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◆ Chief Editor's Voice

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Chief Editor's Voice

COVID 19: EXISTENTIAL CRISIS EVADED IN MSMEs

MSMEs form the backbone of the economy; contributing 35% of the country's GDP. This sector plays a very important role in our economic system. This sector is employing 12 crore employees in about 6.50 crore units is responsible for 48% of our export business. Majority of MSMEs are working in rural areas. Small scale industries suit the self reliance ideology of Mahatma Gandhi and the small is beautiful concept of E F Shumacher. MSMEs that have been substantially impacted by disruptions due to the COVID 19 pandemic got a special consideration from the central government's restructuring package. The entire world is discussing the impact of corona virus pandemic and the consequent contraction in the economic activities.

The World Bank indicated that it may further lower its GDP projection of India and suggested critical reforms in key areas. GDP contraction would endanger MSMEs. CRISIL rightly cautioned the concerned about the need for taking appropriate measures for the revival of demands in MSME sector. It is estimated that a five per cent contraction in GDP during 2020-21 may lead to 15% fall in corporate India's revenues and poses an "existential crisis" for small businesses. The MSME sector will have to face a sharper decline in revenues up to 21% while operating profit margins will narrow 4-5%

MSME is currently facing an existential crisis. Revenue fall is rampant in all sectors of the economy. The sharp decline in revenue will impact its credit worthiness. The liquidity crisis is causing further stretching in working capital front. Lower commodity price is an opportunity obtained as a blessing in disguise. The imminent disadvantage of the sector puts barriers in capitalizing the opportunity. However, the

central government's Atmanirbhar Bharat Abhiyan is a right intervention.

Self reliance is the single important objective of Atmanirbhar Abhiyan Project. Special economic and comprehensive package of Rs. 20 lakh crores equivalent to 10% of India's GDP, was intended to cater to various sectors including cottage industry, MSMEs, labourers and middle class industries among others. Out of six lakh crore proposed by Finance Minister Nirmala Sitharaman, three lakh crore will be used to provide collateral loans to MSME sector. The package provides prominence to industries especially the MSME industries which suffered a lot in the complete lockdown due to COVID 19 pandemic. The government was determined to revive the enthusiasm and competitiveness of the small entrepreneurs and the innovators of startups.

The comprehensive vision of prime Minister was translated into a strong plan after wide range of consultations with several sections of the society. The third tranche of the package has about 15 different measures. Out of which six of them were exclusively for the revival of MSME sector. In order to help the small industry government proposed a scheme of partial credit guarantee where Rs 45000 crore is given to non-banking financial institutions like Housing / finance Corporation, Micro finance Institutions. The government has agreed to share 20% of loss to those institutions.

MSME plays a very prominent role in our economic system. It is the responsibility of the government to help them out of their difficulties. It is with this aim the government has decided to provide Rs. 4000 crore to the industries which have high rate of NPAs, and facing financial difficulties due to pandemic. This has helped about 2 lakh MSME units to

tide over the situation. In addition to that, Rs. 50000 crore was distributed as growth fund to those MSME units that find it difficult to raise required fund. Growth oriented companies can get them listed in the stock market with this specific government support.

During the period of pandemic the central government has come up with a helping hand to ease out the difficulties of MSME units. Big industry people buy and sell stocks in the share market, but the facility was not available for MSMEs. The government decided to buy equity in MSMEs, whose turn over and GST record is good and has a good performance record. Some of the MSME units export thousands of crores worth products and are self reliant and requires no external financial help. Besides, government was ready to provide equity support to MSME units. They get strength because of this equity support. When they list in the stock exchange their share price naturally will go up.

The private sector banks have a significant exposure to MSME credit. With the total loan outstanding to the tune of 17.75 lakh crore by the MSMEs, India's largest private sector lender HDFC bank's share is about 13%. The balance is shared between other private leaders - PSBs and NBFCs. State Bank of India - the country's largest lender - has a share of about 23% in MSME loans. For the Rs.3 lakh crore credit guarantee scheme to be successful, the private sector banks should also play an important role. SBI has already sanctioned Rs 6800 crore. It is reported that Rs 3.3 lakh crore MSME funds are stuck as large corporate holding up receivables. This amount pertaining to the materials supplied or services provided. Access to funding from the organized banking sector had eased owing to the announcement the Rs.3 lakh crore collateral free loans in the Atmanirbhar Bharat Abhiyan Package

Banks have sanctioned loans of over Rs. 70000 crore till June 2020 to 19 lakh MSMEs. Banks have sanctioned loans worth over Rs. 1.63

lakh crore to more than 42 lakh business units under the Rs. 3 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) for the MSME sector. Over Rs. 1.18 lakh crore doled out to 25 crore MSME units, till September 10, which were hit by the COVID 19 pandemic and ensuing lockdown. The scheme is the biggest fiscal component of the Rs. 20 lakh crore Atmanirbhar Bharat Abhiyan Package announced by Finance Minister, Nirmal Sitharaman, in May 2020 to mitigate the distress by providing credit to different sectors especially MSMEs. In May 2020, the cabinet approved additional funding of up to Rs.3 lakh crore at a concessional rate of 9.25 per cent through ECLGS for MSMEs. Under this scheme 100 per cent guarantee coverage will be provided by the National Credit Guarantee Trustee company (NCGTC) for additional funding of up to Rs.3 lakh crore to eligible MSMEs and interested Micro Units Development and Refinance Agency (MUDRA) borrowers in the form of a guaranteed emergency credit line (GECL) facility

MSME form the backbone of the economy contributing 35% of the country's GDP. In the post COVID economic scenario it is 'innovative ideas and technology' are the pathway to recovery and reconstruction of the MSME sector. Digital India and Cashless economy are the dream projects of Prime Minister Narendra Modi. But 95% MSMEs currently operate in a cash economy. Government of India's vision is to bring MSMEs into the digital payment fold, a critical step for building an Atmanirbhar Bharat. At least for the time being self reliant India needs to reduce the foot falls in the market place, keeping safe distance between persons visiting markets. With EmBark, acquiring banks gain access to an under penetrated MSMEs market via strategic partnerships without having "feet on the street". Digital wave is reinventing the MSME market policy.

BANKING REFORMS AHEAD OF COVID 19 PANDEMIC

*Krishnapriya Abhilash, **Dr. C.V. Jayamani

Abstract

Wide ranging reforms for sustainable growth were undertaken by India in the pre-pandemic period. It is expected that India's growth potential may undergo a structural downshift following the pandemic. Deep seated and wide-ranging reforms are needed to regain losses and push to the path of sustainable development. The third decade of new millennium requires public sector banks to boost its efficiency in performance by improving entrepreneurship founded on digital technology. Several measures taken by the government have started yielding benefits in the pre pandemic period. But the COVID 19 pandemic has put heavy pressure on the performance of PSBs. Burgeoning number of non-performing assets together with recurring cases of bank frauds are causing great concern. Restructuring and reforms of banking sector are fast tracked. Recapitalization and capital infusion are the immediate measures taken by the banks for the revival and revitalization of the banking sector. Problems and pandemic are here to stay therefore we have a long way to go.

Key words:- Banking Reforms, COVID 19 Pandemic, Atmanirbhar Bharat, Non-performing Assets, Recapitalisation

Even under the high pressure of COVID 19 pandemic India continues with its dream of becoming a five trillion US dollar economy in the year 2025. According to Vivek Debroy, Prime Minister's Economic Advisory Council (PMEAC) and member NITI Ayog

“India may be a seven trillion US dollar economy by 2030” and by 2040 India will be a ten trillion US dollar economy. The present government always thinks far ahead of their problems and performances. It is believed that India needs to grow at least ten per cent annually in order to become a ten trillion economy.

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It has estimated that India has the capacity of 10% annual growth. In the pre-pandemic scenario India was set to overtake UK and France to become the world's fifth largest economy in 2018. At that time India was ranked seventh and was trying to move upto 5th place in 2018 and vault to third spot by 2032 (Reported Douglas Mc Williams, Dy Chairman Centre for Economics and Business Research (CEBR), a London based consultancy.

Stability oriented micro economic policies and progress on structural reforms went effectively well in India during 2018-19 and was to continue strengthening during 2019-20. High foreign reserve buffers and strong FDI inflows had helped contain external vulnerabilities. Several economic measures helped government in sustaining stability in FDI inflows. It also helped the government in removing the trade barriers, lowering tariffs and continuing to improve the business climate and improving governance. All these initiatives in improving the strength and stability of Indian economy were well appreciated by Renil Salgado, the IMF Mission Chief of India.

Performance of Public Sector Banks

Public sector banks are considered as the bed rock of Indian economy. People vested great hope and trust in the PSBs. It is this faith that we need to protect always. Banks are the repository of public faith in the financial system. An erosion or evasion in this state of affairs will impact the systemic stability of the country. According to Piyush Goyal, public sector banks are engines which take financial

inclusion to the last man at the bottom of the pyramid.

Government has taken several measures to sustain this systemic stability of our financial system. Financial Resolution and Deposit Insurance Bill is the one such step in that direction. It will help strengthen the existing system like Bankruptcy Code. New initiatives are needed to ensure strength, transparency, safety and public confidence in the existing system. Banking is a bit different from other financial institutions in its structure and the nature of services. In the emerging economic scenario banks, insurance and other financial institutions should be continuously strengthened. It is with this aim in mind that government has brought in the new FRDI bill.

The two tenures of Narendra Modi government took several initiatives to reform banking sector. The main aim of the banking sector reforms was to promote a diversified, efficient and competitive financial system with the ultimate goal of improving the allocation efficiency of resources through operational flexibility, improved financial viability and institutional strengthening. A clean, reliable and robust financial sector is critical to the economy. As is rightly pointed out by Nirmala Sitharaman, "in an effort to achieve the five trillion USD economy, the financial architecture should keep evolving and move from strength to strength"

Public sector banks play a predominant role in keeping our country prosperous. But the performance of public sector banks during its fifty years of nationalization is something seriously

to be studied. Fourteen major banks that accounting for 85% of bank deposits in the country were nationalized in the first phase. The main objective of nationalization was to energize priority sectors at a time when large businesses dominated the credit profiles. Six more banks were subsequently nationalized. But the government's initiative with good intention generally failed to support the government's socio economic objective of financial inclusion and grass root level banking. It is a fact that the total loans by commercial banks have increased dramatically. But the agriculture community received less than two per cent. Several factors in banks cause great concern which include the highest volume of non-performing assets, frequently reported frauds etc. It is in this context that we need to see the central government's recent initiative of merging some of the nationalized banks

The banking system continues to be a cause of concern. The RBI's March 2018 Report on financial stability showed that the gross non-performing asset ratio of scheduled banks had risen to 11.6%. This ratio for public sector banks was 15.6% which was very high. The mega bank mergers announced by the Finance Minister Nirmala Sitharaman is the most significant in the banking industry has seen in the five decades since nationalization. Along with economies of scale, sizing of banks up to global standards need adequate reforms in governance and management of these banks. Several measures are initiated to make managements more transparent and better accountable to the boards. It can create a climate in the banks of global level that

can leverage economies of scale and balance sheet size to serve the needs of a five trillion USD economy by 2025.

The Financial Resolution and Deposit Insurance (FRDI) Bill

We need to keep our public sector banks as the wealth creator, growth engine and the custodian of national wealth. It is the responsibility of all stakeholders to keep the confidence of depositors always high and keep them the repository of public faith in the financial system. This is to this end government of India introduce FRDI in the Parliament as a part of Insolvency and Bankruptcy Code. The FRDI Bill aims to set up a Resolution Corporation which will monitor financial companies, catalogue them as per their risk profiles and step into to prevent them from going bankrupt by writing down their liabilities. The FRDI Bill 2017 is a part of larger and more comprehensive approach by the centre towards systematic resolution of all financial firms – banks, insurance companies and other financial intermediaries.

The bill comes together with Insolvency and Bankruptcy Code to spell out the procedure for the winding up of or revival of an ailing company. The bail in clause caused panic and the government have clarified that depositors interest will be protected. It is assured that all their deposits are safe and secure. The FRDI bill provides for the setting up of a Resolution Corporation, to replace the existing Deposit Insurance and Credit Guarantee Corporation. The Corporation will be tasked with monitoring financial firms, anticipating the risk failures, taking corrective actions and resolving them in

case of failure. The Corporation is also tasked with classifying financial firms on their risk failures – low, moderate, material imminent or critical.

The Insolvency and Bankruptcy Code 2016 is the Bankruptcy Law of India which seeks to consolidate the existing framework by creating a single law for insolvency and bankruptcy. The IBC is a one step solution for resolving insolvencies which at present is a long process and does not offer an economically viable arrangement. A strong insolvency framework where cost and time incurred is minimized in attaining liquidation. It will protect the interest of small investors and make the process of doing business easy and less cumbersome.

Insolvency and Bankruptcy Board of India was set up on 1st October 2016 under IBC Act 2016. It is a unique regulation to regulate a profession as well as transactions. It has regulatory oversight over the insolvency professions, insolvency professional agencies and information utilities. It writes and enforces rules for transactions namely, corporate insolvency resolution, corporate liquidation, individual insolvency resolution and individual bankruptcy under the code. It is a key pillar of the ecosystem responsible for implementation of the code.

The insolvency and Bankruptcy Board of India which is implementing the code, has notified the regulations which would be applicable for all stakeholders including creditors, debtors and service providers. The regulations provide for an objective and transparent procedure for disposal of grievances and complaints by the IBBI that does not spare a mischievous service provider, but doesn't harass an innocent.

The Government of India promulgated the ordinance to amend the Insolvency and Bankruptcy Code 2016, which aims at putting in place and safeguard to prevent unscrupulous, undesirable persons from misusing or vitiating the provisions of the code. The amendments aim to keep out such persons who have willfully defaulted or are associated with non-performing assets, or are habitually non-compliant and, therefore, are likely to be a risk to successful resolution of insolvency of a company

Insolvency and Bankruptcy Code Resolution had helped the scam-hit Punjab National Bank in recovering more than Rs 7700 crores in bad loans in 2017-18, showing a sign of a turnaround path. The bank had hit by an almost two billion USD fraud allegedly carried out by jeweler Nirav Modi and his associates

Solutions for Stressed Assets

It is imperative to tackle the huge volume of stressed loans of 133 billion USD held by Indian banks which comes about 12.34 per cent of total loans. This heavy burden constraints lending and delay private investment. The over leverage companies and bad loan encumbered banks have become a Twin Balance sheet (TBS) problem for India. As the bank loans keep rising, it increase the recapitalization bill for the government

The Rs 2.11 trillion recapitalization packages by the government is a major initiative towards revitalizing the public sector banks, which are grappling with large size non-performing assets and an inadequate capital base. The proposed infusion would be adequate to offset the

profit and loss stemming from higher NPA provisioning, and to comply with Basel II capital adequacy norms. The recap will help PSBs accelerate provisioning for and resolve NPAs and clean up balance sheets

The Basel II norms are a set of reform measures aimed at improving the banking sector's ability to absorb shocks arising from financial and economic stress. Under the RBI directions, the BASEL III Capital Regulation has been implemented in India from April 1st 2013 in phases and it has to be fully implemented by the end of March 2019. This will help banks meet their capital needs, increase credit flows to productive sectors and clean up their balance sheets.

Bad Bank was another idea suggested by Aravind Subramaniam, the Principal Economic Advisor to Prime Minister. The concept of "Bad Bank" or "Asset Management Company" has the potential to address the NPA resolution challenge more effectively. There needs to be a new institution to do with the principle of separation of good and bad assets. This will ensure maximum recovery and minimum burden or cost both to the banks and the government. The proposed bank would be a centralized agency that would take over the largest and the most difficult stressed loans from public sector banks in order to help clean their balance sheet, and would help to take tough political decision to reduce debt. It would also help providing an impetus to further funding to spur economic activity.

Public Sector Asset Rehabilitation Agency (PARA) is yet another initiative on the part of the central government to help

solve the problem of stressed assets in PSBs. Under this scheme the agency would purchase specified (large) loans from bank and then work them out, either by converting debt to equity and selling stakes in auctions or by granting debt reduction. Once loans are off the books of PSBs, the government would recapitalize them resorting to their financial health and allowing them to get back to making new loans. The spin off in the bad bank is that the bad loans are moved to a separate entity altogether cleaning up the balance sheet and ensuring mass risk transfer.

Pre-pandemic Performance

Pre-pandemic India was assessed by Deloitte, the global consultancy firm, even in the face of challenges like US-China trade war, instability in stock market, price fluctuations in oil and natural gas, as the fastest economy in the world. The demand from the agricultural sector, the investment growth prospects in infrastructure, the internal economic stability and strength, high prospects in agricultural, construction and manufacturing are the factors which give a high support to Indian economy. The IMF also predicted India to grow at 7.4% in 2018 and 7.8% in 2019, at a time while the world was assessed to grow at 3.9 per cent.

Wide ranging reforms for sustainable growth were undertaken by India in the pre-pandemic period. But India's potential output may undergo a structural downshift following the pandemic according to the Reserve Bank of India. Deep seated and wide-ranging reforms are needed to regain losses and push to the path of sustainable development.

National Bank for agriculture has introduced structured Finance and Partial Guarantee Programme to non-banking finance companies (NBFCs) and Micro finance Institutions, a dedicated debt and credit guarantee product, to ensure unhindered flow of credit to the last mile in the COVID 19 affected rural areas. The aim is to ensure and enhance access to sustainable finance for micro-enterprises and low income households. Agriculture is one of the few bright spots in an economy ravaged by COVID 19, with good rains expected to boost production and profits. This will help government to accommodate people reverse migrated due to the pandemic. This has caused a reemployment of an additional 19% people in the agricultural sector who migrated out of agriculture seeking better paying employment.

The World Bank indicated that it may further lower its GDP projection for India and suggested critical reforms in key areas such as health, labour, land, skills and finance in order to come out of pandemic crisis. The government is looking to divest its stakes in multiple public sector companies at a time when its finances have been hit from significant short falls out of COVID 19 pandemic. IDBI bank, Bank of Maharashtra, Punjab and Sind Bank and UCO Bank are considered for this. The centre holds majority stakes in all these four banks through direct and indirect holdings

The centre's Atmanirbhar Bharat Abhiyan announced in May as a stimulus package in the wake of the pandemic, had promised a new public Enterprise Policy that would notify specific strategic sectors in which no more than four public sector

players would be allowed, with the rest being privatized, merged or brought under holding companies. RBI unveils framework for retail payment entity. This umbrella entity will set up manage and operate new payment systems in the retails space comprising ATMs, white label POSs, Adhaar based payment and remittance sources. As a part of Atmanirbhar Bharat Abhiyan package the government had announced its plan for Rs. 3 lakh crore as additional credit to MSMEs and small businesses. It will enhance the access to funding from the organized banking sector and will reduce the liquidity pressures and working capital burdens.

The best way to prevent and defend the COVID 19 like pandemic is self reliance. With this end in view Prime Minister Narendra Modi announced a Rs 20 lakh crore economic stimulus package which will focus on self reliance. It is estimated at 10% of the GDP. This package is with a clear defined leap towards economic reforms that will lead to Atmanirbhar or a self reliant, resilient India. This amount includes packages already announced at the beginning of the lockdown, incorporating a slew of measures from the RBI and the payouts under the Prime Minister's Garib Kalyan Yojana. The package will cater to various sections including cottage industry, MSMEs, labourers, middle class, and industries among others. Bold reforms across sectors will drive the economy push towards self reliance. Banks need to put in place tighter controls and improve their balance sheets by improving the asset quality. The efficiency of the sector can be made better and the risk management and good governance

strengthened. The recent reforms related to bankruptcy regulations, asset quality review and resolution framework for stressed assets are steps in the right direction. All the successful measures taken by NDA government over its two tenures

have been reform driven. It ensured food security, safety, livelihood, regular income, health, education and financial inclusion to the people. The reforms include Adhaar to Ayushman Baharat and Atmanirbhar Bharat Abhiyan.

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NEVER ENDING CORPORATE SCAMS - A CASE OF NMC HEALTH


(This case study is based on the information available in print and electronic media and is meant for academic purpose only. The author has no intension to defame the image either of the firm or people discussed herein. It may be considered from academic point of view only)

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Abstract

Last three decades witnessed a series of corporate scams and consequent failures both in developed and emerging economies raising serious corporate governance issues and lack of proper regulatory monitoring. After every big scam new committees are appointed to review the corporate governance practices and some modifications are suggested. Several voluntary and statutory measures are being undertaken to overcome this menace and win over the confidence of all stakeholders of corporate business. But still corporate scams are taking place resulting loss of money to investors and affecting the stakeholder's confident. This paper discuss one of the latest scam happened in 2020 for a UAE based London Stock Exchange premier FTSE 100 Index listed Company, NMC - Health

Key words:- Corporate scams, NMC Health

 One of the biggest financial scandals— coming less than two years after the fall of Abraaj—a Dubai based private equity group in United Arab Emirates (UAE)—of this decade has been opened in the beginning of 2020 when Carson Block, the founder

of Muddy Waters LLC published a 34 pages report citing concern over the financial discrepancies in the New Medical Centre popularly known as NMC-Health. The report disclosed serious financial irregularities in the company founded by Indian Billionaire

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Mr. B R Shetty and listed in the London Stock Exchange in its prestigious FTSE 100 Index of leading UK listed companies. The report dated Dec. 17, 2019 suspects the NMC Health have overpaid for its assets, inflated cash balances, understated liabilities and debts worth \$ 4 Billion, insufficient disclosure of related party transactions etc. The report further states that NMC's \$107 million re development of NMC Royal Women's Hospital in Abu Dhabi" contain numerous red flags". NMC also appeared to be paid too much for a stake in Premier Care Home Medical and Health Care LLC based in the same city. The NMC's initial response was that "the report was false and misleading" The company also approached UK Financial Conduct Authority with evidence that a number of hedge funds acted together to bring down the share price of the company.

However on March 12, 2020, NMC Health confessed that its debt levels have risen to nearly \$5 Billion with over \$ 2.7 Billion in facilities that had previously not been disclosed to or approved by the board of directors. Immediately after the publication of the report Dr. Shetty and his family flew to India, his home country on March 18, 2020 before the spread of Covid 19 and consequent closure of sky by all international airlines. His CFO and family also returned to India in the first Vanda Bharat flight started by the Government of India as part of evacuation of Indian expats' from UAE on April 7, 2020.

According to a report in Financial Times dated May 6, 2020 Mr. Shetty said that his own investigation found accounts

and companies had been set up in his name and used without his knowledge to commit the alleged fraud. Loans had also been made using his forged signature and his private companies had been used to hide the true financial position of NMC-Health. In his own words as per Financial Times" everything that my family and I have strived to build over the past 45 years eroded over the course of a few months". He also said "this fraud appears to have been undertaken by a small group of present and past executives of the company. They created and operated bank accounts in his name and made fraudulent transfers that he never authorized, consented to not have any knowledge of". He further added that "this includes fraudulent creation of loans, personal guarantees, cheque and bank transfers in his name without his knowledge by using forged signature." Mr.Shetty also said " I will do everything in my powers to bring the people who have misused my trust and confidence in the books of law with my fullest cooperation to the mandate holders in UK and UAE". He thanked the Royal Family of Abu Dhabi and Indian Prime Minister Mr. Narendra Modi for forging friendship between India and UAE and making him a part of it.

In the words of Carson Block of Muddy Waters " it was not difficult to write a report on the financial scandal of NMC –Health as all information are available on line to everyone who bothered to look in to it". Further he added that "if you take companies in emerging markets that are listed in developed markets, there is tremendous opportunity to abuse...whether it is China or Emirates.

According to a French investigator, (name not disclosed) the alleged financial fraud includes false accounting, forged invoices, and kickbacks apart from what is disclosed by Carson Block involving at least a group of 20 executives across NMC, Finablr and some of Shetty's personal business. But still it is a misty as to why the company's auditor Earnest & Young failed to report this in its annual reports and how Financial Conduct Authority (FCA) the United Kingdom's financial watch dog missed all the warning signals and took several months to start investigation. Another report says that before it was listed in London Stock Exchange, accountants have warned the FCA about the financial discrepancy at NMC –Health. But the FCA did not respond properly. In the words of Chief Investment Officer of Dubai based Century Financials "FCA may need to revise the listing rules as the NMC scandal clearly raised a question whether they are providing sufficient protection to investors when it comes to overseas companies listing in UK". In the words of Sebastian Prentis the Judge who heard the case said "clearly something has gone very wrong with the management and oversight of the company."

Immediately after the Muddy Waters report about the financial affairs of the company share price of NMC- Health came down to more than 60% in London Stock Exchange in February 2020. LSE has also suspended the company's share trading and withdrew its place in the prestigious FTSE 100 Index. On April 8, 2020 NMC-Health went in to administration of UK and Alvarez & Marsal was appointed for the purpose.

On April 15, 2020 UAE based Abu Dhabi Commercial Bank to whom NMC-Health own more than \$ 1 Billion filed a criminal complaint against the company with the Attorney General's Office in UAE. Central Bank of UAE has also ordered on April 27, 2020 for freezing the accounts of Mr. Shetty and blacklisted his firms. Further on the instruction of UK Administration Alvarez & Marsal, the leading restructuring consultancy has taken over the management of the hospitals and clinics replacing the entire board of directors for administration. According to Financial Times "it is a coincidence that the crisis at the UAE's largest health care provider which has started four decades before with a vision of providing quality healthcare at affordable cost to people has happened in the midst of Covid 19 pandemic". The NMC's massive misleading disclosure has seriously affected the reputation of Standard & Chartered Plc., HSBC Plc., and J P Morgan Cazenove and Barclays Plc. Who jointly worked with NMC for the financial arrangements.

Profile of B R Shetty & NMC Health:

Bavaguthu Raghuram Shetty popularly known as B R Shetty (78) was born to Shambhu Shetty and Koosamma Shetty, a Tulu speaking family on August 1, 1942 in Kuppuppu, a small village in Uduppuppu in costal Karnataka, India. He completed his schooling in his native village and took his bachelor degree in pharmacy from Uduppuppu. Immediately after education for a short period he served as Vice Chairman of the Uduppuppu Municipal Council. While working as Municipal Vice Chairman he worked towards the cause

of providing proper sanitation facilities, building roads, schools underground drainages etc for development and health care to the people of Uduppi. He married to Dr. Chandrakumari, a doctor by profession in 1976 and they have four children.

Mr. Shetty immigrated to UAE in 1973 at the beginning of Gulf boom when the Oil economy was getting momentum in its initial years of the formation of independent UAE. For the first two years he worked as a medical representative and then by using his entrepreneurial talents, Mr. Shetty formulated an idea of starting a hospital at the time when the demand for quality health care was increasing and supply was limited. Good hospitals were few at that time in UAE and mostly operated by British and other European health care providers. They were very expensive and affordable only to wealthy Emiratis. Foreseeing the tremendous potential in this sector with his commitment, hard work, vigor and dynamic personality, in 1975 he started a hospital named New Medical Centre (NMC) to fill the need for personalized cost effective health care accessible to all. Initially his wife was the only doctor in the hospital.

From 1996, NMC began expanding to other emirates by setting up the NMC Clinic in Sharjah (1996), NMC Hospital, Deira, Dubai (1999), the NMC Specialty Hospital, Dubai (2004) and NMC Specialty Hospital in Al Ain (2008). In 2009, these hospitals were awarded the JCIA accreditation. In April 2012, NMC listed on the London Stock Exchange in its FTSE 100 Index of elite club of top 100 blue chip companies by market

capitalization. It was the first health care company from the whole GCC countries and first Abu Dhabi based company listed in this premier list. This was a landmark event in the business history of UAE. In the same year, NMC began managing operations at the Shiekh Khalifa General Hospital in Umm Al Quwain, acquired the BR Medical Suites in Dubai Healthcare City and continued their expansion with the addition of new medical setups such as NMC Royal Hospital in Khalifa City and operations in Al- Ain's industrial area. In 2013, the company added a day-surgery centre in Mohammed Bin Zayed City in Abu Dhabi. NMC Health opened the NMC Hospital in Dubai Investments Park, NMC Brightpoint Royal Women's Hospital, and the NMC Medical Centre in Al Ain in 2014. It further acquired the Spain-based Clínica Eugin in 2015, allowing the company to become the leading integrated women's health provider of fertility through obstetrics and pediatrics in the UAE. The company also acquired UAE based medical groups, Dr. Sunny Healthcare Group (leading set of medical clinics in Sharjah and Northern Emirates), Provita and Americare Group, Abu Dhabi (focused on long-term care and rehabilitation) and acquired a 51% stake in Fakhir IVF, another leading fertility clinic in UAE in the same year.

In August 2016, the company expanded its operations into Saudi Arabia when it acquired a 70 percent stake in As Salama Hospital in Al Khobar; NMC Health also invested in a project to build a 120-bed care centre in Jeddah which will be managed by its subsidiary Provita. In December 2016, NMC Health announced the acquisition

of Al Zahra Hospital, one of the largest private hospitals in the UAE. In the following year Emirates Healthcare, owned by Abu Dhabi investment group KBBO, announced the signing of an operating and management contract with NMC Health for the management of their Emirates Healthcare assets. NMC Health bought Aspen Healthcare for £10 million in August 2018.

As on date it is the largest health care provider in UAE. Now NMC has 2000 doctors, 20000 paramedical staff running 200 facilities that treat more than 8.5 Million patients spread over 12 cities in eight countries including UAE, KSA, Oman, Spain, Italy, Denmark, Colombia and Brazil. Financial performance of the entity also improved significantly during the last few years. During 2015 the total revenue was \$ 0.881 Billion which increased to \$1.221 Billion in 2016 and \$ 2.06 Billion in 2018. The net income also increased proportionally. It was \$97.5 Million in 2015 has increased to \$150.2 Million in 2016 and \$ 251.9 Million in 2018. Mr. Shetty with his two Emirati partners Saeed Al Qebaisi and Mr. Muhairi holds almost 50 percent stake in the company.

Vision and strategy of NMC –Health:

According to the strategy and vision statement of the company “At NMC Healthcare, we guarantee personalized care, genuine concern and a sincere commitment to the overall well-being of society. We believe that healthcare is simply not about detecting, diagnosing, informing or treating an individual but it is about helping people to lead a wholesome and healthy life. We are

committed to serving the communities where we do business and pledge to provide our customers with hope ‘Hope of a Healthy and Happy Life’” The statement further states, ‘The journey of a thousand miles begins with a single step’, our incredible journey also began with our first step in 1974, when we established a small clinic and pharmacy in Abu Dhabi under the name New Medical Center (NMC).

According to the company, it believes in the policy of providing healthcare to all sections of society while upholding ethical medical practices and discouraging malpractices. Customers are assured of receiving personalized care in a compassionate and friendly environment under the highest standards of quality at affordable prices. These founding principles continue to guide and motivate us every day as we aspire to remain the leading healthcare brand in the region. Continuing with the mission of providing advanced healthcare services to all the customers, it is also keen to explore new business opportunities with like-minded partners in the UAE and abroad. With the sustained patronage of customers, company is confident of addressing emerging opportunities and achieving greater milestones in the years ahead. It is surprising to note that all these scandals have taken place in a company which follows the vision and mission stated above.

Since the success of NMC- Health Mr. Shetty diversified his business into pharmaceuticals, financial services, retail, and advertising and information technology. Neopharma, BRS Ventures, and Finabl are some of these His name

was included on the Forbes list of India's 100 Richest People in 2015 and was listed as the 42nd richest person in 2020.

Awards and Recognitions to BR Shetty:

Recognizing his contributions in the field of business and industry and cultural and social activities he received several awards and recognitions. In 2005, Shetty was awarded the highest civilian distinction in the Emirate, the Abu Dhabi Awards given by H. H. Sheikh Mohammed bin Zayed Al Nahyan, the Crown Prince of Abu Dhabi. Also in the same year U.S. India Friendship Society presented Shetty the Distinguished Entrepreneur Award. He was also honored by the Pravasi Bharatiya Samman in 2007 and in 2009 the prestigious Padma Sree by Government of India for his contribution in the field of trade and industry. In September 2012, Pharma Leaders founded by Satya Brahma declared Shetty as Global Indian of the Year along with Kiran Mazumdar Shaw at 5th Annual Pharmaceutical Leadership Summit & Pharma Leaders Business Leadership Awards in Mumbai. In 2013, Shetty was recognized as one of Asia's most promising leaders at the Asian Brand & Leadership Summit In March 2013 and awarded the International Achievers Summit's Lifetime Achievement Award.

In 2014, Forbes Middle East recognized Shetty with the Top Indian Leaders in the UAE Award. He also received the Lakshya Business Visionary Award in 2014. Shetty received the Global Indian Achiever Award in 2015 from H. H. Sheikh Nahyan Bin Mubarak al Nahyan. Also in 2015, H. H. Prince Faisal

Bin Saud Bin Musaed Bin Abdulaziz presented Shetty with the National Cultural Award. In 2016, Shetty received the Golden Peacock Lifetime Achievement Award for Business Leadership. Middlesex University in Dubai awarded Shetty Honorary Doctorate degree in 2016. In January 2017, Shetty was honored at the Annual Health Awards with a special award for his contribution to the region's healthcare industry.

UAE Exchange and Finablr:

Another important business developed by R B Shetty is UAE Exchange and Finablr in UAE and worldwide. UAE Exchange headquartered in Abu Dhabi is 40 year Financial Service Company started mainly for providing innovative financial solutions in money transfer and foreign exchange transactions overseas which grown in to a leading global foreign exchange remittance and payment solutions brand in the world. It is an ISO certified company whose brand spread over 31 countries in five continents all over the world with business relations with 140 global banks. The presence is mostly in UAE and other GCC countries. The company had over 9000 offices representing more than 30 nations with more than 15 Million customers.

There is another story as to the parenthood of UAE Exchange. That story says that it was started by another expat from Mavalekkara, Kerala, India Mr. Daniel Varghese who came to UAE in 1973 seeking employment in its early years of the consolidation of the country. For the first five years he worked in City

Bank and UAE Currency Board. According to Danial Varghes “at that time there was large number Keralits who were working in UAE and facing difficulty in sending their savings to home country. Commercial banks were not entertaining the money transfer business because of very low margin they are getting from this business. Finding this as a good business opportunity I thought of providing a financial service solution to this problem of foreign remittance and contacted Indian Ambassador in UAE Mr. Lalit Man Sihgh for getting a local partner and financier. He directed me to meet Mr Shetty for this purpose who suggested me the name of Abdulla Hamid Al Masuri, Foreign Director in the Ministry of Foreign Affairs of UAE. I started the company in 1979 with Abdulla Hamid Al Masuri, as the local partner and a Bangladeshi financial partner apart from my wife who was the CEO”. According to Daniel Varghese, by making use of the good relation with local partner Abdulla Hamid Al Masuri, Shetty started interfering the affairs of UAE Exchange. In 1982 Mr. Danial Varghese returned to India for the purpose liaising with Reserve bank of India and Ministry of Finance in connection with starting of an investment bank in India. By this time Mr. Shetty with the help of local partner taken over the ownership of the company in 1884 and prevented Mr. Danial Varghese in entering in UAE. In the words of Danial Varghese” I still have the document entered in to with Abu Dhabi Municipality proving the ownership of the company”. In 1987 somehow he was managed to return to UAE and filed a case in the Abu Dhabi court against Mr.Shetty. After a long

10 years of the case, it was settled out of court on 23, October 1995 with a small amount of compensation.

As per the vision statement of the company, the core values it stands for are integrity, commitment, empowerment and care which define who we are and what we stand for underpinning everything we do in pursuit of our vision and goals. The statement further says “we are committed to conduct our business based on core values to the highest standards. In doing so we act in an open enterprising, agile and collaborative manner to advance the best interest of all our stakeholders”. Within two decades UAE exchange has become one of the biggest money transfer financial service company in UAE and in 1999 it launched retail operations in India with 330 branches which have become the largest operations outside home country UAE. During 2001—2005 period it also opened offices in Bangaladesh, UK and Sri Lankh and launched ‘Express Money’ a money transfer service in UK. It also added Australia in its network and launched B2B money transfer and online money transfer during the time.

To ensure global presence UAE Exchange also opened branches in Hong Kong, Uganda, Jordan, Canada, New Zealand and China and acquired Money Dart Global Services in US. In 2009 it become authorized payment institution with UK financial regulator FCA.

In April 2018 Mr. Shetty made a major restructuring and consolidation of his financial services brands under the umbrella of a company called Finabl, a public limited financial services company.

Finable acts as a holding company of UAE Exchange, Travelex acquired in 2014, and Express Money, Remit 2 India, Bayan Pay, Unimoni, Swych, Nyuro, and Dito brands acquired in 2018 and 2019 all involved in money transfer and financial services business. The holding company Finablr was listed in London Stock Exchange in May 2019 and started co branding of all its financial services products under the brand name of Finablr worldwide which generated a revenue of \$1434 Million and operating income of \$14 Million with 18201 employees in 2018.

In January 2020 it was disclosed that shares representing 56% of the company has been pledged by BRS Ventures & Holding a company controlled by BR Shetty as collateral for borrowings. It was also disclosed that cheques worth \$ 100 Million are due to third parties and debts of \$1.3 Billion, (four times more than previously reported) used without the board's knowledge. Immediately after this news and the disclosure of the NMC Health financial scandal, the flag ship company of Mr. Shetty, in March 2020 the share price of Fanablr fall from 215 Pence in December 2018 to 7 Pence per share, more than 95 % decrease. On March 1, 2020 LSE has suspended Fanablr from trading its share consequent on the identification \$ 100Million undisclosed financing of Finablr. Mr. Pramod Manghat, Group CEO also resigned on March 17,2020 after announcing that the company has engaged an accountancy firm to undertake rapid contingency plan for a potential investigation. On March 19, 2020 the statutory auditor Earnest & Young also

resigned and the company was brought under UK administration.

Major questions raised by this scandal:

The case raises some vital questions namely:

1. What went wrong to NMC Health?
2. Who are responsible for this present state of affairs of NMC- Health and other companies owned by Mr. B R Shetty?
3. What specific corporate governance issues are involved in it? And
4. Why these types of scandals are repeatedly happening despite several measures have been initiated to improve corporate governance?

Since the case is in the preliminary stage of investigation and restructuring plans are yet to be formulated by the administration, it is very difficult to draw a clear answer to the above questions. Still, from the information available in public demine as on date, some fair conclusions can be drawn on the questions. It is sure that the conclusions may change when more facts are available with detailed investigation.

Regarding the first question of what went wrong in NMC-Health, no dispute is seen between Dr. Shetty and other stakeholders who have brought out the scandal. But sometimes parties may differ on the magnitude. Both groups agree that corruption and fraud has taken place in the company in the form of over valuation of assets, under valuation of debts, non disclosure of huge debts of \$6 Billion including \$ 30 Million via convertible

bonds and \$ 400 Million through Shariah compliant Sukuk bonds in the books of accounts, dubious cash reserve creation, formation of separate entities and transfer of assets and liabilities to and from these entities, fraudulent creation of loans, personal guarantees etc. All these have led to over valuation of the firm's market value and higher market price. When this information disseminated in to the market share price plunged by 60% and investors lost money.

On the second question that who are responsible for this state of affairs in NMC- Health, Dr.Shetty in an interview to 'Live mind' dated April 20, 2020 said that "I have not done anything wrong". According to a report in financial times also Dr. Shetty is blaming few present and past executives of this company and his group companies behind the scandal. He said "wrong things have been done neither with his knowledge, or consent or authorized by him. It is a case of deception, fraud and criminal conspiracy". The stakeholders who brought the scandal in public domain have so far not blamed any one specifically for this scandal.

The third question relating to specific Corporate Governance issues in this scandal are the pivotal one from the academic and professional point of view. The major Corporate Governance issues are related to the role of board of directors in Corporate Governance in general and independent directors of the board in particular. It raises the question as to whether the Board of Directors of NMC diligently discharged their duties as agents of the investors. What mistakes they committed? Why the audit committee has failed to examine the serious charges against the company now pointed out. This case also raises question relating to

the role of statutory auditor Earnest & Young in Corporate Governance. This is particularly important when Muddy & Waters pointed out that all relevant information is available in public domain. How it is missed to statutory auditors? The case also raises question of financial reporting practices of the company particularly relating to the reporting of related party transactions. According to a Bloomberg report "it is no secret that NMC's Corporate Governance was shoddy and that related party transactions involving the company's controlling shareholders were extensive. Last year NMC's board appointed a special committee to oversee such transactions, somehow it failed to spot the \$ 2.7 Billion additional debt that NMC appeared to be on the hook for". Further this case also directs our attention to the role of whistle blowing mechanism in the company. Why the whistle blower failed to act on time?The case also pointing out the gun against the regulators like FCA, Stock exchange authorities etc. who are suppose to act as the watchdog of the system.

The last question as to why these corporate frauds are repeating despite many reforms introduced in this area during the last two decades is the most important and vital from academic and professional point of view. U S and UK are two countries in the developed world with matured and best capital market regulatory system. They are mostly of voluntary in nature. But big corporate scams are taking place repeatedly for companies listed in the stock exchanges of these countries. Every time when a new scam is reported some committees are appointed to look in to the issues involved in the scams and some remedial measures both at compulsory and voluntary nature

are suggested and implemented. But comprehensive looks at the whole issues of corporate governance are not taking place and accountability is not fixed. Regular monitoring is not taking place in the discharge of duties by the director's especially independent directors and statutory auditors. The role of the auditor is the most important one in corporate governance. Earnest & Young cannot escape from the responsibility for whatever reason in NMC scandal. It may be noted that NMC-Health and Finablr scam has happened at the time when the investigation is going on against the same auditor Earnest & Young in the failure of two other UK based companies Thomas Cook Plc and Carillon Plc. Similarly the regulator's who are supposed to act watchdog of the system often

forgetting to discharge their role. The latest media report (Gulf News dated April 20,2020) says that on April 15,2020 the UK Accounting Regulator Financial Reporting Council has launched investigation into EY on how it managed to sign off on NMC's financial results for 2018 and how the audit process failed to reveal bank loans for more than \$2 Billion that NMC was supposed to have at that time.

Quoting a report from The Economic Times in a mid 2018 media interaction Mr.Shetty remarked "if I do not have one problem a day that is not a good day for me. I should have problems to solve and that gives satisfaction". But the present problem of NMC-health is beyond Mr. Shetty's imagination to give satisfaction.

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CONSUMER PERCEPTION TOWARDS BRANDED MOBILE: A CROSS SECTIONAL STUDY IN DHAKA CITY

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Abstract

The study aims to examine the influence of brand images of mobile phone on consumer purchasing behavior in Dhaka city of Bangladesh. Through quantitative descriptive approach, 424 representative samples were analyzed through descriptive and inferential statistics. The results revealed that foreign branded mobile phones were trusted by majority of respondents. Adult respondents are significantly influenced in purchasing branded mobile. The study concluded that a promotion of banded product is the key influencing factor, as far as consumers in Dhaka city is concerned while choosing a mobile phone. Therefore, mobile phone manufacturers should carefully develop strategy when producing and marketing the mobile devices.

Key words:- Brand, Mobile, Consumer, Purchase, Intention.

In the emerging global market, business war is not only on price but also on other factors such as customer attraction, loyalty and relationship. A study conducted by Ross Beard in 2014 [1] among two hundred senior marketing managers found that 71

% of them opined that a customer satisfaction metric is extremely helpful in managing and monitoring their business. The consumers have the opportunities to get and choose any product across diverse brand image to satisfy the personal needs for articulating their uniqueness and to

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make their own style. Meaning of product concept includes much more than tangibles like cars, computers or smartphones. Services, events, people, places, institutions, ideas, and their combinations are also included in the product concept [2]. Consumer perception is very important to business since it can influence customer behavior which ultimately affects business profits and its retention. As regards to the consumer perception, it is important to understand how consumers as well as potential consumers perceive the products and services. Therefore, consumer perceptions can determine the success or failure of any business. The choices of brand of the product are mostly considered by particular segment of the society, especially among urban affluent society. Dramatic changes has observed on purchase behavior of the consumers where they sometime evading the cost price once considered the branded products wherever that are manufactured.

Ambler in 1997 [3] showed that purchasing behavior of the consumers can be regarded as a function of the relationship between the brand and the consumers. Another study conducted by Morgan and Hunt in 1994 [4] suggested that trust on the product is the major factor that depends on the relationship of the customers and the brand choice. Variety of empirical studies documented elsewhere reveal that customer satisfaction plays a role in developing purchase behavior. Study revealed that the effect of customer satisfaction on actual behavior is contingent on levels of customer input. The results of the study empirically demonstrate that customer

participation plays an important role in understanding how satisfaction influences actual customer purchasing behavior [5]. Satisfaction will increase loyalty once brand loyalty is measured in a variety of sequential purchases of same brand [6]. Several researchers found a positive relationship between customer satisfaction and brand loyalty [7]. The choices of customers are determined by brand credibility which is an important factor, when pre-purchase information is limited [8]. Renée Richardson Gosline, Jeffrey Lee, and Glen Urban, in 2017 [9] clarified that for forming consumers way of life moveable progressively turns into a pervasive power. Variety of empirical studies shows that customer satisfaction plays a critical role in developing purchase behavior.

The period from 1990 to 95 witnessed an upward changes in design and portability and consequently mobile phone sets appeared in the hands of average users for the first time. [10]. Mobile phone as an essential product has become an integral part of human life around the globe and Bangladesh is not an exception. The country like Bangladesh being a developing country where GDP is still not up to the level, but increasing in the recent past, many people, particularly from affluent segments are acquiring latest branded mobile phones. This type of choice shows a positive spending habits and purchasing power among consumers of the country. Perhaps it may due to brand image of the specific products irrespective of its manufacturing origin. It is documented that the brand is considered to contribute to maintain the competitiveness of the existence of offers

given because it is usually associated with a particular image that can create certain associations in the mind of the consumers. In exploring the consumer's purchasing decision on a product of branded mobile phone, this study has given particular attention on product brand choice and recognizes the inclination towards branded mobile phone in the city areas of Bangladesh.

2. Objectives

General objective is to examine the relationship between brand images of mobile phone on consumer purchasing behavior and trust on the branded mobile phone. More specifically, to identify the consumers' purchasing behavior towards branded mobile and compare the preference between local and foreign brands in purchasing product.

3. Methodology:

The study was a cross-sectional descriptive type using a quantitative approach that described how the independent variable (brand image) influence the purchase behavior of respondents and given the outcome as brand impact. The study covered the targeted sample population who are living in both South and North City corporation's areas of Dhaka, Bangladesh. The samples were collected from Shopping Mall, Educational Institutes, Bank and NGOs. Through probability sampling procedure, a total of 424 representative samples were targeted to collect information from each of the study location in both city areas. Until fulfilling the minimum required number of sampled respondents, the researcher tried to continue the data collection

process in deploying the pre-tested structured questionnaire through face-to-face interview. For maintaining the data reliability and consistent responses, the researcher was always responsible concerned with the quality of the information and consent was opted from the respondents before deployment of questionnaire. The information were edited and coded first and then developed data entry format for capturing the information in the computer using SPSS software. Along with the descriptive statistics in different tables and charts, variables were also analyzed through inferential statistics technique with appropriate test statistics and particularly used significance level of Chi-square test to see the relationship of branded mobile with respondent's demographic characteristics.

4. Results

The data were collected from a total of 424 sample from both city corporation areas (North and South (Table 1).

The respondents in the North city corporation area were not equally available during data collection and hence fulfilled required number of total sample size from the other area within study period. The table shows that a higher proportion of respondents (37.3%) were from educational institutes, which was followed by 32.8% from shopping mall. The sample respondents constitutes an equal proportion from bank/financial institute and from NGOs (15.0%).

Table 2 provides demographic profile of respondents. As regards to gender, proportion the male respondents was higher than the female (63.0% vs.

Table 1
Distribution of Sample Respondents

Sampled Area	Dhaka North City Corporation (n=170)	Dhaka South City Corporation (n=254)	Total (n=424)
Shopping Mall	44.7%	24.8%	32.8%
Education Institutes	18.2%	50.0%	37.3%
Bank/Financial Institutes	18.8%	12.6%	15.1%
NGOs	18.2%	12.6%	14.9%
Total	100.0%	100.0%	100.0%

Table 2
Demographic Profile of Respondents

Background Characteristics	Number	Percentage
Respondent's Gender		
Male	268	63.2
Female	156	36.8
Respondent's Age		
< 25 years	132	31.1
25-50 years	285	67.2
50+ years	7	1.7
Mean (SD)	30.62 (± 8.6)	
Respondent's Education		
SSC/HSC or Equivalent	92	21.7
Graduate and Above	332	78.3
Respondent's Occupation		
Govt. Service	10	2.4
Private Service	188	44.3
Own Business	17	4.0
Professional	41	9.7
Student	150	35.4
Others	18	4.3
Total	424	100.0

37.0%). Age group of the respondents were put under three different categories. The proportion of respondents' aged 25-50 years were more pronounced (67.2%), followed by the respondents' aged <25 years (31.1%). A few proportions (1.7%) was the respondents' aged above 50 years. The mean age of the respondents was 30.6 (± 8.6). Again, majority of respondents (78.0%) holds at least a

Bachelor's degree as their educational qualifications and more than one-fifths (22.0%) hold either SSC/HSC or equivalent.

The table also shows the respondent's occupation status irrespective of the study location in Dhaka city. A higher proportion of respondents (44.3%) reported that they are working in private organizations while the second highest

proportion of respondents (35.4%) were students. Only about 10.0%, stated their occupation as professional category, 4.0% doing their own business, few respondents (2.4%) in the Government sector and 4.2% in other category.

Table 3 depicts the type of mobile device currently used by respondents according to places of study conducted. In multiple responses, very few responses were recorded who are still using non-

smart mobile phone (5.8%). The proportion of responses holds non-smart mobile phone was a bit higher among users in non-government organization (9.1%) and in bank/financial institute (8.8%) compared to their counterpart users in shopping mall (5.1%) and in educational institute (3.8%).

The details of branded mobiles respondents ever possessed is shown in Table 4.

Table 3
Type of Device Currently Used by Respondents

	Shopping Mall	Educational Institute	Bank	NGO	Total Responses
Smart Phone	94.9%	96.2%	91.2%	90.9%	94.2%
Other than Smart Phone	5.1%	3.8%	8.8%	9.1%	5.8%
Base	138	157	68	66	429

Multiple Responses

Table 4
Brands of Mobile Devices Possessed Ever by Respondents

	Shopping Mall	Educational Institute	Bank	NGO	Total Responses
I Phone	0.8%	3.9%	10.9%	3.1%	3.9
Nokia	23.6%	29.4%	18.8%	35.9%	27.0
Samsung	20.5%	29.4%	26.6%	20.3%	24.8
Symphony	32.3%	16.3%	10.9%	26.6%	22.1
Huawei	5.5%	3.3%	12.5%	3.1%	5.4
Oppo	4.7%	3.3%	10.9%	4.7%	5.1
Walton	11.8%	3.3%	4.7%	4.7%	6.4
Others¹	0.8%	11.1%	4.7%	1.6%	5.4
Base	127	153	64	64	408

Multiple Responses 1=Vivo, Sony, LG, HTCA, etc.

More than one-quarters (27.0%) of respondents ever used Nokia brand mobile phone; followed by Samsung brand (24.8%) and Symphony band (22.1%) and those were more pronounced compared to other branded mobile phones. The proportion of responses on ever used branded mobile phone was not much varied over the study places except the Samsung brand mobile phone.

When asking to the respondents in different study places about the brand preference of mobile phone, a highest majority of respondents (avg, 89.2%), in all study places said their preferred mobile phone was foreign brand. The replies on preferred foreign band were not pronouncedly varied according to study places (Figure 1).

The statements included in the questionnaire were deemed appropriate considering Likart Scale 5 points (Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree) to see the Factor Affecting Customer Purchasing Behavior.

The results in the Table 5 shows the different factors affecting mobile phone purchasing behavior among respondents across the study places. As regard to social factors the results indicated that though culture mostly prohibits to buy certain mobile brand (mean=4.04, SD±0.94) but social class of respondents is also a refereeing factors to buy a phone (mean=3.92, SD±1.06). On the other hand, respondent’s self-esteem (mean=3.95, SD±1.11), respondent’s age (mean=3.95, SD±1.11), and respondent’s family/friends (mean=3.90, SD±1.05)

Figure 1
Preference of branded of mobile phone (n=424)

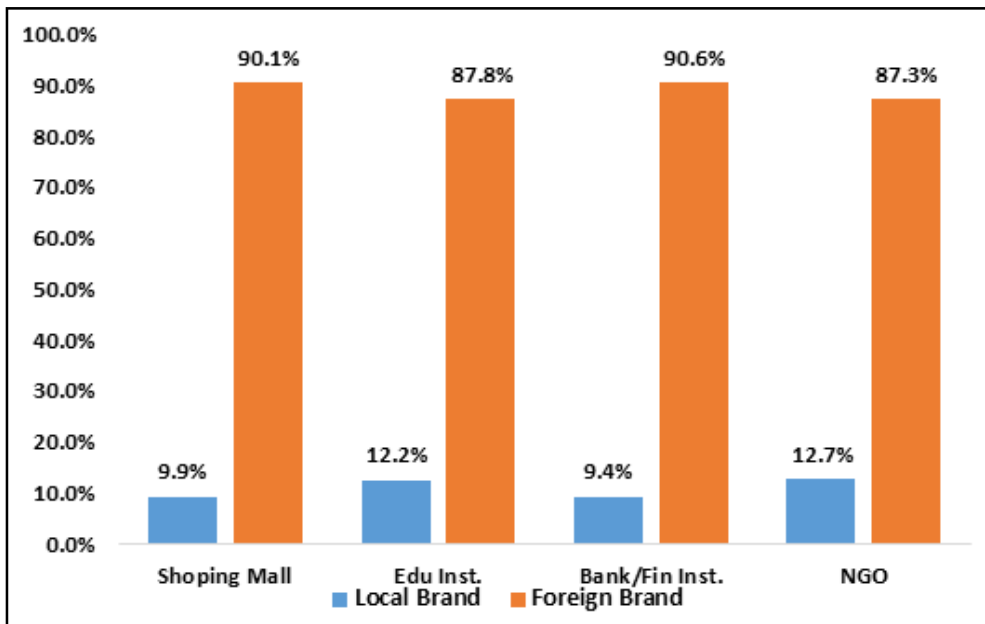


Table 5
Factor affecting respondents purchasing behavior

Social Factors:	N	Mean	SD
Self-esteem affects buying decision on mobile phone	424	3.95	1.11
Buy a mobile on thinking towards it	424	3.77	1.01
Culture prohibits from buying certain mobile brand	424	4.04	0.94
Usually look to peers advice when buying a phone	424	3.86	1.03
Buy a phone which is of social class.	424	3.92	1.06
Family/friends usually like the types of phone to purchase	424	3.90	1.05
Buy a mobile phone which is the role models use	424	3.68	1.27
Age influences the type of mobile phone to purchase	424	3.95	1.11
Gender affects in buying behavior of mobile phone	424	3.77	1.01
Economic Factors:			
Family income affects buying decision on mobile brand/product.	424	1.54	0.72
Personal income determines the mobile phone to buy.	424	1.99	0.86
Personality affects the purchase of mobile phone.	424	2.03	0.92
Lifestyle affects the purchase of mobile phone.	424	2.60	0.99
Market Factors:			
Always consider the price of mobile phone before buying	424	1.37	0.58
Promotion and advertisement of mobile phone affect buying decisions.	424	1.64	0.65
Only purchase mobile phone which consider good/ high quality.	424	1.67	0.66
Only buy a phone which is of own social standing.	424	2.16	0.72
Only buy mobile phone with a good camera/ display that is like.	424	1.57	0.66
Buy mobile phone which is easy to get and easy to use.	424	2.00	0.66
Only buy mobile phone which have a branded name	19.6	1.37	0.58

were usually influenced to purchase mobile phone.

In regards to the economic background, the results again in table 5 revealed that respondent’s lifestyle and personality factors (mean=2.60 & 2.03, SD±0.99 & 0.92), personal income pronouncedly determined the mobile phone acquisition. (mean=1.99, SD±0.86).

In considering the market factors, social standing was the strong determining factor to buy a phone (mean=2.16, SD±0.77) as revealed further in table 5,

which followed by where phone is easy to get and that is easy to use (mean=2.00, SD±0.66).

The respondent’s selection of brand mobile phone mainly depends on their own choice (60.4%), which followed by recommendation from their family member (24.8%) and friends (13.0%). Other references were not that influenced in selection of buying band mobile phone (Figure 2)

The Figure 3 showed that advertisement in any media had strongly

Figure 2
Selection of Own Brand Mobile Phone (n=424)

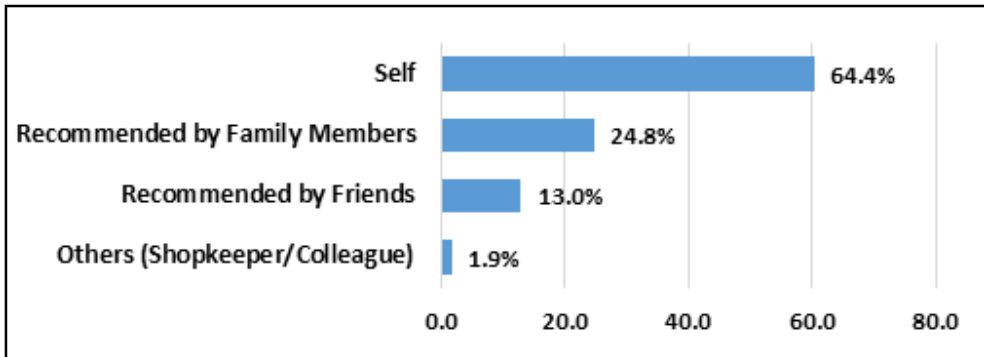
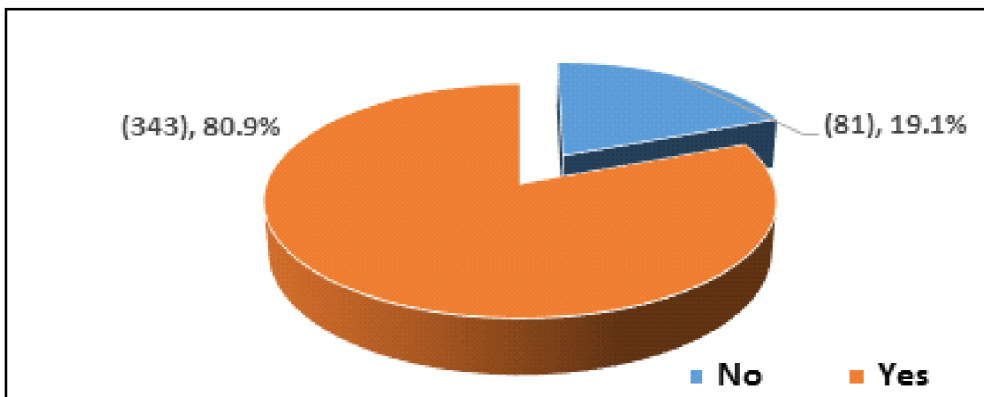


Figure 3
Influence of Advertisement on Purchasing a Mobile phone



influenced respondents to purchase a mobile phone. The results indicated that about 80.1% respondents recognized that advertisement influenced them to buy a mobile phone.

The following section presents the results of Bi-variate analysis considering the dependent variables brand trust and respondent's gender, age and educational attainments and occupation as independent variables. The analysis was done here to see the significant relationship between the variables using chi-square test (Table 6).

The results indicated that irrespective of gender, the foreign branded mobile phone were always trusted to respondents and the different between male and female for this brand trust was not statistically significant ($p=0.152$).

While considering the age group of the respondents, the foreign branded mobile phones were more trusted and it was significantly ($p < 0.001$) pronounced among <25 years and 25-50 years old respondents (89.4% and 88.4%) compared to local brands in same age groups. As regards to brand trust

Table 6
Brand Trust according to gender of the respondents (n=424)

Characteristic	Brand Trust			Significant level (Chi-square)
	Local Brands	Foreign Brands	Total	
Gender				
Male	9.7%	90.3%	100.0%	p = 0.152
Female	13.5%	86.5%	100.0%	
Total	11.1%	88.9%	100.0%	
Age				
< 25 years	10.6%	89.4%	100.0%	p < 0.001*
25-50 years	11.6%	88.4%	100.0%	
50+ years	0.0%	100.0%	100.0%	
Total	11.1%	88.9%	100.0%	
Education				
SSC/HSC & equivalent	14.1%	85.9%	100.0%	p = 0.192
Graduate & above	10.2%	89.8%	100.0%	
Total	11.1%	88.9%	100.0%	
Occupation				
Services	11.6%	88.4%	100.0%	p = 0.367
Business	15.5%	84.5%	100.0%	
Students	8.9%	91.1%	100.0%	
Total	11.1%	88.9%	100.0%	

**1 cells (16.7%) have expected count less than 5, so Non-parametric Chi-square applied*

according to respondent’s education, majority of respondents (85.9% vs. 89.8%) irrespective of educational attainments foreign branded mobile phone were more trusted by them. but difference between the two educational levels were not much and even not statistically significant (p = 0.192).

It can be inferred from the table (Table 5) that the foreign branded mobile phones were again more trusted among respondents all levels of occupation, but the proportion of trust was higher among students (91.1) compared to respondents of service occupation (88.4%) and

occupation category of businessman (84.5%) and this trust was not significantly differed between the occupation groups (p =0.367).

5. Conclusion and Recommendation

Based on the analysis and key findings of this study, it is apparent that there is a positive correlation between the components of consumer purchase intentions. To some extent, have positive relationship with consumer purchasing behavior except some has a lesser strength in comparison to other factors. However, the study is not free of limitations as mentioned earlier, which could be taken

into consideration to fully explore further scopes of research. More diverse range of respondents could be reached in order to enrich the data. The study captured very important understanding of the consumer buying behavior and concluded that promotions and the relevant information about product brands was the key factor by which consumers looked at when choosing a mobile phone to buy. Therefore, the study recommended that each mobile phone manufacturers should

carefully formulate its strategy when producing, marketing and distributing the devices and focus on brand personality, brand positioning, product design and differentiation. People are attracted towards newer technology and will be able to shift from one mobile phone to another if it is of better technology and features. Mobile phone companies should carry out periodic survey to help in identifying the new technologies and features for deciding to add as product.

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TECHNOLOGY ENABLED MASS BANKING INITIATIVES: THE BENEFICIARY PERSPECTIVE

***Dr. Ajesh S.R**

Abstract

In the third decade of new millennium we need to strive hard to board the new technology band wagon. India has greater potentials in innovations and technology development. Information technology plays a pivotal role in all walks of life today. Accordingly, it has taken roots in the field of banking too. In the post-COVID 19 scenarios India needs new technology support and need to subscribe to the idea of technology led growth and development. The technology enabled mass banking initiative is a need of the hour. The insurgence of technology is a boon in reaching the banking to the last mile of its operations. In order to achieve the goal of financial inclusion through mass banking initiatives we need to encourage innovative ideas far ahead of time new technological inputs. The paper exactly examines these ideas in detail.

Key words:- financial Inclusion, Mass Banking Initiatives, New Technology, Mobile Banking

There are several reasons for the slackening pace of financial inclusion among the general population, especially among the weaker sections of society. One of these is the lack of reach by banks, which is the result of geographical factors, educational background and others. However, the insurgence of technology

is a boon to make up for the issue of 'reach'. The use of information and communication technology has paved way to overcome this limitation. Mobile banking and ATM have been the alternative provisions made in this context, to bring the excluded mass population under the umbrella of mass banking. Nevertheless, this benefit could reach

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mainly only up to the urban population. It has not percolated to rural life.

Information technology plays a pivotal role in all walks of life today. Accordingly, it has taken roots in the field of banking too. As a tool in today's banking system, it triggered momentum in setting up global standards in all regions including India. This has consequently, resulted in increasing efficiency and productivity. As far as the customers of a bank are concerned, this provided faster and convenient services. Thus the emergence of electronic banking- a service that brought about tremendous development in the banking sector.

As for financial inclusion too, the greatest effective change is that of the digital approach. The expansion of digital financial services is yet another requisite for ensuring mass banking.

2. Review of Literature

Consumer banking is being transformed by new technology; microprocessor-based computing and new technology in telecommunications, document management, image processing, and mass storage are all helping to create a new, more consumer-friendly industry (Behera, 1991).

By developing a conceptual model to analyse innovations originating from the diffusion of Information Technologies in the banking sector, it is argued that technical change in this industry exhibits a revolutionary character. A theoretical model is developed which emphasizes the crucial role played by demand-pull variables in stimulating innovative behaviour under the smart automation

regime. (Buzzacchi, L Colombo, MG Mariotti, 1995).

Where India will gain and what it may lose over the next three or four decades in terms financial inclusion were visualized. Considering India's growing economic importance and the projections that the Indian economy will be as big as the United States economy around 2050, the paper tries to understand how the economic upswing will mesh with India's socio- political and environmental processes that also influence financial inclusion; and what the different scenarios might be in 2050. It suggests some possible scenarios and policy measures to move towards a desirable scenario (Kapoor, 2014).

Extensive ATM services, availability of telephone and internet banking, giving personal attention to customers, reputation and image of the banks, confidentiality of the bank for customer records, appearance of staff to be presentable and the number of branch offices around the country are the most important factors that Romanian people give attention to. (Kar, 2018).

Innovations are needed in products and services which reduce costs, economise on energy and serve the needs of the common man in an affordable manner. Innovations are also needed in processes and delivery mechanisms, especially in government delivery mechanisms which need to be redesigned so that they can deliver outcomes commensurate with the considerable resources they now absorb. Financial institutions are to play crucial role in the overall scheme of inclusive growth.

Innovation of different financial products and process that increases the accessibility of common man to the financial institution can be considered as sine qua non of inclusive growth. (Nayak, Chattopadhyay, Kumar, & Dhanya, 2010).

In case of population who are being poor and illiterate, their banking awareness is supposed to be low due to their lack of knowledge of the financial services offered by the banks and financial exclusion. Henceforth, this paper attempts to identify the banking awareness of the residents in the present financial inclusion era in Nagapattinam district, Tamil Nadu (Rajaswaminathan, 2015).

The results of a quasi-experimental impact evaluation of a mobile banking pilot project led by the Mexican government in a context that portrays the financial inclusion challenges in Mexico and Latin America revealed that highly dispersed populations in rural communities which lack access to a financial system and telecommunication services. Results show that mobile banking can reduce spending on communications and public transport, and the main benefits in terms of spending come from the reduction of people's local commuting expenses. Likewise, evidence indicates that a major share of spending reduction is transformed into savings in bank accounts (Renteria, 2015).

The components of an enabling regulatory environment. Constrained by regulation, deployments have failed to attract a critical mass of users. Indonesia's fragmented telecommunications sector has made it difficult for providers to emulate the success stories in other

countries, in which dominant providers are competing for the market with a proprietary platform. Recognising branchless banking's potential to accelerate financial inclusion, Bank Indonesia appears committed to improving the regulatory framework (Stapleton, 2013).

The grounded theory, an enhancement to the Technology Acceptance Model is proposed and developed to explain adoption of technology-enabled financial services. Confirmatory factor analysis is used to validate the model against data obtained from a survey. The proposed model fits the data well (Wentzel, John, & Sundar, 2013).

3. Research Gap

A detailed literature review revealed that a large number of studies have been undertaken on various parameters of financial inclusion, like the impact of financial inclusion, delivery models of financial inclusion, financial inclusion performance analysis. Numerous studies are also available in the context of Kerala. Nevertheless, no systematic study has been conducted to assess the benefits of technology enabled financial inclusion in the context of Kerala. Hence an attempt in that direction becomes imperative to bridge the gap.

4. Statement of the Problem

The preliminary step towards financial inclusion was the nationalization of banks in India, way back in 1969. Following this, the need to start bank accounts was propagated across the length and breadth of the country, emphasizing the same in rural belts. But this having worked out,

there was little progress in the matter. Though the people came forward and opened bank accounts, they never went further, ie. they stopped with it. This resulted in these bank accounts becoming inoperative. The account holders did not go for more transactions, and therefore received no benefits either. Millions of people were thereby denied the opportunity to harness earning capacity and entrepreneurial talent. To make matters worse, the number of banks propelled to a higher level while banking services did not reach all categories of people, as envisaged.

The phenomenon of financial inclusion was thereby initiated with a view to ensuring access to banking services to every citizen of India, but a close examination of the reach of financial inclusion among the masses in India, reveals that the ultimate aim of financial inclusion did not bear fruit in its real sense. What is seen to have taken place is only a virtual inclusion, masses opening bank accounts but not going further making their accounts functional or operative. And to ascertain this, the kernel issue of the benefits of technology based mass banking initiatives becomes necessary.

In spite of continued efforts in the inclusion front, the accessibility and awareness on available financial products to the different sections of the society is far from the desired. These indicate the fact that we are still lagging from genuine inclusion and last mile delivery of financial services. What is really causing this phenomenon needs to be studied. The present study is an empirical investigation on the benefits of technology enabled financial inclusion in Kerala.

5. Research Question

Are the technology based mass banking initiatives beneficial to account holders?

6. Objective

To assess the benefits of technology based mass banking initiatives

7. Research Methodology

8.1 Research Design, Population, and Sample

The study is analytical and descriptive in nature. The population that comes under the study includes the account holders of commercial banks in Kerala who have BSBD accounts (no frills account) taken in and after 2005. The primary data for the study was collected from 420 sample respondents determined based on Cochran's formula. The recommended sample size at 5% marginal error, 95% confidence and 50% maximum variability was 385. But as a tolerance for non-response and poor response, 10% of the sample was added to it and thus the sample size was fixed at 420.

The selection of sample respondents for the study arrived by, a multi stage sampling, includes three different levels as follows:

Level I: Six districts of Kerala, having the highest and the lowest urban content (as per Kerala State Urbanisation Report-2012) were taken as sample districts. Accordingly, the districts of Thirvananthapuram, Ernakulam and Kozhikode show the highest urban content and Pathanamthitta, Idukki and Wayanad show the lowest urban content.

These six districts constitute the sample districts, spreading across the geographical regions of Kerala.

Level II: From each of the selected districts, one unbanked village having a population above 2000 (as per SLBC-2010), where banking facilities were launched as part of the financial inclusion initiatives, was selected randomly.

Level III: 70 respondents from each unbanked village were fixed as the sample respondents. This was done using judgment sampling technique, the criterion for which was that the respondent must have a BSBD (no frills) account opened in and after 2005 (the year in which the concept of financial inclusion was formally launched by the RBI).

8.2 Data Collection

A structured interview schedule was formulated and validated by pretesting and was used for data collection.

9. Analysis

The one sample t- test is conducted to analyse whether there exists any difference between the sample mean and

population mean with respect to benefits of technology enabled financial inclusion. The mean score is used to find difference, if any. A large t-score indicates the high difference between sample mean and population mean and a smaller t-score depicts more similarity between them. The opinion of accountholders is considered to find the difference with respect to benefits of digital payment services using t- test revealed that there is significant difference in opinion of the accountholders with average mean with regard to benefits of digital payment services($p < 0.05$)(Table 2).

The Freidman test is used to find out if there is any significant difference in mean rank in the benefits of digital payment services. The opinion of accountholders is the basis for this analysis. The opinion of the accountholders regarding the benefits of digital payment services revealed that there is significant difference in mean rank in the benefits of digital payment services($p < 0.05$). Based on mean rank time saving is the most important benefit derived out of digital payment services (Table 3).

Table 1
Sampling Design

Urban content	Sample Districts	Sample Villages*	No. of sample respondents	Total
Highest	Thiruvananthapuram	Koduvazhannur	70	210
	Ernakulam	Vengoor West	70	
	Kozhikkode	Madavoor	70	
Lowest	Pathanamthitta	Erathu	70	210
	Idukki	Kottakkamboor	70	
	Wayanad	Thirunelly	70	
Total				420

*SLBC- 2010

Table 2

t-test for Significant Difference between Average Mean Score with respect to Technology Enabled Mass Banking Initiatives

Benefits of technology enabled mass banking initiatives	Mean	SD	t-value	p-value
Customizes channels	2.97	1.234	0.475	0.635
Bouquet of products	2.70	0.977	6.285	<0.001**
Reduces theft	2.70	1.013	6.068	<0.001**
Easiness in operation	2.75	0.968	5.245	<0.001**
Improves convenience	2.90	1.168	1.839	0.067
Speedy receipt of money	2.68	0.977	6.792	<0.001**
Ease to get money	2.77	1.051	4.505	<0.001**
Improves access to markets	2.69	0.927	6.846	<0.001**
Collect money from far-flung friends and relatives	2.80	2.661	1.558	0.120
Easy access to financial transaction history	2.55	0.937	9.740	<0.001**
Easy access to financial products	2.50	0.873	11.632	<0.001**
Easy access to financial services	2.55	0.863	10.798	<0.001**
Improves access to credit	2.65	0.815	8.924	<0.001**
Timely receipt of subsidies	3.01	1.112	0.176	0.861
Reduces the gender gap	2.71	0.961	6.198	<0.001**
Supports agricultural extension	3.06	0.901	1.408	0.160
Improves information dissemination	3.05	0.737	1.522	0.129
Improves connections to value chains	2.78	0.792	5.790	<0.001**
Reduces transaction cost	3.10	0.683	3.144	0.002**
Reduces travelling expenses	3.15	0.754	4.141	<0.001**
Saves time	3.28	1.672	3.473	0.001**
Improves social outcomes	2.99	0.720	0.339	0.735
Reduces demand for kickbacks	2.96	0.614	1.452	0.147
Promotes the use of formal credit	2.92	0.659	2.591	0.010**
Receipt by intended recipients	2.91	0.611	3.033	0.003**
Make government anti-poverty programs objective-oriented	2.95	0.734	1.395	0.164
Reduces corruption	2.98	0.698	0.560	0.576
Reduce leakages	3.02	0.749	0.456	0.648
Improves efficiency in government services	3.10	0.741	2.767	0.006**
Encourages productive investments	2.89	0.742	3.158	0.002**
Increases earnings	2.94	0.830	1.529	0.127
Easy management of resources in down season	2.78	0.683	6.456	<0.001**
Intimacy to formal sources	2.95	0.738	1.256	0.210
Ensure progress towards cashless economy	3.16	0.753	4.276	<0.001**
Encouraged business formalization	4.38	8.549	3.305	0.001**
Curbs the usage of black money	3.03	0.833	0.762	0.447
Improves financial literacy and awareness	3.14	0.822	3.560	<0.001**
Improves assessment of creditworthiness	3.01	0.828	0.177	0.860
Overall Benefits of technology enabled mass banking initiatives	107.5505	19.6008	106.145	<0.001**

Note: **denotes significant at 1% level

Table 3
Friedman Test for Significant Difference among Mean

Benefits of Digital Payment Services	Mean Rank	Chi-Square value	p-value
Saves time	22.88	1365.096	<0.001**
Improved financial literacy and awareness	21.98		
Reduces travelling expenses	21.95		
Ensures progress towards cashless economy	21.93		
Reduces transaction cost	21.90		
Improves information dissemination	21.82		
Improves efficiency in government services	21.73		
Supports agricultural extension	21.48		
Improves assessment of creditworthiness	21.42		
Timely receipt of subsidies	21.15		
Reduces leakages	21.14		
Curbs the usage of black money	21.10		
Reduces corruption	21.01		
Improves social outcomes	20.80		
Encourages business formalization	20.80		
Intimacy to formal sources	20.74		
Reduces demand for kickbacks	20.62		
Receipt by intended recipients	20.26		
Make government anti-poverty programs objective-oriented	20.19		
Increases earnings	20.14		
Promotes the use of formal credit	20.10		
Encourages productive investments	19.88		
Easy management of resources in down season	19.43		
Improves connections to value chains	19.18		
Customizes channels	18.83		
Improves convenience	18.39		
Ease to get money	17.67		
Easiness in operation	17.44		
Reduces theft	16.98		
Reduces the gender gap	16.92		
Improves access to markets	16.89		
Bouquet of products	16.88		
Speedy receipt of money	16.58		
Collect money from far-flung friends and relatives	16.49		
Improves access to credit	16.39		
Easy access to financial transaction history	16.30		
Easy access to financial services	15.90		
Easy access to financial products	15.71		

*Note: **Denotes significant at 1% level*

Table 4

Benefits of Technology based Mass Banking Initiatives- t-test with MPS

Benefits of Digital Payment Services	Mean	SD	MPS	t-value	p-value	Group
Customized channels	2.97	1.234	59.4	0.475	0.635	Medium
Bouquet of products	2.70	0.977	54	6.285	<0.001**	Medium
Reduces theft	2.70	1.013	54	6.068	<0.001**	Medium
Easiness in operation	2.75	0.968	55	5.245	<0.001**	Medium
Improved convenience	2.90	1.168	58	1.839	0.067	Medium
Speedy receipt of money	2.68	0.977	53.6	6.792	<0.001**	Medium
Ease to get money	2.77	1.051	55.4	4.505	<0.001**	Medium
Improved access to markets	2.69	0.927	53.8	6.846	<0.001**	Medium
Collect money from far-flung friends and relatives	2.80	2.661	56	1.558	0.120	Medium
Easy access to financial transaction history	2.55	0.937	51	9.740	<0.001**	Medium
Easy access to financial products	2.50	0.873	50	11.632	<0.001**	Medium
Easy access to financial services	2.55	0.863	51	10.798	<0.001**	Medium
Improved access to credit	2.65	0.815	53	8.924	<0.001**	Medium
Timely receipt of subsidies	3.01	1.112	60.2	0.176	0.861	Medium
Reduced the gender gap	2.71	0.961	54.2	6.198	<0.001**	Medium
Supports agricultural extension	3.06	0.901	61.2	1.408	0.160	Medium
Improved information dissemination	3.05	0.737	61	1.522	0.129	Medium
Improved connections to value chains	2.78	0.792	55.6	5.790	<0.001**	Medium
Reduce transaction cost	3.10	0.683	62	3.144	0.002**	Medium
Reduces travelling expenses	3.15	0.754	63	4.141	<0.001**	Medium
Saves time	3.28	1.672	65.6	3.473	0.001**	Medium
Improves social outcomes	2.99	0.720	59.8	0.339	0.735	Medium
Reduced demand for kickbacks	2.96	0.614	59.2	1.452	0.147	Medium
Promoted the use of formal credit	2.92	0.659	58.4	2.591	0.010**	Medium
Receipt by intended recipients	2.91	0.611	58.2	3.033	0.003**	Medium
Make government anti-poverty programs objective-oriented	2.95	0.734	59	1.395	0.164	Medium
Reduce corruption	2.98	0.698	59.6	0.560	0.576	Medium
Reduce leakages	3.02	0.749	60.4	0.456	0.648	Medium
Improved efficiency in government services	3.10	0.741	62	2.767	0.006**	Medium
Encouraged productive investments	2.89	0.742	57.8	3.158	0.002**	Medium
Increased earnings	2.94	0.830	58.8	1.529	0.127	Medium
Easy management of resources in down season	2.78	0.683	55.6	6.456	<0.001**	Medium
Intimacy to formal sources	2.95	0.738	59	1.256	0.210	Medium
Ensure progress towards cashless economy	3.16	0.753	63.2	4.276	<0.001**	Medium
Encouraged business formalization	4.38	8.549	87.6	3.305	0.001**	High
Curbs the usage of black money	3.03	0.833	60.6	0.762	0.447	Medium
Improved financial literacy and awareness	3.14	0.822	62.8	3.560	<0.001**	Medium
Improves assessment of creditworthiness	3.01	0.828	60.2	0.177	0.860	Medium
Overall Benefits of technology enabled mass banking initiatives	107.5505	19.6008	56.605	106.145	<0.001**	Medium

Note: **denotes significant at 1% level

TESTING OF HYPOTHESIS

H₀ That technology based mass banking initiatives are not beneficial to accountholders

H₁. That technology based mass banking initiatives are beneficial to accountholders

One-sample t-test with MPS (Mean Percentage Score) is applied to test the hypothesis. This is done by examining benefits of technology based mass banking initiatives. A sample survey including 420 respondents was conducted and the MPS was ascertained on the basis of their opinion as per the five point Likert scale (5-Strongly agree/ 4-Agree/ 3-Neutral stand/ 2-Disagree/ 1-Strongly disagree). Here the MPS was classified as Low if the MPS is 0-35, Average if the MPS is 35.1 to 50, Medium if the MPS 50.1 to 75 and High, if the MPS is 75.1 to 100. Having conducted the test, it was found that the value pertaining to demand side barriers was 56.605 (Table 4) showing 'medium' i.e. technology based mass banking initiatives are beneficial accountholders. Thus the null hypothesis

that the technology based mass banking initiatives are not beneficial to accountholders is rejected there by concluding that technology based mass banking initiatives are beneficial accountholders.

10. Conclusion

Although, India had made a lot of progress on the financial inclusion front, there was a big lumene between opening accounts and actual use of the same for real inclusion. Keeping alive bank accounts and using them as instrument for economic activity can lead to channelization of resources to productive usage ending with building financial capability among people—A feature which is expected to have impact on the usage of financial services for managing own resources for increased welfare. The above findings point to the fact that the usage of technology for last mile delivery of banking services is beneficial to the masses. The government can make this as a doorstep to opportunities by creating a sustainable livelihood based on technology enabled mass banking initiatives.

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ROLE OF E- MARKETING IN KERALA TOURISM

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Abstract

Tourism as a service industry is international in character both in terms of demand and supply. It differs from other service industries in the sense that the visitors may prove to move thousands of miles to avail of the service. The tools in e-marketing play a significant role in tourism industry and throughout its supply chain. Tourism has been a major social phenomenon of the societies all along. Tourism needs to be marketed, just as any other products, indeed more so, because it is an industry in which the customer still has an immense variety of choices. Hence, it is significant to study the role of e-marketing and ICT and its effective implementation to attract more number of foreign and domestic tourists to this "God's Own country". The study has the main objective to identify the role of e-marketing in Kerala tourism and intends to build up adequate strategies for the effective use of e-marketing tools in Kerala Tourism. The results show that the annual growth rate of the arrival of tourists is showing a diminishing trend.

Key words:- E-marketing, ICT, tourism marketing, social media, strategies.

Tourism is an expression of human perception for experience, education and entertainment. The motivation of tourism arises from the social, religious, and business interests. Travel and tourism have become a global

industry and are widely considered to be one of the fastest growing industries in the world (WTTC, 1995).

It ranks as the largest industry in the world in terms of employment and ranks in the top two or three industries in almost

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every country on nearly every measure. Thus the travel and tourism industry has become a major contributor to the gross national product of many nations, with marketing tourist destinations and its products becoming a widely recognized practice for both public and private sector organizations. Tourism as a service industry is international in character both in terms of demand and supply. It differs from other service industries in the sense that the visitors may prove to move thousands of miles to avail of the service.

Electronic marketing otherwise known as e-marketing is the application of tools and techniques of marketing through the electronic media especially with the help of internet. It also involves the marketing activities conducted through wireless media and social media. E-marketing may be classified into three categories namely Pay per click or impression, Search Engine Optimization (SEO) and Social Media Marketing. Pay per click or impression is a situation where advertisements for products and services are conducted on a pre-decided website. Cost is only met when the advert is clicked on and the user is directed to the advertiser's website. The search engine optimization marketing tries to establish the most favorable mix of contents to augment the search engine's automatic review of the content in the website. The social media marketing is the process of promoting a business or website by the use of different social media channels.

A new dimension in information technology has been added by the Internet network which is likely to totally change the travel industry distribution in the world. This will have a tremendous

impact on the travel agency distribution system all over the world. The internet system enables travel booking by sitting in one's own house and will accept payment for travel booking through "Cyber Cash", making the transaction complete.

Statement of the Problem

Kerala, the greenest state, is on the southernmost tip of India. Blessed with excellent tropical weather and networked by 44 rivers, 34 lakes, canals, ponds, and paddy fields, Kerala is popularly known as 'Gods Own Country' in the tourism circles. This lush green strip of land lying between the Arabian Sea and the steep Western Ghats has an area of about 38,863 sq.km., and is inhabited by about 33.39 million people as per Census 2011. Kerala has emerged as the most applauded tourist destination of the country in the recent past. World Travel and Tourism Council has selected Kerala as a partner state. The performance of Kerala tourism was not up to the requirement. We need to tap the potential of Kerala tourism in full. It can be managed effectively by formulating proper strategies for implementation. Any one of the studies undertaken till date had not given emphasis to the analysis of the scope of E-marketing in the Kerala tourism sector. In this context, this study has aimed at developing some suggestive strategies for utilizing the modern marketing tools online.

Significance of the study

In India, Kerala is one of the most prominent destinations for the international tourists with its unique natural beauty. It is one of the most beautiful

states of India having outstanding and commendable tourism infrastructure and a range of tourism options that makes the state, India's one of the most trendy tourist destination. The tourism industry in Kerala is in the growth stage and has a high potential to grow as a highest preferred destination in the world. To make the tourism a great success it has to take the advantages of the modern technology in full extent.

The importance of tourism as an instrument for economic development and employment generation, particularly in remote and backward areas, has been well recognized the world over. Tourism has been a major social phenomenon of the societies all along. Tourism needs to be marketed, just as any other products, indeed much more, because it is an industry in which the customer still has an immense variety of choices. Hence, it is significant to study the role of e-marketing and ICT and its effective implementation to attract more number of foreign and domestic tourists to this "God's Own country".

Objectives of the study

The study has the following specific objectives:

1. To identify the role of e-marketing in Kerala tourism.
2. To develop adequate suggestive strategies for the effective use of e-marketing tools in Kerala Tourism.

Scope of the Study

The scope of the study has been limited to the analysis of various elements of e-marketing in Kerala. The effective,

efficient and high speed ICT tools in marketing are important for achieving developments in tourism sector. The modern marketing tools in ICT reduce the cost of operation and enabling the providers to get direct contact with the tourists. Through latest technology in social media like face book, twitter, YouTube, instgaram etc. the tourists can share information about a particular destination or service to a large number of persons in his group.

Methodology of the study

The study is based on both primary and secondary data. Primary data were collected from the policy makers, executives and officers at various levels in public and private sector, through discussions and interviews. The secondary data were obtained from various published and unpublished sources, both Government and Non Government. In addition, resources were also collected from journals, reports, news papers, text books, official web sites of central and state tourism departments and internet.

Review of literature

Cooper & Hall (2012), specify the fact in this study that many tourism firms have been able to test-drive their products through videos and interactivity through the internet. Using videos to market tourism products online provides potential travelers with the visual nature of various tourism destinations.

Bush (2011), Lorber (2007) in this study the researchers have made a number of studies about the use of Search Engine Optimization by various tourism firms. In this respect, it is argued that writing

fun and interesting articles that relate to travel is relatively easy.

Dann & Dann (2011), Rana (2009), in this study the researchers argued that the reduction in cost through the process of automation and utilisation of electronic media has become one of the benefits arising from the practice of e-marketing. This therefore presents a strong entrepreneurial case in terms of cost-saving, customer services, print distributions and digital media channels.

Sangpikul (2010) in this study specifies that the contents are crucial for any e-business; they constitute a significant tool for e-marketing for tourism products. Many tourism firms have managed to attract more customers through creating interesting contents about travel destinations and providing accurate and attractive information.

Polat (2008) says that e-marketing is ideally suited to tourism). In this study, the researcher argues that it enables tourism firms to develop online brochures that are able to deliver rich multimedia contents, blending text, video, sound and

images into multimedia documents and documentaries to overcome the intangible nature of tourism products.

Kim & Morrison (2003) describes that the use of social media as a marketing tool enables tourism firms to interact directly with their customers through the available different platforms. It also enables the firms to monitor and interact with clients' opinions and assessment of products.

Pyo, S. Uysal & Chang (2002) in their study describes that the Destination Management Systems represent another important dimension of e-marketing of tourism products. Evidence reveals that the development of Destination Management Systems enhances the competitiveness of tourism firms, especially the small scale tourism enterprises.

Tourist traffic trend in Kerala

Table 1 explains the travel trends of both domestic tourists and foreign tourists for the last ten years from 2009 to 2018. The trend of total tourists during this

Table 1

TOURIST TRAVEL TRENDS IN KERALA (2009 – 2018)

Year	DT	Increase	FT	Increase	Total	Increase
2009	7913537	4.25	557258	-6.96	8470795	3.43
2010	8595075	8.61	659265	18.31	9254340	9.25
2011	9381455	9.15	732985	11.18	10114440	9.29
2012	10076854	7.41	793696	8.28	10870550	7.48
2013	10857811	7.75	858143	8.12	11715954	7.78
2014	11695411	7.71	923366	7.60	12618777	7.71
2015	12465571	6.59	977479	5.86	13443050	6.53
2016	13172535	5.67	1038419	6.23	14210954	5.71
2017	14673520	11.39	1091870	5.15	15765390	10.94
2018	15604661	6.35	1096407	0.42	16701068	5.94

Source: Kerala Tourism department

period shows a steady increase. The annual growth rate of arrival of domestic tourists is good compared to the growth rate of arrival of foreign tourists in Kerala.

As far as the pattern of the foreign tourist arrivals in Kerala is concerned, the percentage variation was highest during the year 2010 (18.31 per cent), and was followed by the years 2011 (11.18 per cent) and 2012 (8.28 per cent). Negative growth can also be seen in India during the years 2009 (-6.96 per cent). The arrival of foreign tourists to Kerala during the year 2018 is 10, 96,407 showing a meager rise of 0.42 per cent over the previous year.

In the case of domestic tourists the highest variation can be seen during the year 2017, it was 11.39 per cent. It was followed by the year 2011, 9.15 per cent. But the growth was only 6.35 per cent during the year 2018. The trend of tourist travel is showing a higher value during the year 2017, 10.94 per cent. The arrival of domestic tourist to Kerala during the year 2018 is 156, 04,661 showing an increase of 6.35 per cent over the previous year.

It may be due to the flood disaster in Kerala.

Earnings from Tourism in Kerala

Table 2 shows the earnings from foreign tourists and domestic tourists for the last ten years. Foreign exchange earnings from tourism have shown a steady growth over the years. In 2018, Kerala has earned Rs. 8764.46 crores as foreign exchange earnings from tourism against 8392.11crores in the year 2017 showing a growth of 4.44 per cent. The annual growth rate of tourist traffic is highest during the year 2010, 33.09 percent. It was followed by 21.63 per cent during the year 2013 and 11.51 per cent during the year 2016. The annual growth rate is only 4.44 per cent during 2018.

The data regarding domestic tourists is available only from the year 2013. The table shows that, the earnings from domestic tourism also have a steady growth over the years. The annual growth rate is high during the year 2017(14.72 per cent). It was followed by 2016, 10.93 per cent and 10.71 per cent during the year

Table 2
EARNINGS FROM TOURISM IN KERALA (2009 – 2018)

Year	₹ in Crores					
	FT	Increase	DT	Increase	Total	Increase
2009	2853.16	-6.96	NA	NA	13231.00	0.77
2010	3797.37	33.09	NA	NA	17348.00	31.12
2011	4221.99	11.18	NA	NA	19037.00	9.74
2012	4571.69	8.28	NA	NA	20430.00	7.32
2013	5560.77	21.63	11726.44	NA	22926.55	12.22
2014	6398.93	15.07	12981.91	10.71	24885.44	12.11
2015	6949.88	8.61	13836.78	6.59	26689.63	7.25
2016	7749.51	11.51	15348.64	10.93	29658.56	11.12
2017	8392.11	8.29	17608.22	14.72	33383.68	12.56
2018	8764.46	4.44	19474.62	10.60	36258.01	8.61

Source: Kerala Tourism department

2014. The total revenue (direct & indirect) from tourism during the year 2018 is ₹36258.01 Crores, showing an increase of 8.61 per cent over the last year's figure.

During the year 2018, between June 1 and August 18, Kerala experienced the worst ever floods in its history since 1924. According to the reports of the state government, 1259 out of 1664 villages spread across its 14 districts were affected. The seven worst hit districts were Alappuzha, Ernakulam, Idukki, Kottayam, Pathanamthitha, Thrissur, and Wayanad, where the whole district was notified as flood affected.

ICT Initiatives of Kerala tourism

In order to get a boost in Kerala tourism, the tourism department has made a variety of ICT initiatives during the 2018. All projects except promotional campaigns are long-term projects and useful for tourism promotion in future. The Kerala Tourism website ranks second in search results if we search for 'Kerala'. Wikipedia comes in the first place. Kerala Tourism website appears in the first position when keywords such as 'Kerala Tourism' or 'Kerala Travel' are searched. The effective utilization of ICT in Kerala tourism would benefit both, service providers and tourists bringing together other stakeholders as well, on a common platform.

Earlier, promotional activities were confined to newspapers and magazines but since the advent of digital era, technology has literally changed us such that our life is now decided by smart phones. Social media also play a major role in this regard. The selection of right information communications technology

tool is vital to meet the requirements of prospective tourists. The successfully implemented major ICT projects by Kerala Tourism are given below:

1. Web Presence

The website Kerala Tourism ranks second in search results if we search for 'Kerala'. The website appears in the first place when keywords such as 'Kerala Tourism' or 'Kerala Travel' are used. It also stands topmost position among various tourism sites in India. Kerala Tourism, the website received 41 lakh sessions/visits in the financial year 2017-18 which in turn increased to 1,02,52,887 in the year 2018-19.

2. The Kerala Tourism YouTube Channel

As part of Kerala Tourism ICT projects, a variety of videos have been produced and uploaded to the YouTube channel. At present, the channel has more than 3, 88, 69,088 viewership and have more than 1 lakh subscribers.

3. International Children's Painting Competition 2018, in memory of Clint

This international painting competition has been one of the largest ever campaigns in the previous three years. This project aimed to bring around 15,000 paintings (4000 from abroad and 5000 from different parts of the country except Kerala) from among 75 countries and spread awareness about the tourist destinations in Kerala to 50 lakh people around the world. The competition was able to garner 38,975 registrations from over 133 countries. There were more than 6000 registrations from abroad and more

than 26,000 registrations from around the country excluding Kerala.

4. Kerala Tourism Micro-sites

Kerala Tourism also developed and integrated micro sites to the Kerala Tourism website. The micro sites will be based on a particular theme like Padayani, Neelakurinji, etc.

5. Post Flood Campaign

An analysis of traffic to www.keralatourism.org with Google Analytics tool showed that in the last 12 months, website www.keralatourism.org received 4.4 million visits from more than 15,000 cities around the world situated in more than 200 countries. However, because of the unexpected flood, Kerala's tourism sector started moving towards an alarming situation.

The tourism department of Kerala has made a campaign to bring 6, 00,000 visits to www.keralatourism.org from 20 cities within India and 4, 00,000 visits from 20 cities outside India in 3-4 months. The same was successfully implemented and was able to acquire more than what was proposed.

6. Accommodation Units

An independent webpage was created by Kerala Tourism for the major accommodation units and tour operators in Kerala. The page includes the details of the accommodation units like name and address, websites, email IDs, mobile numbers, geocodes, location and a photograph/ video of the property. At present, 1575 units have been listed and their details can be accessed online through the official website of Kerala Tourism. More than 11,500 images of the units have been published.

7. Conduct a Video Sequencing Contest

A Video sequencing contest was conducted by the department. It was a month long programme and consist 30 videos of duration 2 minutes in total. People from all over the world were participated in this contest by registering their details with the site. Lucky winners from successful contestants were given prizes on a daily basis. At the end of the contest, five mega winners were selected from among the total successful candidates.

8. Geotagged photographs

Kerala Tourism sets a mechanism to upload photos. The geotagged photographs can be uploaded from the mobile phones directly. The photos will be verified by Kerala Tourism before publishing. Travelers can reach the website of Kerala Tourism by scanning the QR code or directly typing the URL. The photos can also be shared on social media.

The travelers are able to obtain specific visual information which is free of language barriers. Since the photographs are uploaded only through smartphones, chances of abuse or copyright violation can be minimised. This platform will help in better use of social media, improved tourist traffic and promote Kerala Tourism. It also provides assistance in finding locations very easily for those who have smart phones with the help of QR codes.

9. E-Catalogue of Kerala Tourism Videos

An e-catalogue of Kerala Tourism videos in the format of an e-book was

prepared and published on the website www.keralatourism.org. The potential travelers can able to download the catalogue and share via e-mail. As per Google Analytics, there are now more than 1 crore sessions/visits to the Kerala Tourism website. Apart from this, the Kerala Tourism YouTube views scored more than 2 crore viewership.

Social Media

Social media is a way through which individuals interact to produce, convey and pass on content and ideas through this platform. Social media, primarily, is all about building associations and networks between individuals and businesses. It is an interactive communication tool and individuals can spend lot of their time by using this. Social media is a new technology used for communication with the help of Internet for sharing information like pictures, text material, videos and audio. Today social media comprise major players like Facebook, Youtube, Twitter, linkedin, Instagram, Telegram and Whats App.

Social media can help to accomplish the organisational objectives in a well-organized and successful way. It helps to put aside real cost of operation and improves the efficiency and effectiveness of the marketing job. Organizations and governments are using social media as a marketing tool which helps them better communication, build brand image and brand awareness, brand engagement, brand loyalty and attract more number of potential customers/ users.

Social media has made a huge impact on the tourism industry of the state. Consumers engage with social networking

sites to research trips, make informed decisions about their travels and share their personal experiences of a particular hotel, restaurant or airline. Trip Advisor in particular has had a wide reaching effect on the industry and more than 800 million active users on Facebook posting updates and sharing images, social media is dominating the industry. The continuous updating of information to the website and its enhancements to match the technological up-gradation helped Kerala Tourism to maintain its top position in online searches even during the hardest times.

Suggestive strategic promotion techniques

Although virtually anything is available for sale on the internet, the degree of the success in sales is somewhat dependent on the type of item or service being offered. Hence it is better to introduce the Business Process Reengineering (BPR) techniques, which help to evaluate and improve tourism promotion activities to create efficiency and increase the effectiveness. A detailed business model should be drafted in such a way that the details pertaining to the Kerala tourism concept, market research, marketing plan, operations plan and financial planning should be included.

It is proposed to conduct regular research on all target markets in tourism. It allows the tourism department to discover the target market and get opinions and other feedback from the existing and prospective consumers about their interest in the product or service. It also helps to decide upon the product/ service that plan to offer, study the demand of that product/service and

identify the possible number of competitors.

New online entrepreneurs in tourism sector can be attracted by providing dynamic online business models to them. They can setup their own e-business websites. As part of business they can upload the details of their products & services. Take steps to work upon with Search Engine Optimization (SEO). It helps in increasing the quality and quantity of website traffic by increasing the visibility of a website or a web page to users of a search engine. It should add relevant keywords, which can help the users in the searching process. It is also required to create pages in common social media like Face book, twitter, LinkedIn, Instagram etc... YouTube is another most effective platform that generates interest via audio-visual interaction. Blogs and wikis are also providing help to promote the state tourism through social networks. The department can also tap the potential of affiliate marketing, e-mail marketing, social media marketing effectively to take a boost in tourist traffic trend in the coming days.

Bluetooth kiosks and hotspots must be installed. The idea is to give options to the users to download contents from the kiosks. The tourism contents should include mobile wallpapers, mobile themes, viral videos etc. This can be either a replaceable kiosk or a permanent one installed in major malls, airports etc. Mobile services shall continue to be an important channel of information and tourism services distribution for both providers and consumers. SMS (Short Message Services), WAP (Wireless

Application Protocol) standard for accessing the Internet with wireless devices like mobile phones should be increased. We can drive more traffic to Kerala tourism website through the social media website [pinterest. https://www.pinterest.com/](https://www.pinterest.com/)

An ever-increasing number of people are using the Internet for trip planning and bookings. GNSS (Global Navigation Satellite System), which gives the position and GPRS (General Packet Radio Services) enabled mobiles which can handle larger amounts of data than the GSM network shall be useful in tourism industry. W-LAN (Wireless Local Area Networks) and Blue tooth, which gives wireless access at short distance about few meters, can be useful too. More advertisement must be propounded through the electronic media rather than through the print media. A critical analysis of various ICT projects and promotional strategies implemented by the tourism agencies in other states will greatly help Kerala Tourism, in effective planning and implementation of new and creative marketing strategies for future course of action.

Continuous evaluation of effectiveness of advertisement should also be made. For this purpose any of the methods like coupon response, recall tests, recognition tests and sales tests can be used. The scope of e-marketing can be exploited in maximum. The database of those who have already called and by way of prints, telephone calls or email communications can build and develop '*unique compelling tactics*' to increase the conversion of inquirers into actual visitors.

Experienced and skillful Human Resource is crucial in managing the database efficiently and confidentially.

Conclusion

The e-marketing programmes facilitate to provide visual appeal of destinations, events products and festivals. For this purpose it can efficiently use photos, videos, graphics and virtual films. In addition, online business listings, Blogs, articles, e-mail, social media, TV programmes and travel writings can be used.

The purpose of promotional strategy is to enable tourism organizations to decide priorities and goals before allocating money and resources to detailed implementation of promotional campaigns in the form of advertising, publicity etc.

The biggest threat to Kerala comes from the neighboring country Srilanka. It offers a wide range of packages at incredibly low rates for the Indian

travelers. Srilanka is a bargain tourist destination for Indian outbound tourists. Even Malaysia, Maldives and Thailand are not far behind in their efforts to attract the discerning tourist. Better cooperation with the private sector is an important aspect, in achieving development in this industry. Joint ventures with reputed hotel chains have already been initiated by KTDC and its subsidiary unit Tourist Resorts Kerala Limited. The absence of high quality hotels can be rectified with the help of these joint ventures; and also attracts new hotel groups to Kerala.

In the present circumstances we should give much more emphasis in promoting high budget domestic tourism. More road shows have been organized at Ahamedabad, Hyderabad, Calcutta, Uttarpradesh, Mumbai, New Delhi, Surat and Pune with private participation. It helps to explore new segments in the domestic tourism markets. We are also required to capitalize on the ever increasing demand for travel and for MICE.

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I, Prof. S. Krishnan Nair, hereby declare that the particulars given above are true to the best of my knowledge and belief.

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Prof. S. Krishnan Nair

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SOCIAL MARKETING IN CONTROLLING THE SPREAD OF COVID 19 THROUGH CONTACTS

***Dr. B. Chandrachoodan Nair**

Abstract

The article makes an attempt to understand the growth of spread of Covid 19 through contacts and the significant difference in the opinion of public on factors of social marketing efforts of governmental authorities in bringing out a change in behaviour of public in prevention and control of spreading of Covid19 by contacts. The study depended on both primary and secondary data. Secondary data was collected from the daily bulletin published in the website of Directorate of Health Services, Government of Kerala. Primary data was collected from 50 samples by administering a structured questionnaire. Primary data was subjected to inferential Analysis using SPSS and descriptive analysis is also carried out on secondary data. The study could observe that the spreading of Covid 19 steeply increased from the month of June 2020 and the social marketing efforts of authorities could not yield satisfactory results in prevention of drastic increase in spreading of Covid through contacts since the challenges involved in reaching the minds of general public for a behavioural change. Enforcement by police is the most effective in bringing out a behavioural change as per the analysis.

Key words:- Social Marketing, Covid 19, Spreading through Contacts.

 Social Marketing refers to the application of professional marketing concepts to bring out a change in people's behaviour for the benefit of individual and society as a whole. The first Covid 19 positive case in India was reported in the State of Kerala. The role of Social marketing in prevention and control of

non-communicable diseases like diabetes, cancer cardio vascular diseases is found to be effective. The incidence of Covid 19 makes the situation more complex than prevention and control of non-communicable diseases due to its specific nature of fast spreading through contacts among community.

Creating awareness among people is the ultimate aim in prevention and control of spreading of Covid 19 particularly through contact. Wearing the masks, maintaining social distancing, washing hands with soap and application of hand sanitizers are the areas in which prime importance are given. Then comes procedures to be followed in matters relating to quarantine and travel related matters and additional restrictions on people below the age of 10 and greater than 60 years. The government has issued following for prevention and control of Covid 19 through a behavioural change among public.

The Government has issued following for the awareness of public in prevention and control of spread of Covid 19 particularly through contacts

- Maintain a distance of at least two metres with all people all the time.
- Always wear clean face mask appropriately everywhere all the time.
- Perform hand hygiene after touching objects and surfaces all the time.
- Perform hand hygiene before and after touching your face.
- Observe cough and sneeze hygiene always.
- Stay Home; avoid direct social interaction and avoid travel.
- Protect the elderly and the vulnerable- Observe reverse quarantine.
- Do not neglect even mild symptoms; seek health care.

A major challenge is how effectively it could be penetrated into human minds through various communication Channels as the situation was impeding all aspects of human life. The governmental authorities have resorted to even enforcement through police and imposing fine on violators due to the failure in changing the attitude of people.

The present study was conducted as an opinion survey from a small group of people as a pilot study to understand the influence of various social marketing efforts in prevention and control of spreading of Covid 19 through contacts. The motivation behind the study was due to the drastic increase in the number of Covid 19 cases through contacts day by day especially from month of June 2020.

Objective of the study

The main objective of this study is to understand the growth of spreading of Covid 19 through contacts and significant difference in the influence various factors of social marketing efforts of governmental authorities in making people aware of the prevention and control of spreading of Covid 19 through contacts.

Methodology

The study considered both primary and secondary data. Seven variables considered to understand effectiveness are namely communication through social media, communication through print media, audio visual media, intervention of Local Self Governments, lockdown and subsequent controls, social intervention and enforcement by police.

Secondary data is collected from the daily bulletin published in the website of Directorate of Health Services, Government of Kerala Data was collected from 50 samples selected based on convenience sampling method using a structured questionnaire. Analysis of the data collected was carried out using statistical package SPSS. A major limitation was in the collection of data from a large number of persons.

Discussion

The number of Covid 19 cases in Kerala is in an increasing trend, particularly in the case of spread through contacts. The statistics published by the Directorate of Health Services, Kerala reveals the increasing trend even after taking various social marketing efforts in prevention and control of Covid 19. Making public awareness through various measures poses great challenges to lead to change in behaviour. The various factors of social marketing efforts include communication through audio visual media, publicity through posters and print media. Intervention by Social Media, Print Media, Audio Visual Media, local self-governments, lockdown and subsequent controls, other social interventions and enforcement through police force were studied.

Table 1 depicts the growth of spreading of Covid 19 from the month of May 4th on wards in Kerala as per the statistics issued by government. The figures are shown in cumulative numbers of affected persons from 30th January as per the daily bulletin released by Directorate of Health Services; Government of Kerala It can be seen that there were no Covid 19 positive cases reported till the month of March. But Covid 19 positive cases through contacts were reported from the month of April onwards. But the growth rate of cases was slow till the month of May as can be seen from the table.

On perusing the Table 1 and figure 1 it can be seen that a quantum jump in the number of confirmed cases and number of cases through contacts occurred from the month of June onwards.

A close look at the recent statistics is also attempted. The Table 2 given above shows the statistics relating to the persons turned Covid 19 positive after testing and those among them got affected by spreading through contacts since 20th August 2020 till 6th September. It can be seen that the spread of Covid 19 through contacts is showing an alarming rate as in most of the days it is crossing 80%. On certain days it is more than 90%. This trend

Table 1
Growth of Covid 19 since 30th January

As on Date	Covid 19 Total Affected	Affected by Contacts	Percentage
4 th May 2020	499	Nil	0
1 st June 2020	827	86	10.40
1 st July 2020	4094	372	9.09
1 st August 2020	24243	14768	60.92
1 st September 2020	75827	61411	80.99

Figure 1
Trend in Covid 19 Spread in Kerala

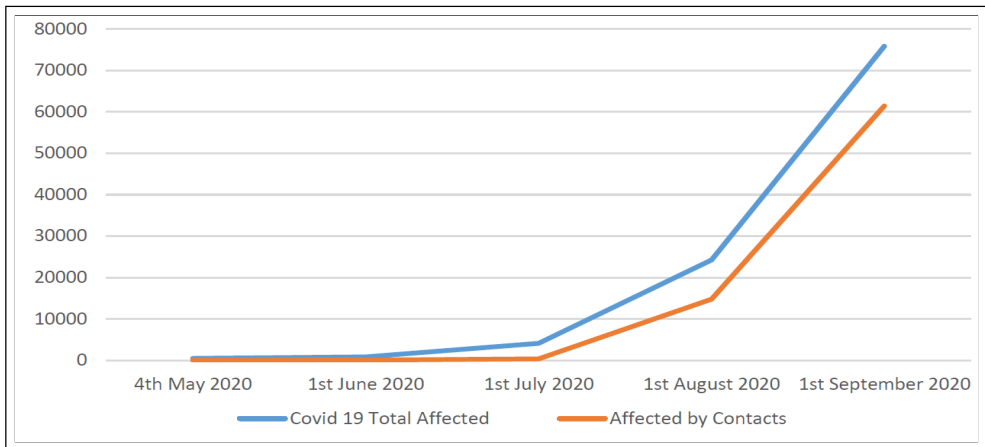


Table 2
Date -wise Total Covid 19 Affected and Affected by Contacts

Date	Covid affected	Affected Through Contacts	Percentage
20 th August 2020	1968	1685	85.61
21 st August 2020	1983	1706	86.03
22 nd August 2020	2172	1808	83.24
23 rd August 2020	1908	1608	84.28
24 th August 2020	1242	1020	82.13
25 th August 2020	2375	2016	84.89
26 th August 2020	2476	2313	93.41
27 th August 2020	2406	2033	84.50
28 th August 2020	2543	2083	81.91
29 th August 2020	2397	2003	83.56
30 th August 2020	2154	1821	84.50
31 st August 2020	1530	1250	81.70
1 st September 2020	1140	932	81.75
2 nd September 2020	1547	1305	84.36
3 rd September 2020	1553	1435	92.40
4 th September 2020	2479	2200	88.75
5 th September 2020	2655	2283	85.99
6 th September	3082	2705	87.77

is depicted in the figure 2. Even after taking social marketing efforts reduction in the growth of Covid 19 cases could not be achieved.

The Table 3 shows the cumulative number of total Covid 19 affected and those affected by contacts among them since 4th May 2020. It is to be noted that

Figure 2
Recent Growth in Covid 19

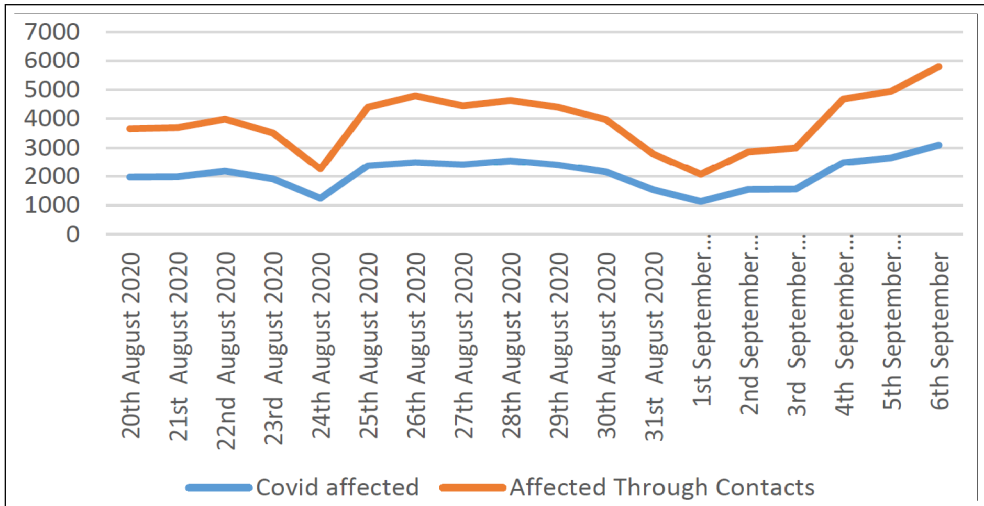


Table 3

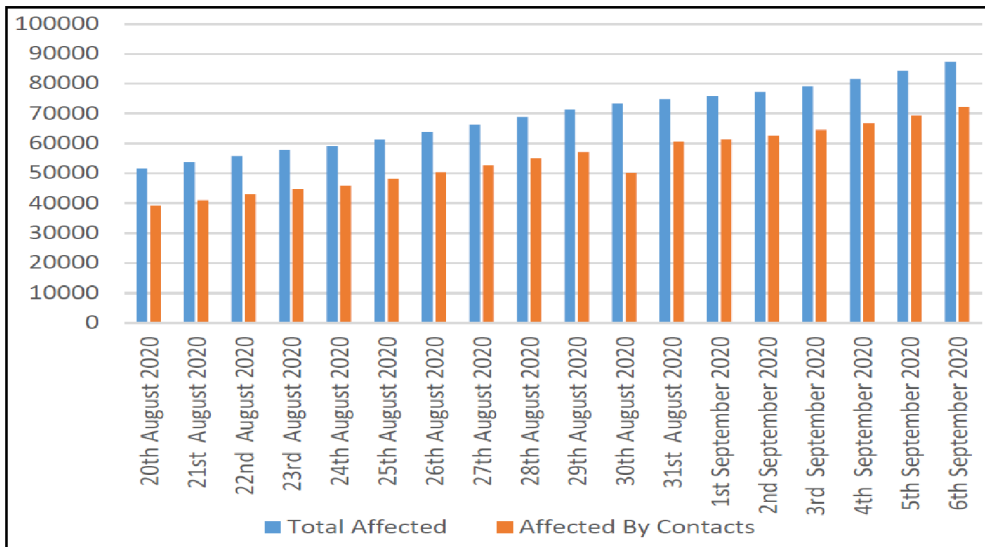
Total Covid Affected and Affected By Contacts Cumulative From 4th May

Date	Cumulative From May 4th		Percentage
	Total Affected	Affected By Contacts	
20 th August 2020	51700	39249	75.92
21 st August 2020	53683	41064	76.49
22 nd August 2020	55855	43025	77.03
23 rd August 2020	57763	44793	77.55
24 th August 2020	59005	45908	77.80
25 th August 2020	61380	48099	78.36
26 th August 2020	63856	50412	78.95
27 th August 2020	66262	52638	79.44
28 th August 2020	68805	54950	79.86
29 th August 2020	71202	57150	80.26
30 th August 2020	73356	50145	68.36
31 st August 2020	74886	60531	80.83
1 st September 2020	75827	61411	80.99
2 nd September 2020	77188	62697	81.23
3 rd September 2020	79126	64517	81.54
4 th September 2020	81605	66866	81.94
5 th September 2020	84260	69369	82.33
6 th September 2020	87342	72255	82.73

only 499 persons were turned positive confirmed after tests conducted on 4th May 2020.No cases of spread through contact was not reported. It has increased

from 499 on 4th April to 39249 on 20thAugust and 72255 on 6thSeptember 2020. This records a growth from zero percentage to 82.73% , as regards to the

Figure 3
Cumulative Increase in Covid 19 Cases



Covid19 affected through contacts among total positive cases, with in a period six months.

Inferential Analysis

The data collected was subjected to Independent Sample t test and one way Anova to understand the significant difference between demographic variables and study variables based on the opinions of public. The details are explained below.

Gender and Study Variables

The hypothesis developed to understand the significant difference in opinion between people of different gender on the effectiveness of the study variables was the following.

Null Hypothesis H₀: There is no difference in the opinion between Male and Female as regards to their opinions on effectiveness regarding different study variables in prevention and control of spread of Covid 19 through contacts.

Independent sample t test was conducted and the results are given in Table 4.

The table 4 shows that the p value for the opinion of male and females regarding print media is less than 0.05 indicating significant difference at 5% level. Hence the null hypothesis is rejected as regard to the factor print media. As regard to all other variables under study there is no significant difference in opinion between male and female in its effectiveness in prevention and control on spread of Covid 19 through contacts and null hypothesis is accepted as regard to the factors communication through Social media, Audio Visual media, Social Intervention, Local Self Government and Enforcement by police.

Age Group and Study Variables

To know the significant difference among people of different age groups intheir opinion on the effectiveness of

study variables in prevention and control of spread of Covid 19 through contacts following hypothesis was formulated and tested.

Null Hypothesis H₀₂: There is no significant difference among people of different age groups in their opinions on effectiveness regarding different study variables in prevention and control of spread of Covid 19 through contacts.

The testing of the hypothesis was made using one way Anova and the results are given in Table 5.

From the table 5 it can be inferred that there is no significant difference in opinion among people of different age groups on their opinion regarding the effectiveness of the variables under study as the p value is greater than 0.05.Hence the null hypothesis is rejected.

Education and Study variables

To understand the significant difference in opinion among people having different levels of education on the effectiveness of the variables in prevention and control of spread of Covid 19 through contacts, the data collected was analysed using one way Anova test after developing the following hypothesis.

Null Hypothesis H₀₃: There is no significant difference among people of different employment in their opinions on effectiveness regarding different study variables in prevention and control of spread of Covid 19 through contacts.

The results are tabulated and shown in Table 6.The table depicts that there is no significant difference among people of different educational level in their

Table 4
Independent Sample t-test for Gender

Variables Under Study	Mean		SD		t value	p value
	Male	Female	Male	Female		
Social Media	3.88	3.80	1.356	0.837	1.10	0.514
Print Media	3.75	3.40	0.463	1.140	0.787	0.046
Audio Visual Media	4.00	4.60	0.535	0.548	1.951	0.305
LSG Intervention	3.25	2.60	1.488	0.894	0.874	0.109
Lockdown and controls	2.63	4.00	1.302	1.732	1.637	0.868
Social Intervention	3.25	2.40	1.035	1.342	1.290	0.335
Enforcement by Police	4.00	4.60	1.069	0.548	1.151	0.422

Table 5
Age Groups and Study Variables

Variables Under Study	Age Group					F Value	p Value
	<30 yrs	30-40 yrs	40-50 yrs	50-60 yrs	>60 yrs		
Social Media	2.50	4.25	4.50	3.00	4.33	1.729	0.236
Print Media	3.50	3.75	3.50	3.50	3.667	0.046	0.995
Audio Visual Media	4.50	4.25	3.50	4.00	4.66	1.565	0.273
LSG Intervention	2.00	3.75	3.50	2.00	3.00	1.019	0.463
Lockdown and controls	3.00	3.00	2.00	3.00	4.33	0.620	0.661
Social Intervention	3.00	3.00	3.00	2.00	3.33	0.308	0.865
Enforcement by Police	5.00	3.5	4.00	4.50	4.667	1.343	0.334

opinion on the effectiveness of the study variables in prevention and control on spread of Covid 19 through contacts as the p value is greater than 0.05.Hence the null hypothesis is rejected at 5% level of significance.

Employment and Study Variables

To understand the significant difference in opinion among people having different levels of employment on the effectiveness of the variables in prevention and control of spread of Covid 19 through contacts, the data collected was subjected to One Way Anova test after developing the following hypothesis.

Null Hypothesis H₀₄: There is no significant difference among people of different employment in their opinion on effectiveness regarding different study variables in prevention and control on spread of Covid 19 through contacts.

Results of the One Way ANOVA test is shown in Table 7.

On perusal of the above table it can be inferred that, as p value is greater than 0.5, there is no significant difference among people of different employment on the effectiveness of study variables in prevention and control of spread of Covid 19 through contact.

Table 6
Educational Level and Study Variables

Variables Under Study	Educational Level					F Value	p Value
	<HSC	Degree	Post Graduate	Professional	Others		
Social Media	2.75	5.00	4.00	4.60	3.00	3.275	0.720
Print Media	3.50	4.00	3.00	3.60	4.00	0.113	0.975
Audio Visual Media	4.25	4.00	5.00	4.00	4.00	1.133	0.406
LSG Intervention	2,00	5.00	3.50	3.20	3.00	1.540	0.279
Lockdown and controls	3.00	2.00	4.50	2.80	4.00	0.774	0.572
Social Intervention	2.50	2.00	3.00	3.60	2.00	0.549	0.746
Enforcement by Police	4.75	2.00	4.50	4.20	4.00	3.090	0.082

Table 7
Employment and Study Variables

Variables Under Study	Employment					F Value	p Value
	Workers	Degree	Post Graduate	Professional	Others		
Social Media	3.25	4.50	4.00	4.00	4.33	0.623	0.659
Print Media	4.00	3.50	3.50	3.00	3.33	0.498	0.739
Audio Visual Media	4.40	3.50	5.00	4.00	4.00	3.068	0.083
LSG Intervention	2.20	3.50	3.50	4.00	4.00	0.765	0.577
Lockdown and controls	3.80	2.00	4.50	2.00	2.333	1.305	0.346
Social Intervention	2.66	3.00	3.00	4.00	3.00	0.227	0.916
Enforcement by Police	4.80	4.00	4.50	3.00	3.667	1.455	0.301

Significant Difference in the effectiveness of the variables

In order to test the significant effectiveness of different variables studied and for that purpose the following hypothesis was developed.

Null Hypothesis H_{05} : There is no significant difference among mean rank towards the variables under study.

The hypothesis is tested using Friedman test and the results exhibited in Table 8 below.

From the table it can be seen that the p value is less than 0.05 and hence the null hypothesis is rejected at 5% level of significance which infers that there is significant difference in the influence of various factors

On perusing the mean ranks among variables under study Enforcement by Police is the most influencing factor (Mean Value 5.31) followed by Audio Visual Media (Mean Value 5.19), Social Media (Mean Value 4.65), Print Media (Mean Value 3.58), and Lockdown Controls (Mean Value 3.38) . LSG intervention (Mean Value 3.04) and Social Intervention (Mean Value 2.81) are the least

influencing Factors. Hence it can be seen that Enforcement by Police is the most effective factor in the social marketing for prevention and control of spreading of Covid 19 by contacts.

Conclusion

The study shows that the of Covid 19 by contacts are increasing day by day and it necessitates more stringent enforcement for the prevention and control of Covid 19 particularly through contacts. It is true that people are aware but the change in behaviour could not be seen in good number of people. Enforcement by Police and publicity through social media requires more attention in dealing with the present situation. It is a fact that there is a shift from print media to social media due to the technological changes. Lockdown controls resulted in difficulties as regards to the closing down of shops and establishments. Social interventions have the least effectiveness among other factors studied as per opinion of the respondents. This may be due to the fact that the nature of Covid 19 might have acted as an impediment in effective social intervention. There exists a further scope in conducting a study on why public has an aversion to change in behaviour

Table 8
Friedman Test

Variables Under Study	Mean Rank	Chi Square Value	p Value
Social Media	4.65	20.639	0.002
Print Media	3.52		
Audio Visual Media	5.19		
LSG Intervention	3.04		
Lockdown and controls	3.38		
Social Intervention	2.81		
Enforcement by Police	5.31		

considering the seriousness of the pandemic Covid 19 and its consequences

since human mind is always have a tendency of resistance to change.

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A STUDY ON THE FACTORS AFFECTING THE PROFITABILITY OF SELECTED HOUSING FINANCE COMPANIES

*Mariya George, **Subramoniam K

Abstract

The article examines the determinants of the profitability of firms in the Non Banking Financial Institution (NBFIs) industry, in the area of housing finance. Financial performance of an NBFI basically depends on some key financial determinants. Operating efficiency is the main influencing factor which is calculated through operating income. Besides it capital structure, composite of equity and liability, operating expense and total assets, significantly affect the profitability of any NBFI. In addition, term deposits also affect the profitability though that is statistically not significant. Different statistical techniques such as correlation and regression have been used to determine the relationships between variables. The research is an attempt to find out the statistically significant key determinant variables and their level of influence over net profit.

Key words:- Non- Banking Financial Institutions (NBFIs), Determinants, Financial Performance.

*F*inancial Sector is the fourth largest sector in term of market capitalization. NBFI industry is considered the second highest source of loan and provider of different financial services. The growing financial performance of this sector has a colossal effect on whole economy's performance. Typically, financial sector refers

to mainly banking sector of any country. Recently the performance of NBFIs industry too has been dramatically influencing the performance of the financial sector. The contribution of this industry toward the economy has been emerging high and as facts suggest the curiosity of investors has significantly increased.

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Consequently the financial performance of this sector's companies has been in stakeholder's prime apprehension in recent times. A number of empirical studies have been done on profitability of banking sectors to identify and categorize the fundamental determinants of profitability. But still very few research works have been conducted on NBFi sector.

Objectives of the study

The objectives of the study are:

- To find the factors affecting the profitability of selected NBFIs in India.
- To identify the impact of these factors on the profitability of the selected NBFIs.

This paper examines the determinants of the profitability of firms in the Non Banking Financial Institution (NBFIs) industry. The study has taken into consideration only five NBFIs in India. The selected NBFIs are Sundaram BNP Paribas Home Finance Ltd., LIC Housing Finance Ltd, Dewan Housing Finance Corporation Ltd., Housing Development Finance Corporation and GIC Housing Finance Ltd. The data for this study were gathered from the audited annual financial report published by the companies. The annual data for the all listed NBFi during 2009-10 to 2018-19 are used in order to assess the profitability of the NBFIs. Any progress of Financial institutions thereafter is thus out of the scope of the report. Use of other sources like annual reports, newspapers, websites, etc. have also been used wherever found necessary. This paper is based on secondary data only.

Limitations of the study

- The study is limited for a period of 10 years from 2009-2010 to 2018-2019.
- The study has taken into consideration only five NBFIs in India. The selective NBFIs are Sundaram BNP Paribas Home Finance Ltd., LIC Housing Finance Ltd., Dewan Housing Finance Corporation Ltd., Housing Development Finance Corporation and GIC housing Finance Ltd, though there are many other housing finance companies operate in India.
- The study has used limited numbers of mathematical and statistical parameters.

Literature Review

To get an insight of profitability determinants, several studies have been executed up to till date. But the fact suggests that, most of the researches have been conducted on banking industry. So, the evidence with regard to profitability is scarce in the NBFi sector.

Nadim Jahangir', Shubhankar Shill and Md. AmlanJahidHaque(2007) surveyed 15 commercial banks in Bangladesh and found that market concentration and bank risk do little to explain bank return on equity, whereas bank market size is the only variable providing an explanation for banks return on equity in the context of Bangladesh. They found that market size and bank's return on equity proved to have strong relationship. Also, a strong and significant relationship was identified between

market size and bank's return on equity. It suggests that capital adequacy is important for a bank to be profitable.

Fadzlan Sufian and Royfaizal Razali Chong (2008) examined the determinants of Philippines banks profitability during the period 1990–2005. Their empirical findings suggest that all the bank-specific determinant variables have a statistically significant impact on bank profitability. They also found that size, credit risk, and expense preference behavior are negatively related to banks' profitability, while non-interest income and capitalization have a positive impact. According to their analysis inflation has a negative impact on bank profitability, while the impact of economic growth, money supply, and stock market capitalization have not significantly explained the variations in the profitability of the Philippines banks.

Fadzlan Sufian (2009) in his research paper title "Determinants of non-bank financial institutions' profitability: empirical evidence from Malaysia" analyzed the determinants of profitability on NBFIs in developed country. He found that "Malaysian NBFIs with a higher risk exhibits lower profitability level. On the other hand, the large Malaysian NBFIs with high operational expenses exhibits higher profitability level, thus supporting the expense preference behavior hypothesis". He also suggested that specialization has no significant relationship with Malaysian NBFIs profitability.

Balchandher K. Guru, J. Staunton & B. Shanmugam (2009) in this research paper "Determinants of commercial bank profitability in Malaysia" examined

to what extent are the profitability performance disparities due to variations in management controllable internal factors and external factors. He took net profit as his dependent variable and Asset Composition, Capital, Deposit Composition, Expenses Management, Liquidity, Firm Size, Inflation Rate, Market Growth, Market Interest, Market Share and Regulation as his independent variable. He suggested that all variable has significant relationship with net profit. And also he added that in order to increase profitability the Expense Management should be proper as this variable significance is very high.

James W. Scott and José Carlos Arias (2011) in their study "Banking profitability determinants" surveyed top five bank holding companies in the United and concluded that profitability determinants for the banking industry include positive relationship between the return of equity and capital to asset ratio as well as the annual percentage changes in the external per capita income. There was also a virtual consensus identified concerning the effect that the internal factor of size as measured by an organization's total assets had on its ability to compete more effectively, even in times of economic downturns.

Christos K. Staikouras & Geoffrey E. Wood (2011) examined the factors that influence the profitability of financial institution in their research paper "The Determinants of European Bank Profitability". Their main finding was "the rate of return earned by a financial institution is affected by numerous factors. These factors include elements internal to each financial institution and several

important external forces shaping earnings performance. The type of explanation would determine possible policy implications and ought to be taken seriously". Their paper quantifies how internal determinants ("within effects" changes) and external factors ("dynamic reallocation" effects) contribute to the performance of the EU banking industry as a whole in 1994-1998.

Antonina Davydenko (2011) surveyed about 3236 bank-quarter observations and concluded that Ukrainian banks suffer from low quality of loans and do not manage to extract considerable profits from the growing volume of deposits. Despite low profits from the core banking activities.

James W. Scott and José Carlos Arias (2011) in their study "Banking profitability determinants" surveyed top five bank holding companies in the United and concluded that profitability determinants for the banking industry include positive relationship between the return of equity and capital to asset ratio as well as the annual percentage changes in the external per capita income. There was also a virtual consensus identified concerning the effect that the internal factor of size as measured by an organization's total assets had on its ability to compete more effectively, even in times of economic downturns.

Shah-Noor Rahman and Tazrina Farah (2012), in their research paper on "Non Bank Financial Institution s Profitability Indicators: Evidence from Bangladesh" examined the indicators of the profitability of firms in the Non Banking Financial Institution (NBFIs)

industry of Bangladesh. Their finding was profitability indicator variables have impact upon net profit. And there variable was Net profit as dependent variable and Current Asset, Financial Expense, Long term liability, Interest Income, and Operating revenue as independent variable. According to their report among the independent variables the Liquidity Condition and Operating Efficiency exert significant influence on Profitability of Non Bank sector in Bangladesh.

Research Methodology

Population, Sample and data collection

The study covers the Housing Finance companies of NBFIs in India. Five sample NBFIs have been selected for my study. Therefore, five companies, namely, Sundaram BNP Paribas Home Finance Ltd, LIC Housing Finance Ltd, Dewan Housing Finance Corporation Ltd, Housing Development Finance Corporation and GIC housing Finance Ltd were selected as sample. The data of these NBFCs for 10 years has been collected, i.e. from 2009-10 to 2018-19. Data is collected from respective websites of the banks, annual reports published by the NBFIs, Reserve Bank of India, published and unpublished research work. To reach out the predefined objective of the study, the secondary data has been used exclusively. The collected data is tabulated and processed carefully to achieve the end results.

Variables and Measures

The variables are selected based on the review of literature.

Independent variables:

- Current Asset (CA)
- Financial Expense (FE)
- Long term liability (LTL)
- Interest Income (II)
- Operating revenue (OR)
- Total Asset (TA)

Dependent Variables:

- Return on Investment (ROI)
- Return on Assets (ROA)

Statistical Tools

The following statistical techniques are used.

Statistical techniques

- Correlation
- Regression analysis.

Analysis and interpretation

1. Correlation between Performance Indicating Factors and Profitability factors of selected NBFIs

- H0: There is no association between the Performance Indicating Variables and Profitability Factors.
- H1: There is an association between the Performance Indicating Variables and Profitability Factors.

1.1 Correlation between Performance Indicating Variables and Profitability Factors of Sundaram BNP Paribas Home Finance Ltd.

Interpretation

In this table (Table 1) the correlation among all variable has been shown. Especially the correlation between dependent variables and independent variables has been shown. All the

Table 1
Correlation between Performance Indicating Variables and Profitability Factors.

	CA	LTL	FE	OR	TA	ROI	ROA
CA	1						
LTL	0.99816	1					
FE	0.89266	0.871874	1				
OR	0.914761	0.894481	0.992606	1			
TA	0.971614	0.96086	0.95222	0.972992	1		
ROI	0.962813	0.949094	0.885554	0.913864	0.940271	1	
ROA	0.004794	-0.0098	0.08097	0.066457	0.022963	0.027672	1

independent variables are positively correlated with ROI and also all the independent variables are positive correlated with ROA except Long Term Liability. As the results suggests that there is a relationship between the independent variables and dependent variables.

1.2 Correlation between Performance Indicating Variables and Profitability Factors of LIC Housing Finance Ltd

Interpretation

In this table (Table 2)the correlation among all variable has been shown. Especially the correlation between dependent variable and independent variable has been shown. All the independent variables are positively correlated with ROI and also all the independent variables are negatively correlated with ROA. As the results

suggests that there is a relationship between the independent variables and dependent variables.

1.3 Correlation between Performance Indicating Variables and Profitability Factors of Dewan Housing Finance Corporation Ltd

Interpretation

In this table (Table 3)the correlation among all variable has been shown. Especially the correlation between dependent variable and independent variable has been shown. All the independent variables are positively correlated with ROI and also all the independent variables are positively correlated with ROA except Long Term Liability. As the results suggests that there is a relationship between the independent variables and dependent variables.

Table 2
Correlation between Performance Indicating Variables and Profitability Factors

	<i>CA</i>	<i>LTL</i>	<i>FE</i>	<i>OR</i>	<i>TA</i>	<i>ROI</i>	<i>ROA</i>
CA	1						
LTL	0.765337	1					
FE	0.653321	0.983459	1				
OR	0.668726	0.989109	0.997784	1			
TA	0.734709	0.997807	0.989799	0.995252	1		
ROI	0.704727	0.810875	0.739571	0.771833	0.804571	1	
ROA	-0.39862	-0.7572	-0.82427	-0.79281	-0.76072	-0.434	1

Table 3
Correlation between Performance Indicating Variables and Profitability Factors

	<i>CA</i>	<i>LTL</i>	<i>FE</i>	<i>OR</i>	<i>TA</i>	<i>ROI</i>	<i>ROA</i>
CA	1						
LTL	-0.5871	1					
FE	-0.69257	0.970323	1				
OR	-0.66834	0.983849	0.996916	1			
TA	-0.65936	0.985747	0.983694	0.986559	1		
ROI	0.985844	-0.60273	-0.7163	-0.69119	-0.67101	1	
ROA	-0.53157	0.231122	0.252284	0.253005	0.248792	-0.3972	1

1.4 Correlation between Performance Indicating Variables and Profitability Factors of Housing Development Finance Corporation.

Interpretation

In this table (Table 4) the correlation among all variable has been shown. Especially the correlation between dependent variable and independent variable has been shown. All the independent variables are positively correlated with ROI and also all the independent variables are positively correlated with ROA. As the results suggests that there is a relationship between the Independent Variables and Dependent Variables.

1.5 Correlation between Performance Indicating Variables and Profitability Factors of GIC Housing Finance Ltd

Interpretation

In this table (Table 5)the correlation among all variable has been shown.

Especially the correlation between dependent variable and independent variable has been shown. All the independent variables are positively correlated with ROI and also all the independent variables are positively correlated with ROA except Long Term Liability. As the results suggests that there is a relationship between the Independent Variables and Dependent Variables.

As such, the null hypothesis is rejected and alternate hypothesis is accepted.

2. Regression between Performance Indicating Factors and Profitability factors of selected NBFCs.

2.1 Regression between Performance Indicating Variables and Profitability Factors of Sundaram BNP Paribas Home Finance Ltd.

Interpretation

After examining the values of R^2 (Coefficient of determination) and P

Table 4
Correlation between Performance Indicating Variables and Profitability Factors

	<i>CA</i>	<i>LTL</i>	<i>FE</i>	<i>OR</i>	<i>TA</i>	<i>ROI</i>	<i>ROA</i>
CA	1						
LTL	0.934185	1					
FE	0.850134	0.885656	1				
OR	0.883468	0.867585	0.980406	1			
TA	0.90388	0.923982	0.986284	0.986165	1		
ROI	0.693808	0.525663	0.703393	0.812085	0.743339	1	
ROA	0.497742	0.228508	0.308935	0.474798	0.355976	0.729781	1

Table 5
Correlation between Performance Indicating Variables and Profitability Factors

	<i>CA</i>	<i>LTL</i>	<i>FE</i>	<i>OR</i>	<i>TA</i>	<i>ROI</i>	<i>ROA</i>
CA	1						
LTL	0.773745	1					
FE	0.643545	0.959753	1				
OR	0.651957	0.9619	0.995965	1			
TA	0.743318	0.983594	0.984978	0.987564	1		
ROI	0.517347	-0.0509	-0.10611	-0.08681	0.006409	1	
ROA	-0.19751	-0.46923	-0.60986	-0.57008	-0.50975	0.243987	1

values of F test in the table (Table 6), we can say that Operating Revenue has the most influential impact over ROI and ROA. After that Current Asset and then

Financial Expense significantly affect the company financial performance. So, it can be concluded that, Profitability of NBFIs are mostly persuaded by the changes in

different expenses and capital structure along with its operating efficiency.

Among these five performance indicating variables, Operating Revenue have the highest value for R² (83.51% and 57.35%) which indicates that this can explain 83.51% and 57.35% of the variations in profitability over this 10 years of time horizon (2010-2019). P- Value (0.00) of F - tests at 95% confidence level states that the result is significant as it is less than .05. However, Total Asset has the lowest value of R² (68.24% and

51.64%), which indicates that this variable has very lower impact on profitability as a predictor (i.e. independent) variable when used in simple regression analysis.

2.2 Regression between Performance Indicating Variables and Profitability Factors of LIC Housing Finance Ltd

Interpretation

After examining the values of R² (Coefficient of determination) and P values of F test in the above table (Table 7), we can say that Long Term Liability

Table 6
Regression between Performance Indicating Variables and Profitability Factors

Dependent Variable	Independent Variable	Equation	R ²	F- test Value	P value of the model
ROI	Current Asset (CA)	ROI = 7.52+ 0.005 CA	78.84%	30.51	0.0005
	Long term liability (LTL)	ROI = 7.21 + 0.0004 LTL	77.54%	30.12	0.0004
	Financial Expense (FE)	ROI = 7.09 + 0.004 FE	78.42%	29.07	0.0006
	Operating Revenue (OR)	ROI = 7.35 + 0.002 OR	83.51%	40.52	0.0002
	Total Asset (TA)	ROI = 6.95 + 0.0002 TA	68.24%	38.34	0.0005
ROA	Current Asset (CA)	ROA = 1.72 + (5.24) CA	56.34%	10.54	0.01
	Long term liability (LTL)	ROA = 1.65 + (2.35) LTL	52.18%	9.11	0.005
	Financial Expense (FE)	ROA = 1.71 + (2.95) FE	55.64%	10.25	0.003
	Operating Revenue (OR)	ROA = 1.72 + (3.85) OR	57.35%	10.46	0.011
	Total Asset (TA)	ROA = 1.62 + (2.85) TA	51.64%	9.37	0.024

Table 7
Regression between Performance Indicating Variables and Profitability Factors

Dependent Variable	Independent Variable	Equation	R ²	F- test Value	P value of the model
ROI	Current Asset (CA)	ROI = 2.44 + 3.99 CA	49.66%	7.893	0.022
	Long term liability (LTL)	ROI = -2.75 + 8.85 LTL	65.75%	15.358	0.004
	Financial Expense (FE)	ROI = -2.28 + 0.0008 FE	54.69%	9.658	0.014
	Operating Revenue (OR)	ROI = -2.62 + 0.0006 OR	59.57%	11.788	0.008
	Total Asset (TA)	ROI = -2.61 + 6.31 TA	64.73%	14.684	0.005
ROA	Current Asset (CA)	ROA = 1.73 + (1.17) CA	61.25%	9.33	0.001
	Long term liability (LTL)	ROA = 1.71 + (4.29) LTL	57.33%	10.75	0.011
	Financial Expense (FE)	ROA = 1.75 + (5.09) FE	67.94%	16.95	0.003
	Operating Revenue (OR)	ROA = 1.74 + (3.69) OR	62.85%	13.53	0.006
	Total Asset (TA)	ROA = 1.71 + (3.09) TA	57.86%	10.98	0.01

has the most influential impact over ROI. After that Total Asset and then Operating Revenue significantly affect the company financial performance. So, it can be concluded that, Profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

And also, we can say that Financial Expense has the most influential impact over ROA. After that Current Asset and Operating Revenue significantly affect the company financial performance. So, it can be concluded that, profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

Among these five performance indicating variables, Long Term Liability and Financial Expenses have the highest value for R² (65.75% % 67.94) corresponding to ROI and ROA, which indicates that this can explain 65.75% and 67.94% of the variations in profitability over this 10 years of time horizon (2010-2019). P- Value (0.00) of F - tests at 95% confidence level states that the result is significant as it is less than .05. However, Current Asset and Long term liability has

the lowest value of R² (47.70% & 57.33%) corresponding to ROI and ROA , which indicates that this variable has very lower impact on profitability as a predictor (i.e. independent) variable when used in simple regression analysis.

2.3 Regression between Performance Indicating Variables and Profitability Factors of Dewan Housing Finance Corporation Ltd

Interpretation

After examining the values of R² (Coefficient of determination) and P values of F test in Table 8, we can say that Long Term Liability has the most influential impact over ROI. After that Financial Expenses and then Current Asset significantly affect the company financial performance. So, it can be concluded that, Profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

And also, we can say that Financial Expense has the most influential impact over ROA. After that Current Asset and Operating Revenue significantly affect the

Table 8
Regression between Performance Indicating Variables and Profitability Factors

Dependent Variable	Independent Variable	Equation	R ²	F- test Value	P value of the model
ROI	Current Asset (CA)	ROI = 2.36+ 3.12 CA	48.54%	7.45	0.025
	Long term liability (LTL)	ROI = 5.71 + (5.8) LTL	55.32%	8.54	0.011
	Financial Expense (FE)	ROI = 6.44 + 0.0007 FE	51.30%	8.43	0.019
	Operating Revenue (OR)	ROI = 6.30 + (0.0005) OR	47.47%	7.318	0.026
	Total Asset (TA)	ROI = 6.26 + (5.5) TA	45.02%	6.55	0.033
ROA	Current Asset (CA)	ROA = 1.57 + (1.15) CA	59.81%	8.57	0.001
	Long term liability (LTL)	ROA = 1.65 + (3.89) LTL	51.35%	9.86	0.01
	Financial Expense (FE)	ROA = 1.69 + (4.58) FE	61.24%	14.52	0.002
	Operating Revenue (OR)	ROA = 1.71 + (2.95) OR	58.39%	12.64	0.005
	Total Asset (TA)	ROA = 1.65 + (2.48) TA	54.67%	9.48	0.01

company financial performance. So, it can be concluded that, profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

Among these five performance indicating variables, Long Term Liability and Financial Expenses have the highest value for R^2 (55.32% & 61.24%) corresponding to ROI and ROA, which indicates that this can explain 55.32% and 61.24% of the variations in profitability over this 10 years of time horizon (2010-2019). P- Value (0.00) of F - tests at 95% confidence level states that the result is significant as it is less than .05. However, Total Asset and Long term liability has the lowest value of R^2 (45.02% & 51.35%) corresponding to ROI and ROA, which indicates that this variable has very lower impact on profitability as a predictor (i.e. independent) variable when used in simple regression analysis.

2.4 Regression between Performance Indicating Variables and Profitability Factors of Housing Development Finance Corporation

Interpretation

After examining the values of R^2 (Coefficient of determination) and P values of F test in Table 9, we can say that Financial Expenses has the most influential impact over ROI. After that Current Asset and then Long Term Liability significantly affect the company financial performance. So, it can be concluded that, Profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

And also, we can say that Current Asset has the most influential impact over

ROA. After that Financial Expenses and Operating Revenue significantly affect the company financial performance. So, it can be concluded that, profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

Among these five performance indicating variables, Financial Expenses and Current Asset have the highest value for R^2 (50.52% & 65.54%) corresponding to ROI and ROA, which indicates that this can explain 51.30% and 65.54% of the variations in profitability over this 10 years of time horizon (2010-2019). P- Value (0.00) of F - tests at 95% confidence level states that the result is significant as it is less than .05. However, Total Asset and Long term liability has the lowest value of R^2 (43.02% & 58.61%) corresponding to ROI and ROA, which indicates that this variable has very lower impact on profitability as a predictor (i.e. independent) variable when used in simple regression analysis.

2.5 Regression between Performance Indicating Variables and Profitability Factors of GIC Housing Finance Ltd

Interpretation

After examining the values of R^2 (Coefficient of determination) and P values of F test in Table 10, we can say that Financial Expenses has the most influential impact over ROI. After that Long Term Liability and then Operating Revenue significantly affect the company financial performance. So, it can be concluded that, Profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

And also, we can say that Financial Expense has the most influential impact

Table 9
Regression between Performance Indicating Variables and Profitability Factors

Dependent Variable	Independent Variable	Equation	R ²	F- test Value	P value of the model
ROI	Current Asset (CA)	ROI = 6.32+ 0.0004 CA	48.34%	8.21	0.01
	Long term liability (LTL)	ROI = 6.11 + 0.0003 LTL	47.68%	8.15	0.005
	Financial Expense (FE)	ROI = 5.38 + 0.0006 FE	50.52%	8.43	0.019
	Operating Revenue (OR)	ROI = 6.29 + (0.008) OR	47.57%	7.36	0.001
	Total Asset (TA)	ROI = 6.21 + (5.41) TA	43.02%	6.95	0.023
ROA	Current Asset (CA)	ROA = 1.75 + (5.04) CA	65.54%	15.67	0.002
	Long term liability (LTL)	ROA = 1.73 + (1.71) LTL	58.61%	7.95	0.015
	Financial Expense (FE)	ROA = 1.71 + (2.04) FE	64.82%	9.65	0.001
	Operating Revenue (OR)	ROA = 1.75 + (5.85) OR	61.24%	15.31	0.001
	Total Asset (TA)	ROA = 1.65 + (4.28) TA	58.68%	13.56	0.004

Table 10
Regression between Performance Indicating Variables and Profitability Factors

Dependent Variable	Independent Variable	Equation	R ²	F- test Value	P value of the model
ROI	Current Asset (CA)	ROI = 5.69+ 0.0006 CA	46.27%	6.85	0.007
	Long term liability (LTL)	ROI = 6.20 + (0.0003) LTL	48.28%	7.65	0.01
	Financial Expense (FE)	ROI = 5.94 + 0.0061 FE	56.28%	7.53	0.002
	Operating Revenue (OR)	ROI = 6.30 + (0.0005) OR	47.47%	7.318	0.011
	Total Asset (TA)	ROI = 5.68 + 6.8 TA	44.54%	7.21	0.005
ROA	Current Asset (CA)	ROA = 1.68 + (3.58) CA	56.34%	9.52	0.007
	Long term liability (LTL)	ROA = 1.73 + (1.05) LTL	60.58%	9.11	0.001
	Financial Expense (FE)	ROA = 1.75 + (5.02) FE	68.25%	14.86	0.002
	Operating Revenue (OR)	ROA = 1.71 + (2.98) OR	55.46%	10.54	0.01
	Total Asset (TA)	ROA = 1.72 + (4.29) TA	57.33%	10.58	0.012

over ROA. After that Long Term Liability and Total Asset significantly affect the company financial performance. So, it can be concluded that, profitability of NBFIs are mostly persuaded by the changes in different performance indicating variables.

Among these five performance indicating variables, Financial Expenses have the highest value for R² (56.28% & 68.25%) corresponding to ROI and ROA,

which indicates that this can explain 56.28% and 68.25% of the variations in profitability over this 10 years of time horizon (2010-2019). P- Value (0.00) of F - tests at 95% confidence level states that the result is significant as it is less than .05. However, Total Asset and Operating Revenue has the lowest value of R² (44.54% & 55.46%) corresponding to ROI and ROA , which indicates that this

variable has very lower impact on profitability as a predictor (i.e. independent) variable when used in simple regression analysis.

Findings

The salient findings from the study is summarized below:

- Current Asset is a factor that affected the profitability of selected NBFIs.
- Long Term Liability is a factor that affected the profitability of selected NBFIs.
- Financial Expenses is a factor that affected the profitability of selected NBFIs.
- Operating Revenue is a factor that affected the profitability of selected NBFIs.
- Total Asset is a factor that affected the profitability of selected NBFIs.
- There is an association between Performance Indicating Variables and Profitability of NBFIs.

Suggestions and Conclusion

This study has examined the influence of the factors affecting the profitability of selected housing finance companies in India. The study covers the Housing Finance companies of NBFIs in India. Five sample companies have been selected for the study. Therefore, five companies, namely, Sundaram BNP Paribas Home Finance Ltd, LIC Housing Finance Ltd, Dewan Housing Finance Corporation Ltd., Housing Development Finance Corporation and GIC Housing Finance Ltd were selected. Regression analysis is

applied to analyze its impact on profitability. The results showed that impact of performance indicating variables on the profitability of the NBFIs were significant at five percent level in all equations.

In the correlation analysis, the independent variables are correlated to ROI and ROA, the dependent variables in all 5 selected NBFIs. They are correlated to each other also.

From the Regression Analysis, the independent variables have impact on profitability. All the independent variables such as, Current Asset (CA), Long Term Liability (LTL), Financial Expenses (FE), Operating Revenue (OR) and Total Asset (TA) have the p- value, that is less than 0.05. P- Value (0.00) of F - tests at 95% confidence level states that the result is significant as it is less than .05. So all the independent variables have been influenced profitability of all the selected NBFIs.

It is suggested that all NBFIs have to focus on building up their Current Assts, Long Term Liability, Operating Revenue and Total Assets. High Current Assets will ensure liquidity. Long Term Liability will help to build up total assets. Reduction in Financial Expenses will facilitate higher profitability while increasing Operating Revenue is the threshold of ROI and ROA. Increase in Total asset will help to build up the long term sustainability of the companies.

It could be concluded that similar studies could be undertaken on the financial performance of other NBFIs too.

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GRIEVANCE REDRESSAL MECHANISM IN THE INSURANCE SECTOR- AN EVALUATIVE STUDY OF LIFE INSURANCE BUSINESS IN INDIA

*Shiyas I S, **Dr. Suleena V S

Abstract

The insurance sector is one of the major contributors to the development of India's economy. One of the vital roles played by the insurance sector is the social development of the country. The insurance sector facilitated the process of capital formation by mobilizing savings of the public and provides them with social security. The Life Insurance Corporation of India established on 1st September 1959 with the main objective of spread insurance facilities more extensively especially in rural areas, provide them good financial care at a reasonable cost. India's insurance market is liberalized one and insurance regulatory development authority of India establishment to increase insurance density and penetration in India. In order to ensure the speedy growth of the insurance sector, it is essential to provide awareness among the public about the significance of insurance in their daily life. Customer satisfaction and customer retention played a critical role in every service-oriented sector especially in the case of the insurance sector. In order to ensure customer satisfaction and loyalty, it is essential every company should be equipped with customer relationship management (CRM) and grievance redressal system. In order to address the grievances of policyholders, the Insurance Regulatory Development Authority of India (IRDAI) has taken various initiatives.

Key words:- Grievances, life insurance, IRDA, customer retention, CRM.

Customer retention is the uppermost concern for any industry and insurance is not an exception to this general rule. An informed and satisfied customer is a brand ambassador for the industry. In insurance, the policyholder is the customer

who should be taken care of by the insurers.

The opening up of the insurance industry in the last two decades to the private players and the establishment of IRDAI is the landmark events in the insurance sector towards innovations in

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designing need-based policies and laying down regulatory obligations towards policyholder protection.

IRDAI is Insurance Regulatory Development Authority of India, that has been set up to protect the interests of the policyholders, to regulate, promote and ensure orderly growth of the Indian insurance industry and for matters connected therewith or incidental thereto. The main purpose for the establishment of IRDAI is to protect the interest of and secure fair treatment to policyholder; to bring about speedy and orderly growth of the insurance industry; for the benefits of the common man; and to provide long term funds for accelerating growth of the economy; to set, promote, monitor and enforce high standard of integrity, financial soundness, fair dealing and competition of those it regulates; to ensure that insurance customers receive precise, clear and correct information about products and services and make them aware of their responsibilities and dues in this regard; to ensure speedy settlement of genuine claims; to prevent insurance frauds and other malpractices and put in place effective grievance redressal machinery; to promote fairness, transparency and orderly conduct in financial markets dealing with insurance and build a reliable management information system to enforce high standards of financial soundness amongst market players; and to take action where such standards are inadequate or ineffectively enforced.

Review of literature

Sharma, (2011) evaluate the approach of insurance ombudsman in the redress of consumer grievances and ascertain the

extent of relief provided to the consumers. It was found that repudiation of claim is the major ground of complaint than the delay in settlement of claim. It was revealed that a large number of complaints are reported against the public sector companies than against private sector companies particularly at the consumer forum. The results obtained from the study described that insurance ombudsman took more than one year in disposing of the maximum number of cases and concluded with the suggestion of a penal provision for non-compliant companies ought to be inserted in the RPG rules.

Yadav & Mohania, (2014) analyzed the effectiveness of institutional framework for handling the grievances of life insurance policyholders. It was observed that the number of complaints was increasing as the number of customers increased. The author focused on the various aspects like management framework of LIC for settlement of the claim, impact of claim settlement on the sale of life insurance policies, claim settlement process, and awareness towards the settlement of claim among policyholders. It was argued that constantly increasing the number of complaints reported in the insurance ombudsman's office indicated that the policyholders are gaining their confidence and trust in the institution of insurance ombudsman.

Tagra & Dhiman, (2017) examined the regulations and guidelines of IRDAI for effective grievance handling. The study also evaluates the initiatives taken by IRDAI like Integrated Grievance Management System (IGMS), insurance ombudsman, consumer forum, etc. for effective and efficient handling of

grievances of policyholders. The study suggested that IRDAI has to make more effort to bring awareness among the general public regarding the process, and procedures of grievance redressal mechanisms.

Objectives of the study

- To examine the consumer's awareness with regard to grievance redressal mechanism in the insurance sector.
- To analyze the performance of public and private life insurance companies in terms of grievances settlement operations.

Methodology of the Study

Research Design: The present study is descriptive and empirical in nature.

Sources of Data: The study is conducted by using both primary and secondary data. The primary data were collected from 100 samples through a structured questionnaire. Secondary data were collected as per the requirements of the theoretical framework.

Population: Population of the study is life insurance policyholders.

Sample design: The purposive sampling technique is used for the sample design.

Sample size: 100 samples.

Tools used for data collection: A well - structured questionnaire is used for data collection.

Data analysis: Percentage method, tabulation analysis, and independent t-test were used for the analysis of data.

Scope of the study

Scope of the study is limited to life insurance policyholders in Thiruvananthapuram district of Kerala.

Status of Consumer Grievances in Insurance Sector

The status of consumer grievances in form of total complaints received, complaints resolved during the year, and complaints pending at the end of the year for both life and non life insurance players are presented in table 1 and table 2.

After the analysis of table 1 and table 2, it is revealed that during the year 2003-04 only 8.23 per cent of grievances were settled by public sector life insurers, while private sector life insurance settled almost six times more complaints that are 57.78 per cent. But year after year the performance of LIC indicated that they have increased the capacity to handle and resolve complaints from its policyholders. In the year 2013-14, the policyholder's grievance resolved reaches the heights 100 percentage, followed by the financial year 2014-15, 2015-16, and 2016-17 with cent per cent grievances were settled by LIC of India. The grievance settlement percentage of private insurers were also increased year after year, as it stood 99.82 per cent during 2013-14 and is followed by an average of 99 per cent of grievance settlement have been carried on up to the financial year 2016-17.

The mean value 72.8936 from table 1 for the public sector life insurance in India is little less than the mean value 83.7243 for private life insurance from table 2 in regard to the percentage of consumer grievance settlement over the

Table 1
Status of Consumer Grievances in Public Sector Life Insurance Industry in India

Year	Public Sector Life Insurers (LIC of India)		
	Total Complaints	Resolved during the year	Pending at the end of year
2003-04	474 (100.00)	39 (8.23)	435 (91.77)
2004-05	1202 (100.00)	210(17.47)	992(82.53)
2005-06	1843 (100.00)	467(25.34)	1376(74.66)
2006-07	1730 (100.00)	1533(88.61)	197(11.39)
2007-08	848 (100.00)	163(19.22)	685(80.78)
2008-09	1166 (100.00)	980(84.05)	186(15.95)
2009-10	792 (100.00)	642(81.06)	150(18.94)
2010-11	2738 (100.00)	2672(97.59)	66(2.41)
2011-12	52300 (100.00)	52135(99.68)	165(0.32)
2012-13	73199 (100.00)	72655(99.26)	544(0.74)
2013-14	85828 (100.00)	85828(100.00)	0(0.00)
2014-15	80944 (100.00)	80944(100.00)	0(0.00)
2015-16	64750 (100.00)	64750(100.00)	0(0.00)
2016-17	30784 (100.00)	30784(100.00)	0(0.00)
N		14	
Mean		72.8936	
Std. Deviation		36.99808	
Std. Error		9.88815	

Source: Annual Reports of IRDA from the year 2003 04 to 2016 17

period from 2003-04 to 2016-17. The significant value of 0.098 is more than 0.05, so it is indicated that the variance between the groups is equal. The t-statistics -.947 (significant value 0.352) with 26 degrees of freedom indicated that there is no significant difference between grievance settled by public and private life insurers.

Findings

- The agents play a key role in making insurance policies, and the policyholders only think about the lapses on the part of the agent when a complaint is made.
- The insurers were not even providing awareness about the grievance Redressal mechanisms in the insurance sector.
- Majority (70 per cent) of the policyholders signed the policy terms and conditions without even reading it.
- One of the major problems for increasing grievance is the lack of clarity in policy terms and conditions.
- Majority of the policyholder is unaware about the procedure for grievance settlement when the insurers reject the complaints.

Table 2

Status of Consumer Grievances in Private Sector Life Insurance Industry in India

Year	Private Life Insurers		
	Total Complaints	Resolved during the year	Pending at the end of year
2003-04	45 (100.00)	26(57.78)	19(42.22)
2004-05	231 (100.00)	98(42.42)	133(57.58)
2005-06	673 (100.00)	270(40.12)	403(59.88)
2006-07	910 (100.00)	808(88.79)	102(11.21)
2007-08	1508 (100.00)	1176(77.98)	332(22.02)
2008-09	1645 (100.00)	1373(83.47)	272(16.53)
2009-10	2115 (100.00)	1870245(88.42)	(11.58)
2010-11	7313 (100.00)	7125(97.43)	188(2.57)
2011-12	257313 (100.00)	256196(99.57)	1117(0.43)
2012-13	269088 (100.00)	268415(99.74)	680(0.26)
2013-14	290016 (100.00)	288836(99.82)	1180(0.17)
2014-15	199228 (100.00)	193119(97.51)	6109(2.49)
2015-16	146060 (100.00)	145125(99.36)	935(0.64)
2016-17	90998 (100.00)	90751(99.73)	247(0.27)
N		14	
Mean		83.7243	
Std. Deviation		21.49502	
Std. Error Mean		5.74479	

Source: Annual Reports of IRDA from the year 2003 04 to 2016 17

Table 3

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2 tailed)	Mean Difference	Std. Error Difference	95%confidence interval of difference	
									Lower	Upper
Grievance settlement percentage	Equal variance assumed	6.863	.014	-.947	26	..352	10.83714	11.43583	34.33697	12.67597
Life Insurance Business	Equal variance not assumed			-.947	20.879	.0354	10.83714	11.43583	34.62109	12.95874

Suggestions

- IRDAI should take initiative to compel the insurers to exhibit policy terms and conditions in English and all the other regional languages as in understandable to all the customers.
- Conduct a mass campaign program to provide information regarding Consumer Protection Act and especially about the complaint redressal mechanism in the insurance sector.
- It is important to avoid using jargon for ambiguous words in the policy terms and conditions, and should make policy terms and conditions in simple language.
- Implement ineffective CRM process in every insurance company, it will help to acquire and retain customers as well as the profitability of the company.
- Implement E-CRM practices in the insurance sector it will facilitate online customer interaction for sale of quick access.
- Grievance should attend and settle within the TAT (Turnaround Time)
- The IRDAI should take initiative to frame suitable policies of grievance redressal and ensure its effective implementation in all the sectors.

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Conclusion

The life insurance industry is one of the growing industries in the economy. There are tremendous opportunities and prospects for the life insurance industry in the future. Concluding the article it can be said that the Indian life insurance industry is widespread and it has a larger customer base. It is important that every insurance company have to serve their customers with at most care. IRDA already took a number of initiatives to protect the policyholder's interest by bringing various laws and regulations. It is the duty of every insurer to conduct the transparent business in the country. Every policy initiative that is undertaken by IRDAI is to facilitate customer retention in the insurance industry. It has been seen that LIC of India much improved to resolve the grievances of consumers and the grievance settlement ratio is increased to 100 percentages in the financial year 2016-17. There also grievance settlement percentage of private insurers are increased year after year, as it is stood 99.82 percentage during 2013-14 and followed by secure an average of 99 percent of grievance settlement up to the financial year 2016-17. Insurers are well aware that now a day's market is customer-driven and success of their business in the industry largely depends on the satisfaction of their customers either past, existing, or prospective clients.

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AWARENESS AND PERCEPTIONS REGARDING TAX PLANNING OPTIONS AMONG SALARIED PEOPLE

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Abstract

Planning is important in everyone's life. We are using the different applications of planning in our daily life knowingly or unknowingly. But how many of us are applying this planning in our financial matters, especially in connection with our expenses. Tax planning is also important to those who are liable to pay tax under the Income Tax Act 1961 in India. Tax planning means reducing the tax liability of a person without violating the provisions of the Income Tax act. Also, it is the method of availing the benefits like exemptions, deductions, concessions and rebates under the act. To avail of these benefits, one should have good knowledge and awareness in both the Income Tax act and the annual finance budget of union ministry. Under this circumstance, an attempt is made to measure the level of awareness and perception towards tax planning schemes among salaried employees. For this study, responses are collected from salaried employees in Kottayam taluk and their responses were analysed and presented by using different statistical tools to get a conclusion.

Key words:- Tax planning, salaried employees, exemptions, deductions, concessions.

Tax planning may be defined as an arrangement of one's financial affairs in such a way that without violating in any way the legal provisions, full advantage is taken of all exemptions, deductions, concessions, rebates, allowances and other reliefs or benefits permitted under the Act, so that the burden of taxation, as far as

possible, is the least. Tax planning may, therefore, be regarded as a method of intelligent application of expert knowledge while planning one's affairs to secure the consciously provided tax benefits based on national priorities in keeping with the legislative and judicial opinion. Tax planning is neither tax evasion nor tax avoidance. It is the scientific planning of

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one's financial affairs in such a way as to attract minimum liability to tax or postponement of the tax liability for the subsequent period by availing of various incentives, concessions, allowances, rebates and reliefs provided for, in the context of existing tax laws. The exemptions, deductions, rebates, and relief have been provided by the legislature to achieve certain social and economic goals and to encourage savings and investments for the economic development of the country.

The question of interpretation of the law can also have a bearing on the success or failure of tax planning. The circulars issued by the Central Board of Direct Taxes (CBDT) from time to time will be of much use to the taxpayers. Moreover, a sound method of tax planning should be carefully chartered after considering that whatever is done is not only strictly within the framework of law but is also in consonance with the legislative intentions and should sound sensible to any reasonable person.

1.2 STATEMENT OF THE PROBLEM

The salaried employees constitute a sizable class of taxpayers who contribute to the public exchequer about 12 per cent of the total revenue collection by way of income tax. Their income is assessed under the head "Salaries". Tax planning has assumed special importance for the salaried class of taxpayers because of the mounting pressures of inflation, price hike and their strict obligations to tax compliance. It is, therefore, essential for this class of taxpayers to know their tax obligations in the right perspective and the measures of tax planning available to

them so that they can make the best use of their earnings by reducing the incidence of tax. Thorough and up-to-date knowledge of the tax laws is necessary to avail of the benefits provided under the provisions of the Act and thereby ensuring that the 'take-home pay' is kept at the maximum possible monetary level. However, efforts from the part of the assesses to plan his savings and investments to minimize the tax incidence is not up to the mark. The complete understanding of the opportunities available and managing one's finance is considering tax liability and post-tax costs are crucial as far as personal finance is concerned. Planning for the future to enhance returns and minimize tax commitments would form part of financial decision making. These issues are more complex when it comes to the salaried class with a stabilized income inflow. The current study is an effort to evaluate the tax planning measures adopted by the salaried income tax assesses of the State in the light of tax administration measures being implemented by the Government.

1.3. OBJECTIVES OF THE STUDY

The study was conducted with the following objectives:

1. To understand and evaluate the tax planning measures being adopted by the salaried class of the State.
2. To analyse the impact of tax planning on savings habits and investment pattern of the assesses belonging to the salaried class.

1.4 SIGNIFICANCE OF THE STUDY

There are several tax plans introduced and prescribed by the Income Tax

department by way annual budgets, circulars and amendments for the payment of tax by salaried people. But many are unaware about various plans which could bring benefits for them. So, this study aims at pooling different tax plans known to salaried people and making them aware about rest of the plans.

1.5. SCOPE OF THE STUDY

Taxation is considered as a complex matter affecting financial planning of each individual income tax assesses. The scope of the present study is limited to the tax planning measures adopted by the salaried income tax assesses of the Kottayam taluk. The study also evaluates the extent of awareness of employees on tax laws and tax planning measures. The savings habits, investment pattern, repayment of liabilities, tax planning measures adopted for the period under study and the level of awareness of employees on tax laws and tax planning measures were studied and evaluated.

1.6.HYPOTHESIS

- a. H0 1: There is no significant difference between the status of employment and their awareness regarding the various deductions available under income tax.
- b. H0 2: There is no significant relation between amount of savings of the respondents and their investment trend in recent years.

1.7 METHODOLOGY

Both the primary and secondary data were used for this study. The primary data were collected from 100 salaried employees of Kottayam taluk by way questionnaire using google forms.

1.7.1 SOURCE OF DATA

- Using the survey method primary data were obtained from the respondents by administering the Google digital form and evaluating the feedback.
- Secondary data included information collected from various Internet download, Books, publications and various journals.

1.7.2 SAMPLING DESIGN

Population

- Population for the study is mainly salaried people of Kottayam taluk.

Sample Size

- Sample size for the study is 100 respondents.

Sampling Technique

- Convenient sampling technique was used for this study

1.8 LIMITATIONS OF THE STUDY

- Most of the salaried people may be busy so that they may not spend much time for providing information.
- As the sample size is too small, the result may not be completely accurate.
- Some people may be reluctant to reveal that they are tax paying people.

2. REVIEW OF LITERATURE

Sindhu.K (2007) analysed the stock market developments and the changes in the behaviour of retail investors. The study

revealed that the firstly investments made by the young people, generally take the form of bank deposits and life insurance policies which need no prior understanding. People often refrain from investments in stock market since proper learning is necessary for successful stock market investing. It was suggested that suitable educational programme for investors are essential and such programmes should be conducted during the period of their education so as to attract investors to stock market at an early stage.

Ankita Gupta (2009) studied the trends and responsiveness of personal income tax in India after the tax reforms initiated in the liberalisation era. The study analysed the major trends in the taxation of personal income in India during the period 1980-2008. It was revealed that tax reforms have a favourable impact on the growth of personal income tax and the major factors responsible for the increase in revenue responsiveness are reduction in top marginal rate of personal income tax; reduction in the number of tax slabs; increasing compliance through wider coverage of tax payers and high GDP growth rate. The study concluded that simplification of tax rate and broadening of the tax base are the

important reforms that could be undertaken for reforming the tax structure and increasing its responsiveness.

Ria Sinha (2010) observed that tax systems around the world have undergone significant reforms in the last twenty years due to the varying ideologies and levels of development. In the study ‘An International Comparison of Tax Regimes’, she tries to evaluate the existing tax structure in India in comparison to some of the developed as well as developing countries. The countries which were opted for the study are Malaysia, Mexico, South Korea, Japan, China, USA, UK and Canada. The time period covered in the study was for 2000 - 2008 period. The study revealed that the progressivity of tax structure in India was far below the international levels. It was examined that India had already adopted moderate rates and graduated slabs in personal income tax and corporate tax. It suggested the need to look in to the problem of huge magnitude of tax revenue being foregone every year due to numerous exemptions in the Central Govt. tax system. The study concluded that at present there may be no strong rationale for further reduction in the existing tax rate.

3. DATA ANALYSIS AND INTERPRETATION

DEMOGRAPHIC VARIABLES

3.1 Age and Gender of the respondents

		Gender of the respondents		Total
		Male	Female	
Age of the respondents	20-30	45	16	61
	31-41	26	3	29
	42-52	1	6	7
	53 above	1	2	3
Total		73	27	100

Source: Primary data

3.2 Factors considering while Investment

	N	Minimum	Maximum	Mean	Std. Deviation
Safety	100	1	3	2.71	0.498
Liquidity	100	1	3	2.14	0.427
Reliability	100	1	3	2.21	0.478
Low risk	100	1		1.91	0.726
Other factors	100	1	3	1.77	0.709

3.3 Suggestions about Tax System

	N	Minimum	Maximum	Mean	Std. Deviation
Tax rates should belowered	100	2	3	2.81	.394
Tax planning educationshould be provided	100	2	3	2.63	.485
E-filing should bepopularized	100	2	3	2.57	.498
Investments in selectedavenues should bepromoted by taxincentives	100	2	3	2.39	.490
Nominal rates shouldbe deducted from allemployees at sourcethere by avoidingnecessity for filingreturns.	100	2	3	2.45	.500

TESTING OF HYPOTHESIS

Hypothesis 1

H01: There is no significant difference between the status of employment and their awareness regarding the various deductions available under income tax.

ANOVA TABLE

		Sum of Squares	Degree of freedom	Mean Square	F	Sig.
Total Awareness * Status of Employment	Between Groups (Combined)	6.196	1	6.196	9.967	.002
	Within Groups	60.920	98	.622		
	Total	67.116	99			

Measures of Association

	Eta	Eta Squared
Total Awareness * Status of Employment	.304	.092

Since the significant value at 5 per cent level of significance is less than 0.05 ($0.02 < 0.05$) the null hypothesis is not accepted. So, there is significant difference between the status of employment and their awareness regarding the various deductions available under income tax.

Hypothesis 2

H02: There is no significant relation between amount of savings of the respondents and their investment trend in recent years.

Correlations

	Amount Savings	Investment trend
Amount Savings Pearson Correlation	1	-.108
Amount Savings Sig. (2-tailed)		.286
Amount Savings N	100	100
Investment trend Pearson Correlation	-.108	1
Investment trend Sig. (2-tailed)	.286	
Investment trend N	100	100

Descriptive Statistics

	Mean	Std. Deviation	N
Amount Savings	2.1800	.99879	100
Investment trend	2.1675	.32963	100

Since the significant value at 5 per cent level of significance is greater than 0.05 (.286>0.05) the null hypothesis is accepted. There is no significant relation between amount of savings of the respondents and their investment trend in recent years.

MAJOR FINDINGS

1. 73 per cent of the respondents are working in private sector and 27 per cent of respondents are working public sector. Most of the respondents (50 per cent) have completed below 10 years in their service whereas least number of respondents (2 per cent) completed above 30 years.
2. Most (69 per cent) of the respondents have their incomes from salary and from business or profession only 17 per cent. Least number of respondents (6 per cent) has income from other sources.
3. 46 per cent of the respondents have an annual income below 3 Lakh.

Only 3 respondents have income above 8 Lakh and that is the least. Majority of the respondents (54 per cent) spent 80-90 per cent of their annual income and least respondents (10 per cent) spent below 60-70 per cent of their annual income.

4. Normally the money not spent is saved. So, the percentage of this response with respect to previous is almost same. 53 per cent of respondents save 10-20 per cent of their annual income and only 5 per cent have savings above 40 per cent.
5. Most of the respondents (mean 2.71) invest their money because they feel that it is safe. And respondents (with mean 2.21) invest their money

because of reliability factor. Least respondents (with low mean 1.77) consider other factors as the factor for investment.

6. More than half of respondents (52 per cent) get investment information from media. Information from friends (22 per cent) and consultants (20 per cent) are almost standing same. Least respondents (6 per cent) from other sources.
7. Most of the respondents (mean 2.73) invest their money in bank deposit. And respondents with (mean 2.53) invest their money with life insurance policies. Least respondents with (mean 1.64) make investment in the form of post office deposit.
8. Most of the respondents with (mean 3.44) save their money through bank deposit. And respondents with (mean 2.44) save their money through other means. Least respondents with (mean 1.80) through making investment in real estate
9. Majority of the respondents adopt life insurance policy as a tax planning measure (51 per cent). Measure chosen the least is payment of tuition fee (2 per cent). Other mostly chosen measures are fixed deposit in banks (27 per cent) then comes post office savings (9 per cent).
10. Most of the responses are received for the agree scale. Majority of the respondents (52 per cent) strongly agree that the taxation procedure is complex and difficult to understand and 71 per cent of respondents agree

that filing of returns is very complex and also building proper information system (63 per cent). In case of strongly disagree, only Always deduct tax at source on all incomes got low (4 per cent)

11. Most of the respondents (mean 2.81) agree that the tax rates in India should be lowered and it is the least disagreed option too. Almost same number of respondents (63 per cent) agrees that tax panning education should be provided. Just below with mean 2.57, respondents agree that E-filing should be popularized and the least is (2.39) avenues should be promoted by tax incentives.
12. From the hypothesis testing it is clear that there is no significant difference in the awareness about tax planning deduction and the employment status of the respondents. And also there is no significant relation between the amount savings and the investment trend adopted by the respondents.

SUGGESTIONS

1. Many salaried people approach tax in a way that it is a burden on them. Such approach will change if they realize that the tax collected from them is used by government for the development of society.
2. Savings is very important in the lives of every human being. It would help them to meet their unexpected and emergency needs. Saving habit of salaried people would increase if motivation is given to them.

3. It is necessary that salaried people should have awareness about various tax planning options from their career starting point itself.
4. Of the total income of a person, the amount not saved is spent. The proportion of savings and expenditure should be fixed wisely.
5. It would be better if people have specific reason why they are investing in various resources.
6. It is found that few people depend on tax consultants and financial advisors for investment information. So, more awareness is needed to be given to people to consult tax consultants and advisors for better, true and efficient planning.
7. Most people occasionally consult professionals for tax planning information. It should also be changed. They should get more opportunities to consult professionals. That means professionals should be easily available to them.
8. Awareness regarding the suitable time for tax planning in a year should also be given to salaried people and awareness regarding various tax deductions should be given to tax paying people.
9. It would be appreciable if income tax rates in India are lowered and also tax related education should be

given to everyone in college level irrespective of what course they are studying.

10. It would be convenient if the tax paying mechanism in India is simplified.

CONCLUSION

Throughout this paper we have seen about income tax, tax planning, tax exemptions etc.. Collection of tax is an age old practice adopted by various nations and it is the main source of income for government whether it is direct or indirect. The aim of taxation is to collect a part of the earnings from high income people and to use it for the benefit of the poor people in the country and the development of other social factors. Taxation also inspires the people to save more through their investments, so that they can reduce their tax liability. But this study proves that salaried people are not fully aware of the various tax plans. Good awareness about tax plans are required to get its benefit in full. So, it would be better if more tax planning awareness programs are conducted among the salaried class. We hope that the Government of India and Tax Authority would take necessary measures to achieve the same. As researchers we were able to learn more about various tax planning options and also convey what we know to others. Let our Nation be able to keep up its efficient tax collection system and expect to become a developed country in the near future.

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WOMEN ENTREPRENEURS: TURNING CHALLENGES INTO REALITY

***Dr. Meghana V P**

Abstract

Entrepreneurs are those people who come up with an innovative idea by working hard on the resources present around them. It is a spark coming from their minds. They are moulding the nation by creating novel opportunities, inventing new ideas, services and thereby creating new treasure. Entrepreneurs not only create profit, but utilize the skills to know the industrial scenario and come up with excellent packages. It is a mentality which creates an invention helpful to the society by giving something meaningful to the people around us. It is a specific means of the thought process of an individual based on the surroundings and experiences, which makes them think out of the box about their career and their life. In the past era, a majority of women population showed their footprint in the field of entrepreneurship and they are trying to make valuable differences in the field of Indian business, in their own way. But unfortunately some are not able to make that much progress in the way it is expected.

Key words:- Entrepreneurs, innovative idea, novel opportunities, think out of the box

The women are achieving a considerable change in their way of thinking. With increasing independence on service industry, most of the entrepreneurial openings for women mainly have been build where they can be top in their skills while maintaining a balance in their career and life. As a result of this,

during the past decades, a considerable segment of women population have made a landmark in the entrepreneurship segment and they are slowly making considerable changes in the field of Indian business, in a considerable way. But they are not able to make a considerable progress in the sense it should be considered.

The initial chapter of this paper is dealing with the ideas behind boosting the women entrepreneurs and the main reasons that push women in undertaking such a career. This chapter is also depicting the reasons for avoidance of women entrepreneurs coming in this field and also the main measures to be taken for avoiding such barriers that are having an impact on women entrepreneurs. The second chapter is dealing with previous literature reviews on women entrepreneurs. The third chapter is dealing with objectives and research design. The fourth chapter is concentrating on analyzing data gathered through questionnaires to consider the internal and external motivating as well as the demotivating forces behind the creation of women entrepreneurs. In the last portion of this research the various suggestions for removing and reducing the obstacles behind the growth of Indian women moving into the field of entrepreneurship has been studied in depth.

Causes for supporting Women Entrepreneurs

The part played by women in the field of entrepreneurship in the economic progress has been taken into consideration all over the world. At present, in today's business scenario, women entrepreneurs are occupying a prominent position in business and it has been recognized all over the world. The International Report has given a conclusion that economic progress is having a close association with the progress of women. In countries where women have developed, economic progress has normally been steady. The countries which are found to

avoid the progress of women, the progress has come to a stand still.

REASONS FOR WOMEN TRYING FOR ENTREPRENEURSHIP

Self Confidence, expecting fame and honour, self respect and career aspirations are the main motivating forces for the women entering this profession. In some cases, women are choosing similar profession for revealing their inner skills, ability for achieving self discovery. It is also providing a way of making better utilization of their break time. Mainly, pathetic conditions of the women emerging out of unemployment in the house and other personal problems are forcing women into entrepreneurship field.

HINDRANCES FOR WOMEN ENTREPRENEURSHIP:

The procedure for entrepreneurship is similar for both genders irrespective of sex. Prominent men and women entrepreneurs are undergoing same motivations and thus are emerging successful in the similar circumstances under the same obstacles. They are also getting proximity to finance from the similar means. In the same scenario, people of both genders can emerge to be prominent entrepreneurs. (Cohoon et.al. 2010). But, in reality most of the successful women entrepreneurs are facing challenges in different angles and parameters than that encountered by their male companions. These hindrances are generally preventing these women from revealing their ability as entrepreneurs. The major obstacles that the women encounter

Table No.1
Snapshot of Key Factors

S. N.	Country	Factors
1	United States	<ul style="list-style-type: none"> • availability of working capital • availability of information • availability of networks
2	Korea	<ul style="list-style-type: none"> • finance • the potential to balance work and family
3	Indonesia	<ul style="list-style-type: none"> • export of their product abroad. • increase in the volume of production
4	Bangladesh	<ul style="list-style-type: none"> • Inadequate finances • Competition • Obtaining quality raw materials, and • work life balance
5	Mauritius	<ul style="list-style-type: none"> • the obstacle of getting permits; • the lack of market; • the ability to raise capital; • not being taken as seriously as men.

Sources: Jalbert, E. Susanne, Women Entrepreneurship in the Global Economy, 2000

during startup and continuing the operations of an organization usually start during obtaining finances and work life balance.

OBJECTIVES:

- To understand the causes of women for immersing their time in entrepreneurial field.
- To understand the causes standing as obstacles for women entrepreneurs.
- To underline the available success stories of women in entrepreneurial field.
- To come up with an outline of common man's perception about women entrepreneurs.

METHODOLOGY

The study is on the basis of secondary & primary data. It is innovative & descriptive in purpose. The secondary data is taken from literature review of the previous researches. The reasons which have been found out are then divided into three sections. They are the reasons responsible for obstacles, reasons for building the business & reasons behind the success of women entrepreneurs. Then these reasons with their sub-classification are evaluated on likert scale of 1 to 5, where 1 denotes least importance & 5 most importance. Then these reasons have been further analyzed through Chi square test to check the difference between opinions gathered from different groups of people.

The data has been gathered from the MBA students & teaching staff only. It is having common field of considerations in both the samples considered for the research. All the factors were analyzed from the view points of personal factors & occupation. Results show that on the basis of personal factors the differences of opinion at significance level of 5 were studied in depth. These were the urge for finance & others factors on which these two groups of people have different attitudes. When the question of growth factors arises marketing ability & distribution deserves special significance.

The various obstacles for entrepreneurship are the means of obtaining capital, getting information & counseling , skill procurement, discrimination on the basis of gender etc. The other obstacles include the monetary issues, management ability & marketing skills, the difference of opinion of the women entrepreneurs regarding independence, self satisfaction etc.

MEASURES TO REMOVE THE OBSTACLES

The avoidance of barriers for women entrepreneurship needs a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is needed to design programmes that will be addressing the changes in attitude, training, supportive factors. The basic element in developing women entrepreneurship is to make the women aware of her existence, her unique identity and her contribution towards the economic growth and development of our country.

The basic purpose of entrepreneurship should be instilled into the minds of the women from their childhood. This could be achieved by carefully planning the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise.

Coming up with a training programme which teaches the appropriate skills can make the way for developing women entrepreneurs. Those programmes are capable of giving training, motivation and assistance to the next generation women entrepreneurs to achieve their final aim. There are various programmes sponsored by different agencies to achieve those purposes. The courses should be designed in such a manner so as to understand how to improve profitability and marketability. It should be blended with lessons of management in practice. Moreover consideration should be given to help the women entrepreneurs in establishing a work life balance. As a matter of special reference , computer savvy women can be given training on internet to reap the benefits of new technology.

Women entrepreneurs who are successful can serve as advisors for the **upcoming women entrepreneurs**. The innovative ideas of these already established women understood by having one to one discussion with such entrepreneurs can help them in increasing their morale and self confidence. It also results in more active participation of women entrepreneurs in their organisations.

Providing the right back up is very important for any organization. The Indian government is giving special preference for women entrepreneurs for setting up industries, industrial outlets and other basic infrastructure . But necessary precaution shall be provided to prevent the abuse of the following facilities.

Even in the fast growing modern world the entrepreneurial women are relying on their male colleagues for marketing support. This is basically because they do not have the aptitude and confidence for involving in those programmes. Centres set up for women development should take initiative in helping the women entrepreneurs to set up exhibitions frequently and thereby supporting the channels of marketing to

promote quality products and services supported by women.

CONCLUSION

Current research has analysed deeply the different parameters associated with the women entrepreneurs in the broadest sense possible. The issues were analysed using different literature review available. It was also reviewed with the entrepreneurs who are well established in their field . There can be various challenges which come in the way of women entrepreneurs. These challenges should be completely removed. In the present industrial setup women entrepreneurs are very much necessary for the growth and wellbeing of any country which is small or large.

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