2005)*	39.28%	45.57%	41.73%
4.	a) Number of persons employed (in 000)	66,289	61,419	127,708
	b) Percentage share	51.9%	48.1%	100.0%
5.	Percentage of hired workers in the total persons employed	34.67%	57.59%	45.69%
6.	Percentage of total female workers in the total persons employed	30.90%	19.80%	25.56%
7.	Growth rate (%) in total employment over Fifth Economic Census (2005)*	31.59%	37.46%	34.35%

The above data is shown as per the survey of 2013 census with this report predicted 34.35% growth in employment all over India is an excellent figure, as it boils down to 4.3% average growth every year. At the same time, our population has increased at a rate of 2% annually. Hence, employment opportunities were generated at double the pace of population increase.

The data has been compiled for the 8 year period from 2005-2013. As per the report, total employment inside India rose by 34.35% to 12.77 crore wherein urban areas witnessed stronger growth compared to rural areas.

Proportion of women workforce marginally increased to 20.56% compared to 20% 2005 to 2013. Interestingly, more women in rural areas are working compared to women in urban location. Only 19.8% of women in urban India go to work, compared to 30.9% in rural India.

A. The top 5 states which provided maximum employment are:

- Maharashtra: **1.43 crore**
- Uttar Pradesh: **1.37 crore**
- West Bengal: **1.15 crore**
- Tamil Nadu: **1.08 crore**
- Gujarat: 90.63 lakh

B. The top 3 Union Territories which provided maximum employment

1. Delhi : **29.84 lakh**
2. Chandigarh: **2.38 lakh**
3. Puducherry: **2.17 lakh**

C. The top 5 states where the employment growth was fastest are:

1. **Manipur:** 83.29%
2. **Assam:** 78.84%
3. **Sikkim:** 77.14%
4. **Uttar Pradesh:** 75.26%
5. **Himachal Pradesh:** 68.81%

D. Indian Economy: Some Indicators at a Glance (as on 1st December, 2014)

Table : 2

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
GDP	4.15	5.39	3.88	7.97	7.05	9.48	9.57	9.32	6.72	8.59	8.91	6.69	4.47	4.74
Growth indicators														
Industry	6.03	2.61	7.21	7.32	9.81	9.72	12.17	9.67	4.44	9.16	7.55	7.81	0.96	0.35
Agriculture	-0.61	6.46	-8.14	10.84	0.07	5.53	4.13	6.34	-0.27	0.41	9.54	5.34	0.91	4.93
Service	5.07	6.61	6.74	7.89	8.28	10.91	10.06	10.27	9.98	10.50	9.67	6.57	6.96	6.78

Source: Reserve Bank of India, Central Statistical Organization, Finance Ministry, CSO 30/05/2014, 29/11/2014 and Economic Survey 2013-14 etc.

Note:

[i] The agricultural GDP growth rates exclude forestry & fishing, except for 2007-08 & 2008-09 where these sectors are also included. Indian Economy: Some Indicators at a Glance (as on 1st December, 2014)

[ii] Rate of inflation is based on yearly average of WPI; The Fiscal Deficit for 2012-13 is based on the Budget 2012-13 Document; Economic Survey 2013-14 dated 09/07/2014 & CSO-30/05/2014; * - Advance Estimates



Fig 1

III. FINDINGS

- Gross domestic product (GDP) is expected to grow at 5.4–5.9 per cent in FY15.
- India has the second fastest growing services sector with compound annual growth rate (CAGR) of 9 per cent
- The agriculture and allied sectors achieved a growth of 4.7 per cent in 2013–14 against its long-term average of around 3 per cent (between 1999–2000 and 2012–13).
- A record food grains production of 264.4 million tons expected in 2013-14. An increase of more than 20 million tons over the average production during the previous five years.

There has been improvement in the GDP over a period of times

E. GDP Growth

- GDP growth expected to be between 6.75 and 7.50 per cent in 2017-18.
- Real GDP growth expected at 6.5 per cent in 2016-17

F. Performance of key sectors for the period 2016-2017:

1) Agriculture and food management:

- The growth rate for the agriculture and allied sectors is estimated to be 4.1 per cent for 2016-17.

2) Industries, corporate and infrastructure sector:

- Growth rate of industrial sector is estimated to moderate to 5.2 per cent in 2016-17 from 7.4 per cent last fiscal.

3) Services sector

- The services sector is projected to grow at 8.8 per cent in 2016-17, similar to 2015-16 <http://www.bseindia.com/bsecmieindices/unemployment.aspx> [Source Economic Survey IBEF report]

CHALLENGES FACED

- *Growing Chinese Economy*
- *Capital requirement*
- *Introduction of Robotic Mechanism*
- *Political influence*
- *Constrains from Big Business houses*
- *Skill and training requirements*

3. SUGGESTIONS TO OVERCOME THE CHALLENGES

- As citizens we should self-boycott the Chinese products and import regulation from the government.
- There should be encouragement from the private investors and FDI to improve the capital requirement.

- Robotics and heavy machinery surely reduce the employment opportunity hence innovate and introduce these slowly .
- Many hindrances due to political opposition concentrating on improving the economic status of the country.
- Collaborate and merge with big business house which in turn generate employment and improve the status of major business houses.
- Bharatiya Mazdoor Sangh (BMS), udyamitra, entrepreneurial program and various other programs to help increase employment.

4. CONCLUSION

At the core of this lies an ambition to create 100 million new jobs in India by 2022, with 720,000 temporary jobs to be created over the next few years. Within the short span of time, there are many instances of the initiative's success. In December 2015, Micromax announced that it would put up three new manufacturing units in Rajasthan, Telangana and Andhra Pradesh. Japan announced it would set up a USD 12 billion fund for Make in India-related projects, called the "Japan-India Make-in-India Special Finance Facility" after the Japanese Prime Minister Shinzo Abe's visit to the country. Huawei opened a new Research and Development (R&D) campus in Bengaluru and is in the process of setting up a telecom hardware manufacturing plant in Chennai. France-based LH Aviation signed a Memorandum of Understanding (MoU) with OIS Advanced Technologies to set up a manufacturing facility in India for producing drones. Foxconn announced it would invest USD 5 billion over five years for R&D and creating a hi-tech semiconductor manufacturing facility in Maharashtra. Samsung said it would manufacture the Samsung Z1 in its plant in Noida while General Motors declared that it would invest USD 1 billion to begin producing automobiles in the capital state.⁶ And this is only the tip of the iceberg as there are many more proposals in the pipeline.

"Come make in India. Sell anywhere, [but] make in India" Prime Minister Narendra Modi said while introducing his vision to the public. With this strong vision and steady achievement we can expect progress in the performance of India.

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E-Business: Issues & Challenges in Indian Perspective

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ABSTRACT

Today there is demand for a business which is flexible enough to respond to any fluctuations in the running of the business. What differentiates an on demand business from its competition is the fact that it is responsive in real time—as the events occur. This is possible only because all its business processes are thoroughly integrated, and the IT infrastructure exists in an on demand operating environment. This is a research paper which after briefly presenting the current E-Business situation in India, analyses the scope, performance and problems of E-Business in India.

The primary objectives of this paper are:-

- To study the current position of E-business in India.
- To analyze the future of electronic Business in India.
- To study the challenges faced by E-Business players in India.

The penetration of e-business is low compared to markets Like the US and the UK but is growing at a much faster rate with a large Number of new entrants. India is yet to witness a breakthrough E-commerce Success story particularly in online retail. Ecommerce creates new Opportunities for business; it also creates new opportunities for education and Academics line. It raises key challenges that are being faced by consumers relating to e-commerce viz., Ethical issues, Perceptions of risk in e-service Encounters, challenges for e-business education and legal system.

Keywords: *Ethical issue, E-Service, E-commerce, Legal System, Online retail.*

1. INTRODUCTION

E-commerce is anything that involves an online transaction. This can range from ordering online, through online delivery of paid content, to financial transactions such as movement of money between bank accounts.

The e-business is one of the biggest things that have taken the Indian business by storm. It is creating an entire new economy, which has a huge potential and is fundamentally changing the way businesses are done. It has advantages for both buyers as well as sellers and this win-win situation is at the core of its phenomenal rise. Rising incomes and a greater variety of goods and services that can be bought over the internet is making buying online more attractive and convenient for consumers all over the country. Electronic commerce is presently an essential ingredient of India's trade facilitation policy.

Since 1991, after economic reforms explicitly took place in India as a result of opening of the economy with a view to integrate itself with the worldwide economy, the need to facilitate international trade both through policy and procedure reforms has become the foundation stone of India's trade and fiscal policies. Resultantly, last few years have witnessed a technological revolution accompanied by the wide spread use of the Internet, web technologies and their applications. Electronic Business (ecommerce) as part of the information technology revolution became widely used in the world trade in general and Indian economy in particular.

As a symbol of globalization, e-business represents the cutting edge of success in this digital age and it has changed and is still changing the way business is conducted around the world. The commercialization of the Internet has driven electronic commerce to become one of the most capable channels for inter-organizational business processes.

2. ADVANTAGES OF E-COMMERCE TO BUSINESSES IN INDIA

There is a rising awareness among the businesses in India about the opportunities offered by e-commerce. Ease of Internet access is the critical factor that will result in rapid adoption of Net commerce. Safe and secure payment modes are fundamental along with the need to invent and popularize innovations such as Mobile Commerce. E-commerce provides a new place for connecting with consumers and conducting transactions. Virtual stores operate 24 hours a day, 7 days a week. Many virtual retailers represent a single company while others, such as Top Online Shopping (toponlineshopping.com), represent a association of companies.

2.1 Global Trade :

E-business is one of the major factors in the globalization of business. Other factors include decreases in trade barriers, globalization of capital markets. Indian e-business has grown at a compounded annual growth rate of 30% since FY09.

2.2 Virtual Businesses:

As a result of e-business, business firms now have the ability to become virtual businesses. Virtual business uses electronic means to transact business as opposed to the traditional means of face to face transaction.

2.3 Lower search costs:

The Internet brings low search costs and high price lucidity. E-business has proved to be highly cost effective for business concerns as it cuts down the cost of marketing, processing, inventory management, customer care etc. It also reduces the load of infrastructure required for conducting business.

2.4 Round the clock:

Customers can do transactions for the product or enquiry about any product/services provided by a company

anytime, anywhere from any location.

2.5 Greater Economic Efficiency:

We have achieved greater economic efficiency (lower cost) and more rapid exchange (high speed, accelerated, or real-time interaction) with the help of electronic business.

2.6 Key drivers in Indian e-commerce are:

2.6.1 Increasing broadband Internet and 3G penetration.

2.6.2 Rising living standards and a growing, upwardly mobile middle class with high disposable income.

2.6.3 Availability of much wider product range compared to what is available at brick and mortar retailers.

2.6.4 Busy lifestyles, urban traffic congestion and lack of time for offline shopping.

2.6.5 Lower prices compared to brick and mortar retail driven by disintermediation and reduced inventory and real estate costs.

2.6.6 Increased usage of online classified sites, with more consumer buying and selling second-hand goods.

2.6.7 Evolution of the online marketplace model with sites like eBay, Flipkart, Snapdeal, Infibeam, qnetindia.in and Tradus. The evolution of ebusiness has come a full circle with marketplace models taking center stage again.

3. CHALLENGES AT THE FRONT OF E- BUSINESS IN INDIA

3.1 Indian customers return much of the commodities they purchase online.

E business in India has many first time buyers. This means that they have not yet made up their mind about what to expect from e-business websites. As a result, buyers sometimes fall prey to hard sell. But by the time the product is actually delivered, they reveal remorse and return the goods. Though consumer remorse is a global problem, but it is all the more prevalent in a country like India, where much of the growth comes from new buyers. Returns are expensive for e-business companies, as reverse logistics presents unique challenges. This becomes all the more complex in cross border e-business.

3.2 Cash on delivery is the preferred payment mode.

Low credit card access and low trust in online transactions has led to cash on delivery being the preferred payment choice in India. Unlike electronic payments, manual cash collection is painstaking, risky, and expensive.

3.3 Payment gateways have a high failure rate.

As if the preference for cash on delivery was not bad enough, Indian payment gateways have an unusually high failure rate by global standards. E-business companies using Indian payment gateways are losing out on business, as several customers do not attempt making payment again after a transaction fails.

3.4 Internet penetration is low.

Internet penetration in India is still a small fraction of what is there in a number of western countries. On top of that, the quality of connectivity is poor in several regions. But both these problems are on their last legs.

The day is not far when connectivity issues would not feature in a list of challenges to e-business in India.

3.5 Feature phones still rule the roost.

Though the total number of mobile phone users in India is very high, a significant majority still use feature phones, and not smart phones. As a result this consumer group is unable to make e-business purchases on the move. Though India is still a couple of years away from the scales tipping in favor of smart phones, the rapid downward spiral in the price of entry-level smart phones is an encouraging indication. I expect that the next few quarters will witness announcements of new smart phones in India at the \$30-40 price point.

4. CONCLUSION

In general, today's businesses must always strive to create the next best thing that consumers will want because consumers continue to desire their products, services etc. to continuously be better, faster and cheaper. In this world of new technology businesses need to accommodate to the new types of consumers needs and trends because it will prove to be vital to their business success and survival. E Business is continuously progressing and is becoming more and more important to business as technology continuously to advance and is something that should be taken advantage of and implemented.

From the inception of e-business and internet, the possibilities have become endless for business and consumers. Creating more opportunities for profits and advancements for business, while creating more opportunities for consumers. However just like anything else, e-business has its following disadvantages including consumer uncertainties, but nothing that cannot be resolved or avoided by good decision making and business practices.

There are several variables and factors that need to be considered and decided upon when starting an e-commerce business. Some of these include; type of e commerce, marketing strategies and countless more. If the correct methods and practices are followed a business will prosper in an e-commerce setting with much success and profitability.

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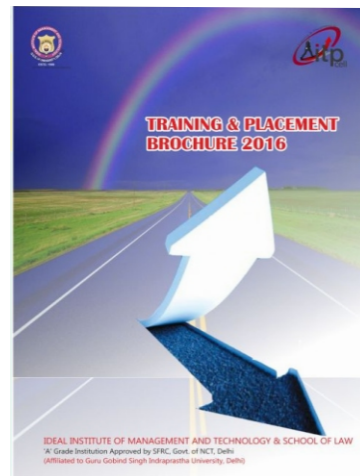
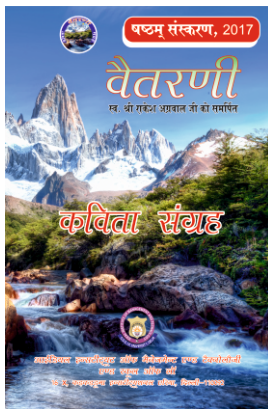
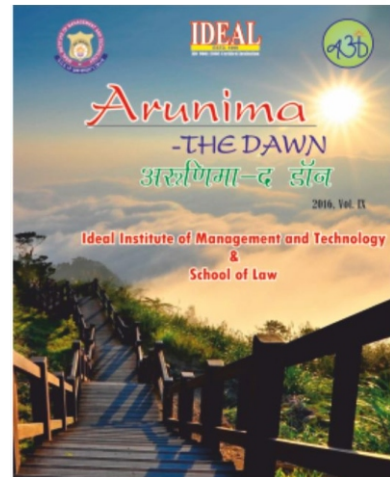
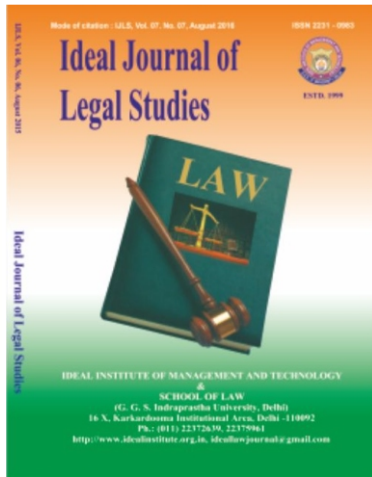
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