

IN PERSPECTIVE : VERTICAL DEVELOPMENT

Nandajan. K.A.*

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One of the latest trend in Leadership is vertical development. This article is based on the Future Trends in Leadership Development By: Nick Petrie. Nick Petrie is a Senior Faculty member with the Center for Creative Leadership's, Colorado Springs, Colorado campus. He is a member of the faculty for the Leadership Development Program (LDP)® and the legal sector. Nick holds a master's degree from Harvard University and undergraduate degrees in business administration and physical education from Otago University in New Zealand. Before beginning his business career, he was a professional rugby player and coach for seven years

Four Trends for the Future of Leadership Development

1. More focus on vertical development

There are two different types of development—horizontal and vertical. A great deal of time has been spent on “horizontal” development (competencies), but very little time on “vertical” development (developmental stages). The methods for horizontal and vertical development are very different. Horizontal development can be “transmitted” (from an expert), but vertical development must be earned (for oneself).

2. Transfer of greater developmental ownership to the individual

People develop fastest when they feel responsible for their own progress. The current model encourages people to believe that someone else is responsible for their development—human resources, their manager, or trainers. We will need to help people out of the passenger seat and into the driver's seat of their own development. Four Transitions for Leadership Development

3. Greater focus on collective rather than individual leadership Leadership development has come to a point of being too individually focused and elitist. There is a transition occurring from the old paradigm in which leadership resided in a person or role, to a new one in which leadership is a collective process that is spread throughout networks of people. The question will change from, “Who are the leaders?” to “What conditions do we need for leadership to flourish in the network?” How do we spread leadership capacity throughout the organization and democratize leadership?

4. Much greater focus on innovation in leadership development methods There are no simple, existing models or programs that will be sufficient to develop the levels of collective leadership required to meet an increasingly complex future. Instead, an era of rapid innovation will be needed in which organizations experiment with new approaches that combine diverse ideas in new ways and share these with others. Technology and the web will both provide the infrastructure and drive the change. Organizations that embrace the changes will do better than those who resist it.

Types of Development

Horizontal development is the development of new skills, abilities, and behaviors. It is technical learning. Horizontal development is most useful when a
(Continued on Page No 30)

Presented By : K.A.Nandajan, Corporate Trainer & Ph.D Scholar

Experience Sharing:

EVOLUTION OF ENGINEERING PROFESSION OVER THE PAST DECADES

-A.Ramesh*

The role and scope of Engineering as a profession, particularly in core branches, has undergone a sea change in recent years. The Civil, Mechanical and Electrical divisions' curricula were traditionally a heavy mix of Theory and Mathematics, with little or nil job related content, so that even after the grueling 8 semesters course, the graduate was still unprepared and needed industry orientation as such. With the advent of the Technological Varsity system, there are vast changes in curriculum as well as the point based credits, like the IITs. The question is, if one were left to find the bearings without the Google or the Net for ready reckoners, per se, is the prospective candidate with a little industry experience competent and capable enough to work out, say the cantilever design or the leaf spring selection as the case may be. Or, to find the energy balance/ Power calculations of a pump motor?

There are a number of reasons for the challenges in the attitude and skill sets with a fresher's introduction to the rough and tumble of a typical work situation. While one were left high and dry, with the swim and sink prospects in the job scenario of an earlier era: then, it was basic theory grounding and drafting skills very much required and also, if one were assigned a planning/PPC responsibility, there were no help in the form of any planning software, and one had to use the calculator to arrive at the EOQ, in a typical Scheduling and logistics portfolio. The new entrant in today's environs is helped by the technological advancements of Laptop or a work station and one need not use the stencils for a typical flywheel design (Fly wheel also has disappeared even in Flour Mills with independent motor coupled machines, and the overhead power shafts have also gone away, not to come back).

The typical O&M Engineer has to make a conscientious choice of a Thrust or Ball bearing depending on the load, and it is doubtful as to how a new incumbent can arrive at a judicious choice given the type of work conditions and the motor power available. The old timer would look at the service conditions, type of loads and the shaft sizing, static and dynamic load pattern and arrive at the selection. However, the familiarizing of an SKF or NRB Catalogue and selecting the correct bearing require a solid grounding in the fundamentals. Or, selecting the correct pump with motor, based on the available head and required flow characteristics, with minimum power requirements from a manufacturer's catalogue/brochure. Coming to think of it, the so called "Employability" quotient is not that strong in today's budding technocrats. This can be attributed to the following reasons: The inherent deficiency of the student in grasping the required basics, and the most pertinent being total alienation of Faculty from Industry. The system being followed in advanced countries like the US, UK or Germany there is the provision for visiting faculty from Industries and

they can fill the gaps in the prospective engineer's grounding in job related aspects. Sadly, in our country, this practice, particularly in state run or controlled technical institutes is practically nil. The system of Lectures, Tutorials and lab as in an IIT, even is not sufficient and we require a totally redesigned structure incorporating Industry internships unlike the fun outings as of now, but a serious orientation towards the profession one is supposed to enter after College. The Professors or Tutors are fairly conversant of theory and Labs, but if one were left to find out the output flow from an Effluent Treatment Plant, given the weir or notch at the outlet end, how can one calibrate and fix the flow rates, by a suitable scale without any help from a senior or boss?

We have to be on our own in such situations. That, brings us to the earlier question: Where do we stand as far as a serious student of engineering, intent to make an industrial career, ought to be?

There is no clear and sure way of finding that out, but through practice and systematic observation on the job. Earlier we were forced to ask timidly the senior plant operator, and mostly would receive a cold reply or annoyance in the approach of the trainee and secretly show their displeasure as the upstart will one day supervise them. While on this, it brings to one of my recent interactions with a group of students who wanted to do a Project in Boiler related area. I suggested an area of VFD controlled operation of the burner, with a feedback loop by way of Pressure switches and Oxygen sensors, so that optimum firing would occur in the furnace. They appeared very much interested, but did not come back.

I presume, either they were overwhelmed by the subject, or worse, did not want to dirty their hands in a typical Boiler House environment. That shows, we Indians as a lot, are always interested in the fruits, and not on the labour part of it. The less visible aspects of power and life cycle cost aspects, with the different Star Ratings of the machinery or motors by the Bureau of Energy Efficiency, or the National Building Codes, the Indian Boiler Regulations, are all essential reference areas for a practicing engineer, in whichever stream they are working. To master all the details is quite outside our abilities or scope, but a reasonable proficiency to refer is always possible and desirable. That, among many other things is among our purview as practicing all-rounders fit to take up the ever changing and expanding scope of the profession. And, being merely conversant is not the aim but education in its true sense, is a lifelong process and does not stop with a Master's or even beyond that, but till one can assimilate and put the details imbibed into one's own area of work and to mentor our protégés on or off the job. The mentoring of the juniors is an often satisfying and rewarding experience.

That said, regardless of the line of specialization or area of employment, aspiring to be among the best of one's volution, should be the aim or mission to reach the goal of a person intent on making a career in industry, at present or in future.

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A STUDY ON OFFERS AND THEIR IMPACTS ON PURCHASE BEHAVIOUR IN ORGANISED RETAIL STORES IN KERALA.

Dr.Baiju.J.J*

Executive Summary

This study attempts to identify different factors of offers and their influence on purchase behaviour of customers in organised retail stores in Kerala. Offers are that, which will drive customers to develop a purchasing behavior. The manner in which the consumer will react to the marketer's strategy is what is known as Consumer or Buyer behaviour. For example if the marketer offers discount during off-season, it must induce the buyers to buy. The success of the marketer therefore lies in his ability to draw the attention of the buyer towards his products or services.

Key words: Retailing, Purchase behaviour, Offers, Strategy.

Introduction

The transaction between the seller and consumer for personal consumption is known as retailing. Retailers are the last business units in distribution channel that link manufacturers, wholesalers, suppliers and the final consumers. It is the major source of jobs all over the world. The retail industry is divided into organized and unorganized retailing. Organized retailing can be also defined as "retail chains, supermarkets and hypermarkets owned by corporate businesses, and other large retail stores owned individuals or group of individuals who are registered as retailers and pay sales tax, income tax etc., are come under organized retailing" (Guruswamy, 2005). For example Big Bazaar, Reliance Trends, Spencers, Reebok, Nike, McDonald's, Pizza Hut, Peter England, Titan, Raymonds etc. On the other hand, unorganized retailing, refers to the traditional formats of low-cost retailing and the sale of unbranded products. For instance; the local kirana shops, owner manned general stores, paan / beedi shops, convenience stores, and pavement vendors etc. The global retail industry has been growing at a rapid pace during the last few decades. Retail sales through modern formats is rising faster than the total retail sales. The share of modern retail has risen from about 45 percent in 1996 to over 85 per cent in 2013.

Offers and Purchase Behaviour.

The organised retailers have realised that discount retailing has the potential to be a really big category because Indian customers are price sensitive (Malik, 2012). The organised retail industry that gains of cheaper procurement percolate down, the biggest beneficiaries would essentially be the end users. Domestic organised retailers in India have evidently adopted the 'lowest possible price' model of the Walmart. They sell the goods/products with alluring schemes (for instance, "buy one get one free") and big discounts varying from 10 to 50 percent on the maximum retail price (MRP), despite having very high overhead costs. A study jointly conducted by the International Food Policy Research Institute and Michigan State University found that prices for basic food items such as rice, flour, pulses, fruits

and vegetables are 30 percent cheaper, on an average, in organised retail stores than at kirana stores or at street vendors (Mint 2008). These retail chains are also famous for their festive offers. The most widely popular festive event is the annual "Sabse Saste 3 Din" ("Super-saving 3 days"). These chains offer various goods and products with big discounts and attractive schemes during these three days, and the schemes have drawn enormous attention from a significant chunk of Indian consumers from different socio-economic strata.

Kishore Biyani, the CEO of Big Bazaar, describes in his autobiography, the madness among the consumers which led to a stampede-like situation outside the Big Bazaar stores across the country on 26th January 2006, the very first day of the first of these saving campaigns. The fact that this campaign helped Big Bazaar achieve record-breaking sales of about Rs 30crores on the first day speaks volumes about the influence these schemes/discounts have on Indian consumers (Biyani and Baishya 2007). Subiksha Retail, whose slogan says, "Saving is my right", and several other modern retail chains such as Spencer Retail (RPG group venture) and More For You (AV Aditya Birla group venture) also offer food and groceries with big price discounts.

Singha Palekhar and Paltan Shetly (2002) The manner in which the consumer will react to the marketer's strategy is what is known as Consumer or Buyer behaviour. For example if the marketer offers discount during off-season, it must induce the buyers to buy. The success of the marketer therefore lies in his ability to draw the attention of the buyer towards his products or services. Porter (2004) pointed out that firms can create value by providing lower price or unique offers to the customers so as to excel their competitive advantages over the others. Stage four refers to the purchase decisions made by the consumers after evaluating the offers from different retailers

In this study the factor 'offers' is constructed by three sub-variables viz. lowest price of the product, discount price and offers in super market and hyper markets.

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1. **Lowest price of product:-** The price sensitive customers are always attracted by standard products with lower price.
2. **Discount price :-** The price sensitive customers always search for discount price products in the retail shops.
3. **Other Offers in super markets and hyper markets :-** It shows different type of offers given by the super markets and hyper markets.

Objectives of the study

1. To identify the factors of offers have significant influence on purchase behaviour.
2. To analyse demographic factors and their degree of influence on the factors of offers.

Hypotheses of the study

H0.1 The factors influencing the offers are not significant in purchase decision in the organised retail outlets in Kerala.

H0.2 There is no significant difference in the offers on the basis of the demographic factors.

Research Methodology

The study is descriptive and analytical in nature. This study makes use of both primary and secondary data. The questionnaire were designed by the researcher and gave to experts for getting their point of views about the questionnaire. The questionnaire was redesigned by incorporating experts' suggestions and pilot study. The validity and reliability of the questions in the questionnaire were checked statistically. The Universe of the present study consist of the consumers who purchase at the organised retail stores in Kerala. The units of sample were selected from three zones in Kerala. The size of the sample was 600 respondents. Multi-stage simple random sampling method is used for designing the sample size of the study.

The hypothesis has been tested on the basis of different analytical tools. In the normal distribution test it is find out that the data is not normally distributed .Therefore the researcher used non-parametric tools for the data analysis. The statistical tools for analysis include: Normality test, Factor analysis, Reliability and validity test, Percentage analysis, Cross-tabulation, chi-square test, Mann-Whitney test and Kruskal Wallis test. The analysis was done with aid of statistical package for social sciences(SPSS)20.0 version

Analysis and Interpretation :

Factors influencing the offers.

The organised retailers have realized that discount retailing has the potential to be a really big category because Indian customers are price- sensitive (Malik, 2012). Three sub-variables were identified for analyzing the main variable "offers". These identified variables have various degrees of influence on the construct of the offers. These sub variables were determined by review of literature, pilot study and focused group interview. These sub-variables are: 'Low price', 'discount price', 'other offers'. For assessing the

significance and relevance of these identified variables factor analysis, validity and reliability tests were administered. By conducting factor analysis test all the three variables were found valid and significant which have a direct influence on the main variable "offers".

The factors influencing the 'offers' are shown in the table.1. When considering the variable 'Low price' 31.83 percent of respondents were agreed and 39 percent were strongly agreed. The variable 'discount price' were agreed by 50.83 percent of respondents and strongly agreed by 16.33 percent of respondents but 16.83 percent of respondents were stayed with no opinion. The variable 'other offers' 37.50 percent respondents were agreed and 27.83 percent. were strongly agreed. Majority of respondents agreed that all the three sub-variables are positively influencing the main variable offers'. This is reiterated by the mean score result of 'Low price' - 3.94, 'discount price' - 3.64 , 'other offers' - 3,78 are shown in the table

Table: 1

Factor wise Opinion of Respondents regarding Offer						
Opinion	Low price		discount price		other offers	
	No	%	No	%	No	%
Strongly Disagree	7	1.17	22	3.68	7	1.17
Disagree	83	13.83	74	12.33	76	12.67
No Opinion	85	14.17	101	16.83	125	20.83
Agree	191	31.83	305	50.83	225	37.50
Strongly Agree	234	39.00	98	16.33	167	27.83
Total	600	100.00	600	100.00	600	100.00
AVERAGE	3.94		3.64		3.78	
SD	1.090		1.013		1.026	
MEDIAN	4.00		4.00		4.00	
Chi-Square	278.333 ^a		389.917 ^a		233.033 ^a	
Df	4		4		4	
Asymp. Sig.	.000		.000		.000	

Source: Primary data

Hypothesis Testing: H₁

The chi-square analysis is applied to test the hypothesis which is framed to trace the relationship between factors influencing the offers in the organized retail stores in Kerala. The above table shows the chi-square values of 'Low price' is 278.333, 'discount price' is 389.917, 'other offers' is 233.033 and these values are statistically significant at 5 percent level. Thus, the hypothesis that "Factors influencing the offers in the organised retail outlets in Kerala are significant" stand accepted.

The Influence of offers on the basis of the demographic factors.

The construct of 'offers' in the organised retail outlets in Kerala is analyzed on the basis of the demographic variables of the customers in order to assess their differences. The demographic variables taken for the analysis are: gender, age, occupation, education, monthly income, family size, distance travel to the store and mode of transport. The results are given in the following tables.

a. Offers based on Gender

The summary of Mann – Whitney test statistics shown in table 2. The Mann-Whitney U test is used to compare differences between two independent groups when the dependent variable is

Table: 2

Mann-Whitney Test showing Significance of 'Offer' with regard to Gender				
Variable	gender	N	Mean Rank	Sum of Ranks
Offer	Male	353	274.52	96904.50
	female	247	337.63	83395.50
	Total	600		
Mann-Whitney U			34423.500	
Wilcoxon W			96904.500	
Z			-4.402	
Asymp. Sig. (2-tailed)			.000	

Source: Primary data
either ordinal or continuous, but not normally distributed. This test shows the variation between the ratings of male and female respondents regarding the offers in the organised retail stores. The table shows mean value of male and female groups among which the females have highest mean value. The table also shows the significant value of Mann-Whitney test. The significant value of the test found to be .000, which is less than the cut off value of .05. This indicates that at a confidence level of 95 percent. Hence, the test proves that the offers have significant difference among male and female respondents.

b. Offers based on Age.

Table: 3

Kruskal-Wallis Test showing Significance of 'Offer' with regard to Age			
Variable	age	N	Mean Rank
Offer	below - 20 yrs	135	299.07
	21-30 yrs	312	290.80
	31-40 yrs	105	326.76
	41-50 yrs	28	290.57
	51-60 yrs	20	337.50
	Total	600	
Chi-Square		4.425	
Df		4	
Asymp. Sig.		0.352	

Source: Primary data

Kruskal-Wallis test used for showing the difference in the mean ranks between the five age groups regarding the offers in organised retail stores in Kerala. The results are summarized in the table-3 This table shows that the significance of the Kruskal-Wallis test is 0.352. This is the 'p' value which is higher than the cut-off value .05. Thus, we conclude that there is no significant difference between the various age group of respondents with regard to the offers of the organised retail shops.

c. Offers based on other demographic factors.

The table:4 shows that the significance of the Kruskal-Wallis test of other demographic factors like; occupation, education, income, family size, distance to the store and mode of transport. From the test it is clear that the 'p' values of family size, education, income, distance to the store

Table: 4

Kruskal-Wallis Test for 'Offers' with other demographic factors.

Purpose of Shopping	Other demographic factors	Test	Significance
	Occupation	Kruskal-Wallis Test	.087
	Education	Kruskal-Wallis Test	.000
	Monthly income	Kruskal-Wallis Test	.001
	Family size,	Kruskal-Wallis Test	.024
	Distance travel to the store	Kruskal-Wallis Test	.000
	Mode of transport	Kruskal-Wallis Test	.000

Source: Primary data

and mode of transport are less than the cut-off value .05. But the p-value of occupation is greater than .05. Thus, we conclude that there is significant difference between the family size, education, income, distance to the store and mode of transport of respondents with regard to offers.

Hypothesis Testing: H_2

We have already tested the level of significance of 'offers' as the eight demographic variables of the customers of organised retail stores in Kerala. The significance is tested by Mann-whitney test and Kruskal-Wallis test. The results in the above tables show that all the seven demographic factors are significant with 'offers' except occupation. Hence, the hypothesis that **“There is significant difference in the offers on the basis of the demographic factors”** stands accepted.

Conclusion

The first test shows that all the three factors are significant with the factor 'offers' that leads to purchase decision in organised retail outlets in Kerala. The second test proves all the demographic factors have significant difference on the factors of 'offers'. This research work has tremendous relevance to the retailers in formulating their marketing strategies related with the promotion. This will enable the retailers to know the expectations of the consumers about the offers in the retail stores they are dealing with. (Continued on Page No 19)



LIABILITIES

-K.Rajasekaran*

Liabilities shown in the Balance Sheet indicate funds and credits raised from various sources by the company. They represent amounts which the company owes to shareholders and outsiders.

Such amounts include both long term and short term funds outstanding as on the date of Balance Sheet. Hence LIABILITIES can be referred to as SOURCES OF FUNDS raised by the company.

While the details of LIABILITIES to be indicated in the Balance Sheet should be as per Schedule III of Companies Act 2013 the items broadly include the following:

1. SHARE CAPITAL(EQUITY)

This amount indicates funds received from the shareholders by issuing shares. This represents long term funds for the company and needs to be repaid to shareholders only at the time of winding up of the company or buyback of shares, if any, by the company. If shareholder wants to encash the shares he can sell them in the share market to some other investor who would thereafter become a shareholder of the company.

2. RESERVES

This amount represents part of the profit/surplus retained or reinvested by the company for business needs. Reserves also include premium received on issue of shares by the company. Such funds along with SHARE CAPITAL can be regarded as own funds or NET WORTH of the company.

3. LONG TERM BORROWINGS

Such borrowings represent Term Loans raised from Banks and Financial Institutions OR funds raised by issue of Debentures/Bond. These borrowings are repayable over a long time and are considered as Non-Current Liabilities for the company.

4. LONG TERM PROVISIONS

These amounts represent amounts provided towards pension and retirement benefits of the employees payable in future. Deferred tax liability also comes under this category. Such long term provisions are also considered as Non-Current Liabilities of the company.

5. SHORT TERM BORROWINGS/DUES

These short term borrowings represent working capital advances availed from the banks. They also include dues to suppliers for materials purchased on credit.

Amounts due in respect of outstanding expenses like electricity charges and other operating expenses also come under this category. Advances received from customers represent another short term source of funds for the company.

All these short term funds are considered as Current Liabilities of the company.

6. SHORT TERM PROVISIONS

These amounts represent short term funds set aside or provided for towards employee benefits like gratuity and pension payments during the ensuing year.

Current tax liability also comes under this category.

Short term Provisions are also considered as Current Liabilities of the company.

As indicated by the above details LIABILITIES broadly include :

- (i) SHARE HOLDER'S FUNDS (which include Equity Share Capital and Reserves)
- (ii) NON CURRENT LIABILITIES (which include Long term borrowings and provisions)
- (iii) CURRENT LIABILITIES (which include Short term borrowings and provisions)

Amounts due to be paid within one year are considered as CURRENT LIABILITIES and amounts falling due after one year are regarded as Non-Current Liabilities.

While Share Capital, Long Term Borrowings and Short Term Borrowings can be easily understood as Sources of Funds for the company some may wonder how the Long term and Short term PROVISIONS can be considered as Sources of Funds for the company.

Since such amounts (provisions) are available for use in the business till they are actually paid out those can be rightly considered as sources of funds for the company. Please see given below (TATA MOTORS BALANCE SHEET) to understand how company presents various LIABILITIES in their Balance Sheet.

ASSETS

Companies or business firms use the funds raised to invest in fixed assets like plant and machinery, to maintain short term assets like inventory and receivables and to invest in subsidiary firms.

Fixed assets like machinery are held for a very long period, while current assets like inventory are held for a short term, say, for less than a year. The assets held by a company or business firm include the following:

1. FIXED ASSETS

Fixed Assets represent Land, Building, Machinery, Furniture, Electrical installations, Computers and other equipment which are held by the company to facilitate production and aid their main activity.

Buildings being constructed and machinery under process of installation are called Capital Work-in-Progress. Such investments are also regarded as fixed assets.

Fixed Assets like Plant and Machinery, Equipment, Furniture, Vehicles etc. are shown in the Balance Sheet at original cost less Depreciation.

Depreciation is provided for as per Straight Line Method or Written Down Value Method to depreciate the fixed asset over the useful life of the asset.

* (Suggestions/ Feedback / Questions if any can be sent to my email id krskaran@hotmail.com)



2. INTANGIBLE ASSETS

Companies also invest in R & D expenditure, Trademarks and Patents or in deferred revenue expenses (during the initial setting up of business), Technical know-how and Computer Software.

They also invest amounts for paying Goodwill while taking over other business firms who have good brand value.

These investments are called Intangible Assets.

3. FINANCIAL INVESTMENTS (Long Term)

Companies also invest surplus funds in Equity Shares, Debentures/Bonds and Mutual Funds which can be encashed when the companies need the funds in future.

They also invest in subsidiary firms (to support them or ensure supply of inputs by them) by way of equity or loans for a reasonably long period.

(The above investments Fixed Assets/ Intangible Assets/Financial Investments held for long term are classified as NON CURRENT ASSETS)

4. INVENTORY

Companies hold Raw Materials / Stock-in-Process and Finished Goods of reasonable stocking volume to ensure uninterrupted business activity.

Such items are collectively referred to as INVENTORY.

5. RECEIVABLES

When companies sell goods on credit the dues from the customers (debtors) are called RECEIVABLES. The funds of the company will remain invested in the form of receivables for a period of 30/45/90 days depending on the credit period allowed by the company to their customers.

The amounts of receivables which are considered recoverable in the normal course are classified as GOOD and those amounts of receivables which are considered as delayed beyond a reasonable period and difficult to recover are called as DOUBTFUL.

6. FINANCIAL INVESTMENTS (Short Term)

Short term surplus funds with the company are invested in equity shares (quoted) or liquid mutual funds which can be encashed anytime by the company. Investments may be made by companies for short term with their Subsidiary for business needs.

Financial Investments are shown at fair value. In respect of equity instruments which are traded in the market the quoted price will be taken into account to determine the fair value.

7. CASH AND BANK BALANCES

Companies hold Cash on hand to meet day to day expenses. They also maintain balances in their Current Accounts with Banks to meet cheque payments through banks. They may also hold Fixed Deposits with bank withdrawable any time or at short notice. These amounts are grouped under Cash and Bank balances.

8. LOANS AND ADVANCES

Companies sometimes pay Advances to Suppliers may be for domestic or imported materials. They may also need to maintain some Security Deposits with statutory and non-statutory bodies.

Short term loans may be provided by them to their employees or other business associates.

All these amounts listed above from 4 to 8 are classified as CURRENT ASSETS)

Current Assets like Raw Materials and Finished Goods are shown at cost or net realisable value whichever is lower.

Thus ASSETS fall broadly under NON-CURRENT ASSETS and CURRENT ASSETS. While the CURRENT ASSETS are short term in nature and can be converted into cash within one year the NON-CURRENT ASSETS are long term in nature and are held in business for longer period, say, more than one year.

				₹ (in crores)	
	Note	Page	As at March 31, 2016	As at March 31, 2015	
I. EQUITY AND LIABILITIES					
1. SHAREHOLDERS' FUNDS					
(a) Share capital	2	F-15	679.18	643.78	
(b) Reserves and surplus	3	F-17	21,688.90	14,218.81	
				14,862.59	
2. NON-CURRENT LIABILITIES					
(a) Long-term borrowings	4	F-18	10,687.94	12,318.96	
(b) Other long-term liabilities	7	F-20	210.32	286.80	
(c) Long-term provisions	9	F-21	1,409.05	2,104.19	
				14,709.95	
3. CURRENT LIABILITIES					
(a) Short-term borrowings	5	F-18	3,351.74	7,762.01	
(b) Trade payables	11	F-21	8,916.60	8,852.65	
(Includes dues of micro and small enterprises ₹127.39 crores) (March 31, 2015: ₹139.28 crores)					
(c) Other current liabilities	8	F-20	4,267.23	3,142.88	
(d) Short-term provisions	10	F-21	1,215.49	811.09	
				20,370.63	
TOTAL			52,426.25	49,943.17	
II. ASSETS					
1. NON-CURRENT ASSETS					
(a) Fixed assets					
(i) Tangible assets	12	F-22	12,252.78	12,260.50	
(ii) Intangible assets	13	F-22	3,511.19	3,522.79	
(iii) Capital work-in-progress			1,469.71	1,349.95	
(iv) Intangible assets under development			5,011.18	4,690.84	
			22,244.86	21,824.08	
(b) Non-current investments	14	F-23	16,975.46	16,966.95	
(c) Long-term loans and advances	16	F-26	2,363.22	2,403.56	
(d) Other non-current assets	18	F-27	136.80	175.67	
				41,370.20	
2. CURRENT ASSETS					
(a) Current investments	15	F-25	1,736.00	20.22	
(b) Inventories	20	F-28	4,902.20	4,800.08	
(c) Trade receivables	21	F-28	1,568.46	1,114.48	
(d) Cash and bank balances	22	F-28	452.08	944.75	
(e) Short-term loans and advances	17	F-26	1,794.32	1,574.41	
(f) Other current assets	19	F-27	252.85	117.03	
				8,572.97	
TOTAL			10,705.91	8,572.97	
III. NOTES FORMING PART OF FINANCIAL STATEMENTS			52,426.25	49,943.17	

In terms of our report attached

For DELOITTE HASKINS & SELL LLP
(Chartered Accountants)

B P SHROFF
Partner

CYRUS P MISTRY (DIN: 00010178)
Chairman

For and on behalf of the Board

N N WADIA (DIN: 00015731)
R A KASHKAR (DIN: 00078119)
S BHARGAVA (DIN: 00035672)
N MUNJE (DIN: 00010180)
V K JARATH (DIN: 00391644)
R SPETH (DIN: 03318908)
Director

GUENTER BUTSCHER (DIN: 01427375)
CFO & Managing Director
R PISHARODY (DIN: 01875848)
Executive Director
S B BHOWMANS (DIN: 01793948)
Executive Director
C RAMAKRISHNAN
Group Chief Financial Officer
H K SETHNA (CIN: 1507)
Company Secretary

Mumbai, May 30, 2016

Mumbai, May 30, 2016

BIOGRAPHY OF PADMABHUSHAN Dr.M.V.Pylee

Chairman, Advisory Committee of OM, till 30.12.2017

Padmabhushan Emeritus Professor (Dr.) Moolamattam Varkey Pylee was born in a well-known agricultural family in 1919 at a place called Oonukkal which is located between Kothamangalam and Adimaly. He had eight siblings. Dr.M.V.Pylee was the second child, but practically he functioned as the eldest as his elder brother died when Dr.Pylee was just 2 years old. He had 4 brothers(including the one who died) and 3 sisters. Two sisters and one brother opted for missionary work. One brother was in high position in Canadian government. The youngest brother Mr.M.V. Mani was an MLA for 3 terms.

The children of Dr.Pylee are – Mrs.Merlee George , Mr.Varghese Pylee, and Mrs.Anu George Stephanos.

After graduation from S.B.College, Changanasserry, Dr.M.V.Pylee joined military as a Commissioned Officer in Ceylon, that too during the World War II, and later shifted to Pune Ordinance Office. After leaving the Military, he joined Lucknow University for his MA,LLB. He was very active there. On completion of his MA, LLB, he joined the Lucknow University itself as a Faculty Member in the Political Science Dept. as he passed with first class and got first rank.

In 1949, he left Lucknow and joined as a Faculty Member in Patna University. The same year he got married with Ms.ELSY.

In 1953, he left for USA under the Fullbright Smithmoot Scholarship to do his LLM from Harvard University. On his return from Harvard, he submitted his thesis for the award of D.Litt from Patna University.

Then, he shifted to Delhi University to be a Faculty Member in **Delhi School of Economics**.

From Delhi University, he moved to Hyderabad as one of the Academic Directors of Administrative Staff College of India(ASCI). It was from this position in 1964, he accepted the request of the then Vice Chancellor of University of Kerala Dr.Samuel Mathai to become the Founder Director of SMS at Ernakulam Centre of University of Kerala, and now SMS CUSAT. From 1964 to 1977, he was the Director of SMS. He built up the SMS as a leading Management Training institution in the Country. He was also the Dean of the Faculty of Management of the Universities of Kerala and Cochin. In fact he is well known as the father of Management Education in Kerala.

From 1977 to 1981, Dr.M.V.Pylee was the **third Vice Chancellor** of then University of Cochin after Dr.Panicker and Prof.Joseph Mundasserry who was the Minister of

Presented by:
Prof.(Dr.) P.R.Poduval*
&
Prof.(Dr.) D.Mavoothu**



Education under the first EMS Government. His contributions to University of Cochin are well-known. He established the new administrative building in the Thrikkakaracampus and shifted the Administrative wing from the Thirupunithura Hill Palace to the present place. As the Vice Chancellor, Dr. Pylee gave a new direction and thrust to the University in its infancy, and initiated a number of innovative and job oriented courses and programmes. Many new departments were established in the University of Cochin during his Vice-Chancellorship some of them include Dept. of Applied Economics, Dept. of Electronics, Dept. of Industrial Fisheries, School of Environmental Studies, etc. Dr.Pylee retired from the position of Vice chancellor of University of Cochin at the age of 58 forfeiting his right to come back to SMS.

After retirement from the University as Vice-Chancellor in 1982 Dr. Pylee has been Honorary Director-General of Asian Institute of Development and Entrepreneurship. The Institute has trained hundreds of young people to set up their own industrial ventures.

Prof. Pylee has established a public charitable trust under the name '**Prof. Dr. M.V. Pylee Foundation**' with a view to creating endowments as well as to give assistance to educational, cultural and charitable causes. The Foundation has established an award in the University of Cochin – "**Distinguished Academician of India**"- with a cash award of Rs. 2. Lakhs, a citation and a Memento from the interest accrued a sum of Rs.10 lakhs, donated to the University, and also the Best College Principal of Kerala Award. Several other endowments have also been established in Colleges and Schools for giving scholarships and prizes to deserving students.

The President of India has conferred on Dr. Pylee the prestigious **Padmabhushan Award** in 2006. The Government of India has appointed him as National Research Professor in 2006.

*Former Director, SMS CUSAT

**Present Director of SMS CUSAT

Dr. Pylee has been the Chairman of the Kerala State Advisory Board on Education and the UGC nominee on the Board of Management of Manipal University and the Executive Council of Allahabad Agricultural Institute, (Deemed University).

Among the many honours and awards received by Prof. Pylee are; Emeritus Professorship of University of Cochin (1986), management Leadership Award KMA (1986), Distinguished Leadership Award for Outstanding Services to Teaching and Management Profession (USA-1990), Akshardham Award, Gandhi Nagar, Gujarat for Unique Achievements in the Field of Management (1996), International Man of the Year Award (1996) of the Biographical Research Institute, Cambridge, the Super Brain Award of Competition Success Review, New Delhi, Management Excellence Award for outstanding contributions to Management Profession by the Southern Regional Management Convention (1998), International Award for distinguished service to Global Higher Education, Bethlehem, Israel, Shyamlal Gupta Award of Delhi for distinguished Author (2000) and the **Paramacharya Award** of the Centurion Trust, Madras. Prof. Pylee is a life member of Indian Political Science Association, Indian Institute of Public Administration, Indian Law Institute and the Institute of Social and Economic Change, Bangalore, etc.

The Benaras Hindu University has conferred on him the Honorary Doctorate Degree of D.Litt in 1997.

He was also Visiting Professor at the University of Moscow and Novosibirsk (1971) under the Cultural Exchange Programme between India and the U.S.S.R. He was also a Fellow of the East-West Centre at Honolulu (1976), Hawaii, USA. Prof. Pylee has been intimately associated with a number of Central Organizations. Among them are the University Grants Commission, All India Council for Technical Education, Indian Council of Social Science Research, Press Council of India, Indira Gandhi National Open University, Delhi University, Jawaharlal Nehru University, Central University of Hyderabad and Pondicherry University. He was also intimately associated with a number of State Universities such as Madras

University, Madurai University, Mysore University, Osmania University, Calcutta University and Bombay University. He was Chairman or member of several committees constituted by the University Grants Commission and All India Council for Technical Education.

Prof. Pylee is a recipient of many prizes, medals and such other distinctions. Among them are S.S. Memorial Gold Medal for the best Debator of Travancore University (1942), Good Conduct Prize of the College (1943), Vangala Narasimagaru Memorial Gold Medal (1948) for securing First Class first in M.A. Degree Examination of Lucknow University and the Fulbright Smith-Mundt-Scholarship of the US Educational foundation which enables him to pursue higher studies at Harvard University.

He has to his credit 45 publications so far. Among these are the following well-known works; Constitutional Government in India, Federal Court of India, India's Constitution, Professional Management in India, Worker Participation in Management, International Joint Business Ventures, Russia of My Experience, Our Constitution, Government and Politics, World Constitutions, Constitutional Amendments in India and Industrial and Personnel Management etc.

Dr. Pylee is a writer in Malayalam also and has written eleven well known books in Malayalam language. He has also to his credit over 200 Research Papers published in journals of National and International reputation.

Prof. Pylee has delivered twelve University Convocation Addresses so far. Among the Universities are Benaras Hindu University, Amaravati University, Dharmaram Pontifical Institute, Dr. John Mathai Endowment Lectures of Kerala University, ICSSR Lecturers at North Eastern Hill University etc.

Widely travelled in India and Abroad, Prof. Pylee has chaired or participated in many National and International Seminars and Conferences and is closely associated with a variety of educational, administrative, research and professional bodies.



RAMAN MODEL OF SCIENTIFIC LEADERSHIP

Sanjith Nambiar* & Dr. A.P.Jayaraman**

Executive Summary

Chandrasekhara Venkata Raman, the discoverer of the famed Raman effect and the singular science Nobelist of the country has left behind a scientific leadership style with structural deficiencies. With Promethean passion for basic research, he was the leader of many scientific leaders whose leadership styles were not approved by him. He was eloquent spokesperson for basic sciences and a vitriolic critic of Big Science. Raman model (RM) demonstrates the inability of personal scientific accomplishment to create organizational culture and team dynamics and is a classic failure of scientific institutional management by the greatest scientist.

Introduction

Raman was born on November 7, 1888 and died on November 21, 1970 being in active research for 65 years. He passed the B.A. degree examination at the age of 15, winning first place and gold medals in Physics and English. He took his M.A. degree three years later topping the class. He published his first research paper as a student. He appeared for the Financial Civil Service competitive examination 1907 and secured the first place. Commenting on other contestants he said he was sure he would top the list. This is cited as an instance of his self assessment and confidence based on competence.

Under 19 years of age he was an Assistant Accountant General. Married and settled, he was yearning for scientific research. He discovered the Indian Association for Cultivation of Science (IACS) and spent his leisure time conducting experiments for a decade creating a school of physics. Although a part time hobbyist in research his dedication attracted students and professors from colleges. His leadership style in academia was impeccable because of his deep disciplinary knowledge.

Raman accepted the Chair of Palit Professor and Vice Chancellor Asutosh Mukherjee declared that Raman had greatly distinguished himself and acquired a European fame by his brilliant researches in Physical Sciences carried on under adverse circumstances and amidst the distractions of official duties. Here we find the preferment of office in favor of the pursuit of knowledge as the sure sign of passion for science (1, 2).

Research Leadership

Scientific research leadership is characterized by the number of research publications in peer reviewed reference journals and the citation indices. Raman's first research publication is an example of his academic research leadership. He designed and developed experiments while at Presidency College in the freedom he had under Professor Jones. Only class work physics instruments were available in the college. Using these he explored questions whose answers were not in the textbooks. He experimented with asymmetric diffraction of light and presented his findings to Professor Jones who

did not comment on them for months. He sent his paper to Philosophical Society London titled '*Unsymmetrical Diffraction Bands due to a Rectangular Aperture*'. It was published in November 1906. The single author was a student at 17 from a teaching college!

Raman wrote a classical paper on *The Molecular Scattering of Light in Water and the Colour of the Sea after a foreign tour and was anxious to send it for publication*. In 1924, FRS at the age of 36 he became a Fellow of the Royal Society. This was hailed as recognition of *Desi* scientific endeavor.

There are over 480 published research papers carrying his name alone or as coauthor. He also guided a large number of research students, many of whom made seminal contributions. His research covered diverse domains of science as Physics, Geology, Biology and Physiology. His major research interests changed over the years – acoustics (1910–1920), optics and scattering of light (1920–1930), ultrasonic diffraction and the application of Brillouin scattering to liquids and Raman scattering to crystals (1930–1940), diamond and vibrations of crystal lattices (1940–1950) and optics of minerals (1950–1960) (3). The depth and breadth of research in physics domain as well as the evolution of personal scientific development are illustrated by these data points.

Raman exhibited unleaderly streaks of mindset in interscientist relations. He had interacted with the towering physicists of his time such as Niels Bohr, Max Planck, Fabry and Siegbahn. His first two visits abroad and the contacts he made with many scientists and institutions during these visits did not enable him to acquire the organizational behavior for institution building and Indian networking was not created. An insufficiency or deficiency in effective networking and managing relations with significant others is discernible in his career. It was in the field of lattice dynamics that Raman got involved in a controversy with Max Born by strongly opposing his theory of lattice dynamics (4). Raman was incorrect, but he was convinced that he was right in his approach. This attitude made him emotional and irrational contrary to the method of science.

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**Nuclear Scientist, Department of Atomic Energy 1964 -2004

Steely Determination

Raman ardently desired to win the Nobel prize. He went on record that there must be an optical analogue to the Compton Effect. 'It *must* and shall be found. The Nobel Prize must be won' (5). The apparatus used by him for his discovery consisted of a mirror for deflecting sunlight, a condensing lens, a pair of complementary glass filters, a flask containing benzene and a pocket spectroscope. The total cost of which would not have been more than Rs. 500. It could also be inferred from the account narrated above that the discovery was not the result of an accident, but was the culmination of seven years of systematic and sustained work carried out with devotion by Raman and his band of students. The achievement is all the more creditable when it is realized that the support for scientific research in India in those times was so pale.

Bitter Calcutta

Raman lived for 25 years in Calcutta and created the glorious school of physics and his departure from Calcutta appears to have been the result of intrigues and backbiting created by jealous colleagues. While following the highest principles of objectivity and disinterestedness in research matters, he was accused of nepotism and partisan behavior. The era of Calcutta School physics led by him came to an end because of the conflicts created in interpersonal relations. A newspaper editorial wrote "A scientist is not necessarily a good administrator, and eminence in science is not always a substitute for many of the ordinary virtues which count as much in public as in private life". (5,6,7)

RM underscores the importance of succession planning in Research organizations. When Raman was moving out of Calcutta wrapping up, anonymous letters in the press alleged that he favored physics over other disciplines and South Indians over Bengalis. His decision to appoint KS Krishnan to the newly-created Mahendar Lal Sircar Professorship created flutters. Meghnad Saha was eyeing for the post. Controversy continued to chase Raman. His plans to control the membership of the IACS were leaked to the press. At the annual general meeting, Raman was stripped of his secretaryship through a move engineered by Syama Prasad Mookerjee. "The combined forces of Bangla nationalism and individual rivalries exiled Raman from the city he thought of as his own." (8)

Blue Sky Research Blues

Raman accepted the directorship of the Indian Institute of Science (I.I.Sc.) founded by J.N. Tata. He was encircled by Britishers and Indians who looked upon the institute for sinecure positions. Some Britons resented working under him, an Indian. They played politics with their connectivity to Government and exerted influence on Tatas. Max Born had rated Raman thus "There is no Indian physicist of the rank of Raman. No man can compare with him in regard to vigor or intensity. This European intensity which Raman exhibited to a marked degree seemed to make many Indians suspicious of him".

Leadership of a multidisciplinary research institute demanded strategic vision and tactical foresight. RM model is deficient in this domain. The original mission of the institute as envisaged by its founder, Jamsetji Tata, underpinned applied research and not fundamental research. The overarching dominance of physics and the disproportionately appropriated resources to physics created internecine conflicts. Autocratic management style compounded the antagonism with no mechanism in operation for conflict resolution. A review committee recorded deviation from mission and poor financial management. Following this his critics tabled a no-confidence motion and a resolution indicating "strong disapproval" was passed. He was forced to resign from the Directorship.

Against Bhabha Model

Raman's research life is an anachronism in the standard narratives of history of 20th century physics. He spent long years as a hobbyist at a time when science was increasingly professionalized. He was a classical physicist trying to keep up with quantum physics, and as a low-budget experimenter at a time when experimental physics was making the transition to Big Science. His attempts at Big Science through a proposal to build a particle accelerator in Bangalore failed as it was rejected by Bhabha Committee. Raman resented Nehru's policy of concentrating research in specialized institutions. He coined the phrase "Nehru-Bhatnagar effect" to describe Council of Scientific and Industrial Research laboratories in the 1950s, predicting they would achieve little despite the massive sums spent. He did not see any role for professional organizers of science. He thought that the organization of science becomes more important than science itself or its values (9).

Politics of Science

While Raman had a complex personality, there is reason to wonder whether it was not just the 'scientific politics' of the times that brought about his demotion. It is a pity that a scientist of his stature had to suffer indignities which left an indelible bitterness in him. An institution which is governed by consensus and which is bureaucratic by nature was totally at odds with Raman's way of thinking. It is out of this realization that he decided to create a research institute of his own, where his will and wishes would prevail. His professional life is chequered with administrative battles, cutthroat rivalries and politics.

Contributions to Science in India

Raman was a builder of research institutions. He revived IACS and established the departments of Physics at the University College of Science in Calcutta and at IISc Bangalore, and founded the Raman Research Institute (RRI), making them all centres of world renown. He recognized the importance of scientific journals and started one in Calcutta under the IACS which later became the *Indian Journal of Physics*. When he moved to Bangalore,

he founded another journal called the *Proceedings of the Indian Academy of Sciences*. He was also actively involved in the starting of *Current Science* in 1932, which was styled after *Nature*. He believed strongly that the best work done in India should be published in Indian journals.

Business Success

RM has noteworthy business insights with high returns on his investment in real estate and chemical industry. Raman had direct interest in Bangalore Chemicals and Travancore Chemicals. The main product of the former company was mantles for Petromax lights. He encouraged his student Dr. P. Krishnamurti to start this venture, providing the seed capital. The total investment must have been Rs. 4 lakhs and his share was one fourth. The annual profit for him was Rs. 1.5 lakhs which was utilized for infrastructure development of RRI (10).

Leadership in Deloitte Model

Raman as a Pioneer leader in Business Chemistry model was creative, original, spontaneous and expressive. He was noted for his command over English and his research papers have crystalline clarity. His lectures are remarkable for their Slucidity and subterranean humor. He was energetic and enthusiastic. The features missing are team building and adaptability. Controversy in lattice dynamics displays his intolerance of contrarian view even when he was not right. RM has a strong component of highly bloated egotism degenerating into megalomania. He remarked, "This Institute is a monument to my egotism. I am an egotist, and just as the Egyptian Kings used to build pyramids before their death, so is this Institute my pyramid". That was what he remarked about Raman Research Institute (2). Raman was conscious of his superiority and made others feel small. His vitriolic language alienated significant people and provoked resentment. Thus he has a diminished rating of 10 on Pioneer scale despite being a pioneering world class researcher.

Raman was associated with the Royal Society for 44 years and resigned from the Fellowship because his paper describing his new findings on the physiology of human vision was returned with some unfavorable remarks by a referee (10).

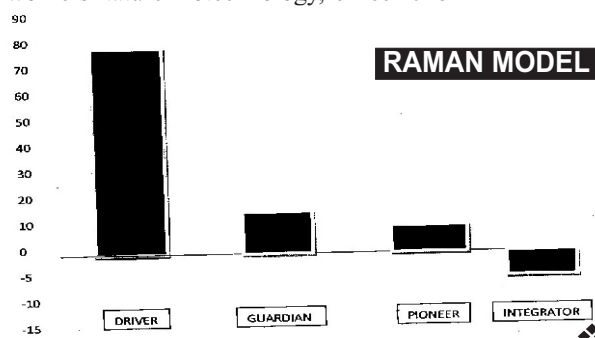
The dominant style is that of the Driver. He was determined and disciplined in his search for scientific details. There is an intensely inspired curiosity about his hypotheses. He was tough and resolute as to the admission of women scientists for research. He was patently ambitious and was set on Nobel prize when Compton scattering was honored. He was fiercely goal oriented and as an experimentalist par excellence he was logical and lab oriented. The full spectrum of Driver features is represented in RM both in subsets of Commander and Scientist. RM displays features of Guardian style. He was methodical, meticulous and detail oriented. Planning is also a part of that leadership style. The main missing element is respectfulness for he had scant regard for contrarian views. In the Integrator mode we find RM totally deficient. He was neither

diplomatic nor empathic. He was confrontational and had poor team dynamics. His Pioneer mode is marred by his Integrator mode (11).

The responsibility of a leader is ability to provide knowledge workers with the personalized goals, motivation and tools they need to perform at their best will bring outstanding results (12). Judged by this research management, RM has structural deficiencies.

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IMPACT OF SOCIAL VALUE EROSION ON HR MANAGEMENT IN INDUSTRIAL ORGANIZATIONS

-M.Vasudevan*

Executive Summary

Over the last few decades HRM has gained tremendous recognition and credibility - both nationally and internationally through a long process of refined reform – from labour (mis) management of early 1900's to mid 1900's, labour management, personnel management and now to 'human' 'resource' management replacing the word labour by human and resource. The HRM which initially was considered as a supporting service profession gradually rose to the level of all other directly contributing professions with equal or even greater recognition for HR compared to the other resources. Until two decades ago no HRM professionals was ever considered suitable for appointment as Chief Executive of large manufacturing organizations. However realizing the importance and competence of the HR function, HR professionals have now been heading large industrial organizations.

In a globally competitive environment where only those organizations /institutions that consistently excel can survive, effective contribution of the human capital is the single edge that renders that extra mileage to succeed. Excellence in the present context is the product of unstinted commitment of employees powered by a high degree of competence to the cause of achievement of goals of the organization one serves.

A country's existence, progress and prosperity is solely dependent on the quality of human resources it possesses. From this point of view India is very fortunate in that we have an abundance of human resource which makes our pick up easy with ample choice. However our nation is not doing well when compared with other advanced countries with far less human resources. There are many causes for the adverse performance of organizations like product profile, stiff competition nationally and internationally, ineffective management forced by the care for the people than product and profit, low productivity and high overheads, absence of a sense of combined responsibility and meaningful relationship resulting in frequent industrial disturbance. Even now the most professionally run and known for its credibility and human approach organizations suffer on account of long drawn agitation leading to militant approach resulting even in murder of professionals. This means there is no predictable consistency in good industrial relations despite practicing professional management approach. One of the most important contributory factors to this miserable drawback lies in the rapidly declining social value concept which influences the employees' mental make up.

Despite the lacunae in social system, there is fantastic transition and development in the fields of our agriculture, industry, business and social welfare aspects since independence. But the achievements, especially in the social field to a great extent are eclipsed by social value degradation, which neutralises the achievements to a great extent. The need for correction is felt and talked about by everyone but are helplessly tolerant of the evils in the absence of any imminent corrective measures. The problem is so massive, mammoth, and vast that people accept the problem as part of life.

The expressions in the article might appear to be highly critical, which is essential to prove the points and without which the article cannot communicate the intended thoughts.

This article discusses a) the highly eroded value of the society b) the reformed yet imperfect HR management in industry and c) the task of the HR professionals to realign the HR system to the relevancy of time

THE SOCIAL VALUE IN PERIL?

The travesty of socialistic pattern of society in its infant stage had extended unbridled social freedom to the citizens with discipline as a casualty. Most of the related population seek solutions to each of their individual problems which have been growing by time owing to interference and involvement of the Government, which being of the people is at their command and blame it for all unfulfilled demands. Sudden transformation from century of slavery to the uncontrolled light of freedom has been so fascinating that the love for social values have been irretrievably sacrificed by large section of the society which grew in depth and number. Instead of insisting on "right" and preventing "wrong" it has been often interpreting wrong to be right. There have been increasing crimes in society without criminals

*was Personnel Manager of M/s. Instrumentation Ltd, Palakkad and currently General Manager of M/s. Western India Cottons Ltd, Kannur. Was the Founder Chairman of NIPM Palghat Branch of Kerala Chapter

and punishment - some owing to being unknown and some known but unnoticed and untraced. The political adventurism resulted in politician criminal nexus which quickened and deepened social value erosion. Organised gundaism command more force and power than the social protective system.

Strong urge for acquisition of power and its misutilisation for self aggrandizement made ideologies of democratic system to suffer. Proclaimed offenders and persons with criminal background win elections sometime while in jail by thumping majority. While the unemployed look ever forward for employment, every person with assured income is organized in one way or the other and pursue the concept of less luggage and more comfort. People find problems in every solution the Government evolves on any issue because of divergent interest. The young and the unemployed get influenced by some becoming highly prosperous suddenly by programmes of poverty alleviation and other economy based social services. The young minds in their frustration see only these perversions of the society, curse it and agitate against their pitiable condition of helplessness to be economically sound.

The urge to quickly become rich which indeed has become the dream of many and consequent crimes like kidnap, robbery, loot and shoot, counterfeit, drug abuse, Bank.

scams involving crores of rupees etc, have replaced the faith in society's ability to protect the gentle, who live with an element of constant fear of uncertainty and threat. Corruption in the past was mainly known at low levels of public service for small amounts. Today it has spread to all quarters of power held specially by those entrusted to ensure honesty in public life and tax collectors, with amount involved being crores of rupees. The arrogant and agitative approach to every issue creates two groups and the fight amongst the groups is always at the cost of social health. The concept of true social service has become rare with the end result of every social service culminating in self service and self help. The trend to do what is prevented is increasing day by day Encroaching public land and illegal construction goes on without any hurdle on the hope of regularizing the same with the passage of time. The frequent and sudden Bunds and Hartals on self sustaining causes by organized power centres involving nation down up to village-level make life of an ordinary citizen miserable.

In the context of the above social pricks, students, the prospective employees, grow confused with misdirected aims and objectives. It is widely argued that student politics is essential, which is routed at school level, for preparing every student for democratic politics, as if every student should ultimately be prepared to be shrewd politicians wherever they may be engaged. The resultant cult is employees, mainly in public service, stand primarily divided and committed to their affiliated political institution and become intolerant of any divergent views. This is the social base from which employees at all levels and educated at different scale and uneducated, are today tapped for organizations. With some exceptions where the job-man match is perfect and genuine by nature and adjustment for compulsive reasons, in most cases while the organization is stressed by competition and business failure, employees are relaxed leaving the total responsibility to the one or two at the top. They are simply influenced by the entitlement than the enlightenment culture.

Almost eighty percent of the Indian economy was once said to be based in its villages through agricultural and village industry output. But the shift of villagers from agriculture to seeking employment in urban areas resulted in a vicious circle of persons not available for agriculture on the one hand and massive unemployment on the other. In the name of social justice, the large number of unemployed people seek the convenience and comfort of the flourishing standards of living of the society around. This unfortunate position leads young, educated people to the confines of political activism where they are keenly welcome and effectively involved on the hope of politically supported present engagement and future employment. This phenomena is carried further through their working life, in case they are lucky to get employment. The net effect is a society more vulnerable to socio-economic tsunami shocks and those employed from this confused base specially, the educated but long unemployed lacks social concern owing to comparative frustration emerging from ill designed and undeserving career outlook.

THE OASIS OF PROSPERITY AMIDST DESERT OF POVERTY

Industrialisation in the real sense of the term started in India after Independence in 1947. The capitalistic oriented bureaucratic outlook we had inherited was considered ill-equipped to deal with the worker-oriented approach we had opted for under a system of socialistic pattern of planning and development. However, during the past seven decades we have perfected and perhaps exceeded the limit by adopting a totally labour-oriented management system and legal jurisprudence.

The socialistic system ensures workers interest by introducing a plethora of protective labour laws which are further supported by a democratic setup with more emphasis on rights rather than work related aspects of labour. In ameliorating the condition of the 'labour' the Government approach has been to concentrate on the wage earner than the wage payer. The distrust between the result oriented employer and right demanding labour has considerably widened under the pale of politics. Speedy establishment of large enterprises in turn led to massive employment - both direct and indirect, as the main objective of industrialization at that time was employment. The industrial management was highly people-centered. Having had the benefit of starting Public Sector Enterprises immediately after Independence, as model employers, lot of sympathy was bestowed on the employees who were en masse employed in large enterprises. The ills of all the suffering of the pre - independence days and the sympathy the workers elicited owing to the poor state of affairs and conditions of their service at that time in the private sector industry, were instantaneously compensated without anticipating the implications thereof. Benefits of good salary, perquisites, housing, education and other welfare and social security measures apart from security of service, which has become a part of service conditions, were extended one after another without any relation to the social and economic condition of the large section of the people outside employment. Many of the commitments were on a recurring basis without any relation to the health of the organization

The plethora of protective legislations and jurisprudence rendered the organised employees unmatched protection and stability of service. The result has been development of by and large a demand and dispute-oriented culture instead of work-oriented culture, which permits one to avoid responsibility without punishment. Having entered the premises of the oasis of prosperity amidst the desert of poverty affecting large unemployed population of the country at that time, the attempts of those lucky employees have been to perpetuate and augment the benefits bordering on economic aristocracy, without being conscious of the surroundings of massive poverty and unemployment. It was a period of group adventurism and activism bordering on sharing of authority and self actualization leading to tried and failed workers participation on management ending in managing the management. Indiscipline was the order of the day. All those mattered much to the organization engaged themselves in deep and long discussions with unending people-related problems and in prolonged negotiations with various group forces of the 'right' and the 'left' without caring for right and the wrong. Non fulfilled demands ultimately ended in crisis which were mostly resolved by violation of reasons and inflicting injury to the health of the organizations, resulting in winning the war but losing the peace.. Unions with large numbers of members became institutions by themselves.

While initially they grew under the umbrella of politicians, gradually they became a force to count and in turn recognized so by the politicians.

The agitative method was initially highly supported by the society.

The statement of past employee management is general in nature as there are definite exceptions where some units functioned well in a professional manner with product and market advantage and could well absorb the inconveniences and cost thereof; but some others performed worse than described.

NOREMEDY MATCHING THE MALODY

Viewed from the present trend of social value erosion, regeneration of social value of a degree prior to its deterioration appears next to impossible. On the other hand under the principle of majority of democracy, the number might increase to form the majority contributing to value degradation and rule the society unless a brave attempt is made to redeem the value to its original form for which there is no immediate hope.

Yet some corrective action can commence through reforms in the education system.

Unlike the past where education was a mere significant tool for individual employment and earning, today a majority of child population go through the process. It is high time that education ingrains in the system the need for students to be ultimately useful members of the society and ideal citizens who are conscious about the social and economic development around. Instead of education being viewed as a mere tool for competitive advantage for selection to a job, and contents strictly restricted therefore, the process should enable one to become socially conscious along with enhancing his knowledge, outlook and vision leading to the overall development of his personality. Here development essentially implies change plus growth through quality education, requisite skill and right attitude; the objective being deep integration of human capital segment with organizations and nation building activities by respecting value based social system. This process of reforms in education might bring a change in the base from which organizations can choose a better brand of human resource for all categories.

Neither the process of social value regeneration nor improvement of education system is going to have any immediate impact on the human resource base for quite some time. However there is automatically some visible improvement in the IR outlook in industries based on the theory of when people fail Providence comes to their rescue.

(a)The blind support of society in the 70's to agitation and acquiring benefits of industrially organized employees now stands withdrawn on apparently realizing that the entire welfare benefits got centralized on a few while the masses continued to suffer. Today there are so many welfare schemes of benefit and concessions for

members of the society caste,tribe, religion, profession, craft and age wise, to quote a few, and they are busy agitating to retain and acquire more and more.

(b) Unlike the past where politicians used to be in authority and power for long capable of conferring favours to the organized group, today they are in power for a short spell or not at all. Hence the nexus through deep mutual dependence is seriously affected. Also the views of various unions affiliated to different political parties are not often mutually agreeable on many issues.

[C] The members of organized group started feeling the pinch of frequent IR disturbances and question the leadership on the wasteful exercise for demands and disciplinary matters arising out of personal ego even on small issues like size and quality of canteen products. Also the organized started realizing the infructuousness of wasteful exercises of agitation even on small causes - the gain not worth the pain

(d) The threat of job losses with introduction of new technologies like robots and automation resulting in increased number of mergers, acquisition and closure of organizations on poor performance for long, are the causes of worry. The consequence of such threat results in:

- Jobs will be permanently temporary.
- Employment for life is replaced by employability for life by updating knowledge relevant to requirement.
- Chances of highly qualified one becoming unqualified in a changed situation.
- Knowledge replaces experience.
- Unlike the past, people won't be employed even after closing the organization.

The delusions of the past still crowd the minds of some people but their thoughts are contained for reasons as explained.

All the above mean the essentiality to realign oneself with the reality to stay relevant to the requirement of change of time

DESIGN A DEFINITE FUTURE

The need of the day therefore is employees with a high degree of enthusiasm and dynamism who stand firmly committed to the cause of the organizations they are serving.

Commitment can be defined as availability of the total strength of an employee to achieve organizational objective. This can be characterized by at least three factors:

- a strong belief and acceptance of responsibility for the end result.

- a strong will to exert relevant efforts for achievement of this result.

- a strong desire to maintain and improve on the achievement by igniting innovation.

While it takes years to build character it takes even longer for hardened wrong belief to change. Past experience of organizations would reveal that while a majority stand attached to the requirement of the organization, some always live in an agitative mood and some others ever frustrated on endless grievances. Under the protective system of the past there was hardly a need for a change in their behavior pattern throughout their career except under compulsive circumstances.

In the 60's through 90's lot of time and money were spent in the name of soft skill development to improve the behavior pattern through exposure to various training programmes. However the effect has been negligible under the conditions mentioned above. It is therefore high time to replace persuasive soft skill development of inspiration and motivation by voluntary aspiration and perspiration even under compulsive insistence.

For healthy functioning of industry the management and employees should recognise the honesty of purpose of each other. A climate for mutual respect and creative interaction between these two vital institutions are very much essential for sustaining an effective partnership.

In the context of above discussion, the HR Professionals do not require any advice or suggestion except that they should always bear in mind that HR is an extension of organization and not vice versa. Today is not merely an extension of yesterday nor tomorrow a continuation of today. Developed skill be supported by a voluntary will to perform. Bearing this in mind a delicately crafted and carefully nurturing policy be framed keeping in mind the envisaged changes in the next few years which might have a bearing on the organization. This can be codified in the form of an agreement which can be implemented with a fair and firm approach with the ultimate aim of performance without persuasion and discipline without insistence.

Some people are nearsighted; they live only for the present. Other people are far sighted; they see beyond today.



Responses received to the Questions put across

1. *How will you enumerate your professional competency by education and training inputs to be successful on the position you are holding in the Organisation.*
 - In the present day business environment, continuous education and training helps me in updating myself to face the challenges of continuous change. Since all departments of the business from technology to Human Resource Management faces continuous changes, Training inputs helps me to update myself on the current trends and to prepare and try new strategies. Learning and trying new things and styles learnt from sessions has helped me in achieving better professional competency.
2. *How is your style of functioning- wait for issues to come to you or anticipate them - likely sustaining with your style or go adhoc in the situational context*
 - Issues or challenges in management are of both types, anticipatory and non-anticipatory. The issues that can be anticipated are proactively solved. But we have to expect some unexpected challenges also. I feel this is unavoidable even with the best practices. I take this as an opportunity to learn and try to minimize the loss or damage to the organization.
3. *Have you made a frame work for the better performance of employees and systems- you have indentified such factors and arrange inputs to further advance on such factors. What are the schemes you have worked out in the above context.*
 - Our thrust area for improving Employee performance has been the continuous training and interaction to develop confidence in employees. This helps improving faith in the organization and a motivated employee performs automatically. Training programs intended to improve their personal and social life is helping for the improvements in work performance also.
4. *In the Kerala working environment you consider authoritative style of command to get result or democratic style – if there is any difference between labour and supervisor in this aspect.*
 - We find that only the democratic style give desired results in the long run. Building good relationship with employees based on faith and mutual respect helps good communication especially in the times of big challenges. Employees give their best when they enjoy the freedom to give opinions and when the superiors listen to them.
5. *What operational principles you hold in respect of materials, machinery, manpower and quality and are you able to sustain such principles held close to you.*
 - We believe that whether it is material, machinery, manpower, the best quality of resource always gives the best performance. Any compromise in quality level of any resource is a cost either in operation stage or in usage. So a poor quality resource is bound to create wastage of resource at some point of time. This badly affects the business in some or other way. This principle has helped us to sustain customers for ever.

**Interview with CEO:**

Shri.K.K.Babu
Managing Director
Sreerama Scaffold Systems
Ambuja Nagar
Palakkad-678 007

6. *How you have experienced PMA as a source for providing management development? Are the sessions concerning development deal with knowledge and skill as well; similarly such development programmes are for employees as well as for Managers.*

- Sessions in PMA is definitely imparting knowledge to the participants. We have a positive feed back from our employees who attend the sessions. Apart from providing knowledge and skill to employees, PMA session is a good opportunity to interact with people from other organizations. This helps them in building relationship with people from the same profession and whenever a doubt arises, they are able to discuss and acquire sufficient knowledge to solve the matter.

7. *Have you been getting opportunities to develop knowledge and skills through the forums of PMA.*

- Definitely. Forums in PMA are helping me to update on various changing scenario of business. In a fast changing business environment, participation in seminars and other events are necessary for elevating your motivation level apart from knowledge and skill development.

8. *Do you find PMA can be entrusted with the work of upgrading knowledge and skill of your men through development programmes at PMA or within the Company premises*

- In my view, a program with a mix of participants from different organizations is better. The working style and culture being different in organizations, this gives the employee an opportunity to learn new ways and styles. This will help to improve the flexibility in thinking and decision making process.

9. *How useful you find on the value addition by the two publications- PMA News Letter and quarterly Journal, OM.*

- Both News Letter and OM contains articles that make you think about your present business style. This leads to improvements by trying new ways and means.

10. *Have you any suggestion to improve the role of PMA from the point of view of furthering organizational performance?*

- Human Resource management, especially labour management being a common issue for organizations in our area, PMA can think of conducting a series of programs to improve industrial relations which is still a major challenge to many units. PMA can reach to more areas of business management by catering to TRADING COMMUNITY, SERVICE SECTORS etc by arranging programs as per the need of these sectors.

Sincerely thank you for sparing your valuable time

- Managing Editor

ROLE OF SOCIAL MEDIA IN BUSINESS

*ShijuSundar

Executive Summary

In the present technology driven environment any business need to depend on the technology. The social media helps the business in visibility management. It is very important in this competitive world that we have to showcase our business and brand with its uniqueness to reach its potential customers to be preferred and attracted. Due to change in the life style and the dependability of people in television and other media reduces the impact of advertisements in these media on their sales. And the expenses on these media are very high which the business is not able to afford when they have a very low profit margins. Hence the role and advantages of social media is explained here.

Introduction

Creating and developing a website is important for any business. Along with having a website, you need to expand your online outreach to social media platforms. Social networking sites such as Twitter and Facebook are essential for maintaining a competitive edge. Companies that do not have active social media accounts risk missing out on numerous marketing opportunities to interact with target market.

So, What Will Social Media Do For Your Business?

Making social media a priority for your business will allow your business to:

- Be found!
- Establish a stronger brand
- Boost sales
- Share expertise and knowledge
- Tap into the wisdom of customers
- Interact and receive valuable customer feedback
- Free advertising: satisfied customers talk about your company, this is the strongest word-of-mouth-marketing
- Build a community

Advantages of Social Media

One of the key advantages of social media for businesses is that it enables you to interact with your customers. Going through the tweets and Facebook updates that are posted by your customer base gives you insight into what they need. This is useful for helping your company formulate marketing strategies that address their needs.

Improve Responsiveness

Social media eases the process of providing and receiving feedback. If your customers have concerns or problems with what your business offers, they can let you know in a timely manner. Social media gives customers a convenient and accessible way to express what they feel and gives

companies a chance to respond. With such platforms, businesses are able to view complaints and assure their customers that their problems will be dealt with.

Competition

If your competitors are already using social media accounts for marketing and engaging their customers, you need to ensure that you are keeping up with the digital marketing strategies that are being implemented. In the competitive world of business, more and more companies are capitalizing on the benefits of social media. In order for you to be able to boost online traffic to your site and increase sales, you need to stay ahead of the competition while providing your customers with the best products and services.

Effective Marketing

The social networking nature of platforms such as LinkedIn and Twitter generates interest among followers who are more responsive to them than a blatant marketing approach. You can use social media creatively to advertise your products and services without making your customers feel like they are overwhelmed by your marketing campaigns. Advertisements strategically placed within informative posts are an effective way to spread the word about your business. Social media spreads awareness about your business while giving you the chance to constantly remind them about the products and services that you offer.

Find Customers

Hashtags and keywords are useful for helping you identify potential customers who are interested in what you are selling. After finding prospective customers, you can simply direct them to your account where they fill out more about your business.

Affordability

Managing your social media accounts is a cost effective way to promote your business by using affordable social media

*Associate Professor, Chathamkulam Institute of Research and Advanced Studies, Palakkad.

marketing campaigns that strengthen your company's online visibility. Social media does not require an extensive budget, which makes it fair for small businesses that are competing with well known brands.

Database

DBA services provide service delivery solutions that are flexible enough to meet the diverse needs of different companies. Emphasis is placed on the management and support of databases from remote locations while catering to the specified needs of various customers. Services are available for different database environments to provide a dependable, secure and expert approach to database management.

Social Environment

A social networking forum efficiently creates a social environment for you and your customers. Such a forum enables you to acquire important feedback regarding your business. Social media serves the purpose of making it easier for consumers to find out and distribute information about different brands, products and services. A significant percentage of customers that relies on the internet to search for products have discovered specific companies through social media. If the opinions and reactions of your consumers matter to you, going social is necessary.

Informative

Social media is informative and gives you access to what your competition is up to as well as what customers are posting online about products and services. This gives you better insight into the market and various factors that affect your industry.

Online Presence

Business owners should pay attention to which social platforms help them reach their goals with relevant audiences, whether that's generating sales or greater visibility. Part of my job is helping business owners decide which networks are best for their business.

Here are the most popular social media

- ★ Facebook
- ★ Twitter
- ★ YouTube
- ★ LinkedIn
- ★ Google+
- ★ Instagram
- ★ StumbleUpon and Digg social bookmarking
- ★ Slideshare presentation sharing

Conclusion

In effect, social media is likely to change the very landscape of the way businesses interact with their key stakeholders. It involves the use of social media platforms like blogs, social networking sites and apps, all of which necessitate an ever evolving and reliable technological platform. To conclude, social networking is here to stay.

(Continued from Page No 5)

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CONTRACT ADMINISTRATION:**AGREEMENT WITH A SECURITY CONTRACTOR****- A Specimen :**

THIS AGREEMENT made at on this.....day of.....200. by and between ABC LIMITED, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at..... represented by hereinafter referred to as the "First Party" which expression shall unless repugnant to the subject or context shall mean and include its successors and assigns of the FIRST PARTY.

And

M/s..... a company incorporated under the provisions of the Companies Act, 1956 (or individual concern or firm as the case may be) having its office at..... represented by..... hereinafter referred to as the "Second Party" (which expression shall always include unless repugnant to the context, its executors, administrators, successors and assigns) of the SECOND PART.

WHEREAS the First party is engaged in the business of (herein state the nature of activities)

WHEREAS the Second party is engaged in the business of providing security services.

WHEREAS the Second party has expressed their keen desire to provide the said services to the First Party under this agreement. The Second party has also represented that they have the necessary infrastructure, manpower and experience in the above area and they possess the financial capabilities to perform the above functions and such other functions as may be assigned to them under this agreement by the First party from time to time.

WHEREAS on the aforesaid representation made by the Second Party to the First Party, the parties hereby enter into this agreement to provide the agreed services on the terms and conditions appearing hereinafter. NOW THEREFORE THIS AGREEMENT WITNESSED AND IT IS AGREED BY AND BETWEEN THE PARTIES AS UNDER:

1. OBLIGATIONS OF THE SECOND PARTY

(a) The Second Party shall operate and provide security personnel to the First Party at its various sites on 7 days a week from..... a.m. to.....p.m.

(b) The regularity of the performance of the service will be the essence of this agreement and shall form a central factor of this agreement. The Second Party shall take all possible steps to ensure to maintain its performance as determined by the First party from time to time.

(c) The assignment made by the First party regarding the quality and efficiency of the services and as to how many personnel of various descriptions are required to provide/give the required quality of security services at any given place, premises or part thereof, shall be final and acceptable by and binding upon the Second party and the services shall be provided accordingly.

(d) The Second party shall provide the security services at the demised premises by developing its well-trained and experienced personnel in such numbers as may be instructed as per the assessment made by the First party as to how many personnel can provide the required quality of services at a given place for given job.

(e) In the First Party notices that the personnel of the Second party / have been negligent, careless in rendering the said services, the same shall be communicated immediately to the Second party who will device corrective steps immediately to avoid recurrence of such incidents and report to the First Party its action plan.

(f) If any of the personnel of the Second party indulges in theft, negligence or any illegal/irregular activities, misconduct, the Second party will take appropriate action against its erring personnel and intimate accordingly to the First Party.

(g) The Second party shall keep liaison with the Police/Local Authorities, and Fire Brigade in order to get timely assistance from them in case of an emergency.

2. TERMS OF PAYMENT

(a) The First Party shall pay to the Second party an amount of Rs..... for the services rendered. The said amount shall be calculated by taking in to account the number of hours worked by the personnel of the Second party during the month. The First Party agrees to pay an amount of Rs..... per hour as overtime charges for any services rendered by the personnel of the Second party after..... p.m. or during holidays.

(b) All payments made by the First Party shall be after deduction of tax and source wherever applicable as per the provisions of the Income Tax Act 1961.

(c) The Second Party, being the employer in relation to persons engaged/employed by it to provide the services under this arrangement shall alone be responsible and liable to pay wages/salaries to such persons which in any case will not be less than in accordance with the minimum wages as fixed or prescribed for the category of workers employed by it from time to time or by the state government and/or any authority constituted by or under any law.

(d) The Second Party will have to produce the register of wages or the register of wages-cum muster roll of the preceding month along with the bill to be submitted on the 3rd day of every calendar month for verification to the nominated official of First Party. The Second Party shall ensure that payment to his employees is made in the presence of an authorised representative of the First Party.

3. SUBMISSION AND VERIFICATION OF BILLS

The Second Party shall submit on a monthly basis the bills for the services rendered to enable the First Party to verify and process the same.

4. REPORTING TIME AND PLACE

(a) The personnel of the Second Party shall provide the requisite services on an 8 hour-working shift for 7 days a week or as the First Party may require from time to time. Such personnel shall be stationed at the designated sites and shall report to the OEM officer of the First Party during such working hours till the expiry of this agreement and shall perform their duties with full sincerity and dedication on the terms and conditions mentioned in this agreement.

(b) The services rendered by the Second Party under this agreement shall be under close supervision, condition and guidance of the First Party. Second Party shall frame appropriate procedure for taking immediate action as may be advised by the First Party from time to time.

(c) The Second Party shall decide the modus operandi as to engage men/machines by it for rendering proper and efficient services and to conform to its prescribed standard of hygiene.

5. DISCIPLINE

(a) The personnel of the Second Party shall always be tidily dressed in the uniform supplied by the Second Party at its own cost. The pattern of uniform to be supplied by the Second Party will be of a different pattern than as given by the First Party to its employees. Further, the Second Party shall issue identity cards, on its own name and trading style, to its personnel deputed for rendering the said services, which at First Party's option, would be subject to verification at any time. The First Party may refuse the entry into its premises to any personnel of the Second Party not bearing such identity card or not being tidily dressed.

(b) No personnel of the Second Party shall leave the deputed premises where they have been deployed without the permission of the First Party.

(c) The First Party shall always have the right and liberty to do surprise inspection at its sites.

(d) The services rendered by the Second Party under this Agreement will be under close supervision, co-ordination & guidance of the First Party. The Second Party shall frame appropriate procedure for taking immediate action as may be advised by the First Party from time to time.

(e) It is understood between the parties here to that the Second Party alone shall have the right to take disciplinary action against any person(s) engaged/employed by it, while no right whatsoever shall vest in any such person(s) to raise any dispute and/or claim whatsoever against the First Party. First Party shall under no circumstances be deemed or

treated as the employer in respect of any person(s) engaged/employed by Second Party for any purpose, whatsoever, nor would First Party be liable for any claim(s) whatsoever of any such person(s).

6. NATURE OF AGREEMENT

The parties here to considered, agreed to and have a clear understanding on the following aspects:

i) This Agreement is for providing the aforementioned services and is not an Agreement for supply of contract labour. It is clearly understood by the Second Party that the persons employed by the Second Party for providing services as mentioned herein, shall be the employees of the Second Party only and not of the First Party. The number of persons to be employed and the individual person to be employed for providing the said services, shall be decided by the Second Party who shall be liable to make payments to its said employees towards their monthly wages/salaries and other statutory dues like EPF, ESI, Minimum wages, bonus, gratuity, etc.

ii) First Party shall not be liable for any obligations/responsibilities, contractual, legal or otherwise, towards the Second Party's employees/agents or to the said employees/agents directly and or indirectly, in any manner whatsoever.

iii) The employees/personnel of Second Party rendering the services under this Agreement, shall never be deemed to be the employees of First Party in any manner whatsoever and shall not be entitled for employment, salary/wages, damages, compensation or any thing arising from their deployment by Contractor for rendering the said services.

7. STATUTORY COMPLIANCES

(a) Second Party shall obtain all registration(s)/permission(s)/licence(s) etc. which are/may be required under any labour or other legislation(s) for providing the services under this Agreement.

(b) It shall be the Second Party's responsibility to ensure compliance of all the Central and State Government Rules and Regulations with regard to the provisions of the services under this Agreement. The Second Party indemnifies and shall always keep First Party indemnified against all losses, damages, claims, actions taken against First Party by any Authority / Office in this regard.

(c) The Second Party undertakes to comply with the applicable provisions of all welfare legislations and more particularly with the Contractor Labour (Regulation and Abolition) Act, 1970, If applicable, for carrying out the purpose of this Agreement. The Second Party shall further observe and comply with all Government laws concerning employment of staff employed by the Second Party and

shall duly pay all sums of money to such staff as may be required to be paid under such laws. It is expressly understood that the Second Party is fully responsible to ascertain and understand the applicability of various Acts, and take necessary action to comply with the requirements of law.

d) The Second Party shall give an undertaking by the 22nd of the preceding month in favour of the First Party that he has complied with all his statutory obligations. A draft of the said undertaking is attached herewith as Annexure 'A' to this Agreement.

8. INDEMNIFICATION

a) The Second Party shall at its own expenses make good any loss or damage suffered by the First Party as a result of the acts of commission or omission, negligently or otherwise of its personnel while providing the said services at any of the premises of the First Party or otherwise.

b) The Second Party shall at all times indemnify and keep indemnified the First Party against any claim on account of disability/death of any of its personnel caused while providing the security services within/outside the site or other premises of the First Party which may be made under the Workmen's Compensation Act, 1923, or any other Acts or any other Statutory Modifications thereof or otherwise for or in respect of any claim for damage or compensation payable in consequence of any accident or injury sustained by any working other personnel of the Second Party or in respect of any claim damage or compensation under labour laws or other laws or rules made thereunder by any person whether in the employment of the Second Party or not, who provided or provides the services at the site or any other premises of the First Party as provided hereinbefore.

c) The Second Party shall at all times indemnify and keep indemnified the First Party against any claim by any third party for any injury, damage to the property or person of the third party or for any other claims whatsoever for any acts of commission or omission of its employees or personnel during the hours of providing the services at the First Party's premises or before and after that.

d) That, if at any time, during the operation of this Agreement or thereafter the First Party is made liable in any manner whatsoever by any order, direction or otherwise of any Court, Authority or Tribunal, to pay any amounts whatsoever in respect of or to any of the present or ex-personnel of the Second Party or to any third party in any event not restricted but including as mentioned in sub-clauses No.(b) and (c) hereinabove, the Second Party shall immediately pay to the First Party all such amounts and costs also and in all such cases/events the opinion of the First Party.

9. LIABILITIES AND REMEDIES

In the event of failure of the Second Party to provide the service or part thereof as mentioned in this Agreement for any reasons whatsoever, the First Party shall be entitled to procure services from other sources and the Second Party shall be liable to pay forthwith to the First Party the difference of payments made to such other sources, besides damages at double the rate of payment

10. LOSSES SUFFERED BY SECOND PARTY

The Second Party shall not claim any damages, costs, charges, expenses, liabilities arising out of performance/non-performance of services, which it may suffer or otherwise incur by reason of any act/ommission, negligence, default or error in judgement on part of itself and/or its personnel in rendering or non-rendering the services under this Agreement.

11. TERM

This Agreement shall be effective for a period of one year w.e.f.upto..... and can be extended further for such period and on such terms and conditions as may be deemed fit and proper by the First Party.

12. TERMINATION

a) Either party can terminate this agreement by giving one month's written notice to the other without assigning any reason and without payment of any compensation thereof. However, the First Party shall give only a 24 hours notice for termination of this Agreement to the Second Party when there is a major default in compliance of the terms and conditions of this Agreement or the Second Party has failed to comply with its statutory obligations.

b) If Second Party commits breach of any covenant or any clause of this agreement, First Party may send a written notice to Second Party to rectify such breach within the limit specified in such notice. In the event Second Party fails to rectify such breach within the stipulated time, the agreement shall forthwith stand terminated and Second Party shall be liable to First Party for losses or damages on account of such breach.

c) This Agreement may be terminated forthwith if either party becomes insolvent, ceases its operations, dissolves, files for bankruptcy or bankruptcy protection, appoints receivers, or enters into an arrangement for the benefit of creditors, the other party shall have the right to immediately terminate this Agreement.

13. ASSIGNMENT OF AGREEMENT

This Agreement is executed on the basis of the current management structure of the Second. Henceforth, any assignment of this agreement, in part or whole, to any third party without the prior written consent of the First Party shall be a ground for termination of this Agreement forthwith.

14. COMPOSITION AND ADDRESS OF SECOND PARTY

a) The Second Party shall furnish to the First Party all the relevant papers regarding its constitution, names and addresses of the management and other key personnel of the Second Party and proof of its registration with the concerned Govt. Authorities required for running such a business of Second Party.

b) That the Second Party shall always inform the First Party in writing about any change in its address or the names and addresses of its key personnel. Further, the Second Party shall not change its ownership without prior approval of the First Party.



15. SERVICE OF NOTICES

Any notice or other communication required or permitted to be given between the parties under this agreement shall be given in writing at the following address or such other addresses as may be intimated from time to time in writing.

First Party's Address..... Second Party's Address.....

16. CONFIDENTIALITY

It is understood between the parties hereto that during the course of business relationship, the Second Party may have access to confidential information of First Party and it undertakes that it shall not, without First Party's prior written consent, disclose, provide or make available any confidential information in any form to any person or entity or make use of such information. This clause shall survive the period of 5 years from the date of expiry of this Agreement or earlier termination thereof.

17. ENTIRE AGREEMENT

This Agreement represents the entire agreement between the parties and supersedes all previous or other writings and understandings, oral or written and further any modifications to this Agreement, if required, shall only be made in writing.

18. AMENDMENT/MODIFICATION

The parties can amend this Agreement at any time. However, such amendment shall be effective only when it is reduced in writing and signed by the authorised representatives of both parties hereto.

19. SEVERABILITY

If, for any reason a court of competent jurisdiction finds any provision of this Agreement, or portion thereof, to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Agreement shall continue in full force and effect.

20. CAPTIONS

The various Captions used in this Agreement are for the organisational purpose only and may not be used to interpret the provisions hereof. In case of any conflicts between the Captions and the Text, the Text shall prevail.

21. WAIVER

At any time any indulgence or concession granted by the First Party shall not alter or invalidate this Agreement nor constitute the waiver of any of the provisions hereof after such time, indulgence or concession shall have been granted. Further, the failure of the First Party to enforce any time, any of the provisions of this Agreement or to exercise any option which is herein provided for requiring at any time the performance by the Second Party of any of the provisions hereof shall in no way

be construed to be a waiver of such provisions of this Agreement nor in any way affect the validity of this Agreement or any part thereof or the right of the First Party to enforce the same in part or in the entirety of it. Waiver, if any, has to be in writing.

22. FORCE MAJEURE

Neither party shall be in default if a failure to perform any obligation hereunder is caused solely by supervening conditions beyond that party's reasonable control, including acts of God, civil commotion, strikes, acts of terrorism, labour disputes and government or public authorities' demands or requirements.

23. DISPUTE RESOLUTION

This Agreement shall be deemed to have been made/executed at Delhi for all purposes. In the event of any dispute related to the interpretation or rights or liabilities arising out of this Agreement, the same shall, at first instance, be amicably settled between the parties. If any dispute is not settled amicably, the same shall be referred to the Sole Arbitrator to be appointed by the CEO of the First Party. The award given by the Arbitrator shall be final and binding on the parties. The venue for Arbitration shall be.....

24. GOVERNING LAW/JURISDICTION

The applicable law governing this Agreement shall be the Laws of India and the courts of Delhi shall have the exclusive jurisdiction to try any dispute with respect to this Agreement.

25. TWO COUNTERPARTS

This Agreement is made in duplicate. The Second Party shall return a copy of this Agreement duly signed and stamped as a token of acceptance of all terms and conditions mentioned above. In the event of commencement of work order against this Agreement without prior submission of order acceptance, it will be taken that all terms and acceptable.

ANNEXURE 'A'

IN WITNESS WHEREOF THE FIRST PARTY AND THE SECOND PARTY ABOVE SAID HAVE HEREUNTO SUBSCRIBED THEIR HANDS ON THE DAY MONTH AND YEAR FIRST MENTIONED ABOVE IN THE PRESENCE OF THE FOLLOWING WITNESSES:

SIGNED, SEALED AND DELIVERED FOR FIRST PARTY BY.....

WITNESS:

SIGNED, SEALED AND DELIVERED FOR SECOND PARTY BY.....

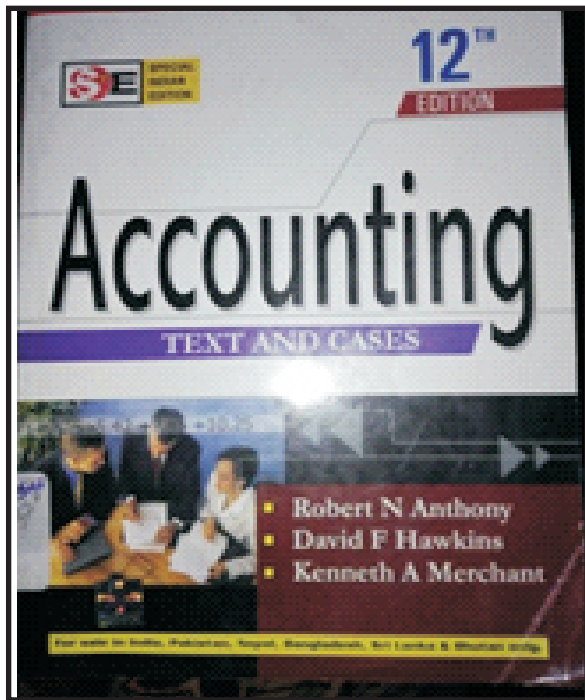
WITNESS:

1.....

2.....

[Source : HRD & Labour Law Reference (2016 El) a product of Labour Law]

Book Review



Accounting text and cases written by the authors Robert N Anthony, David Hawkins and Kenneth A Merchant. Robert N Anthony is Ross Graham Walker professor of Management Control Emeritus at Harvard Business. Dr. Anthony joined the Harvard Business School staff in 1940 and except for leaves of absence has been on its faculty until his retirement. He is the author/co-author of 27 books with more than two million copies. David Hawkins has been a member of the Harvard Business school faculty since 1962. Kenneth A Merchant is the current holder of the Deloitte & Touche LLP Chair of Accountancy at the University of Southern California.

Accounting books can be written with an emphasis on either of the two viewpoints. One is what the user of accounting information need to know about accounting and second is what the practitioner of accounting reports needs to know about accounting. This book focuses on the user of accounting information. Because such a person needs to know enough about the preparation of accounting report to use them intelligently, this text includes the technical material needed for this purpose. This book is aimed primarily, at the person who wants to

Accounting Text and Cases

**Robert N Anthony,
David F Hawkins, Kenneth A Merchant**

Reviewed By Mr. UllasVijayakumar*

be a knowledgeable user of accounting information. This book will help the student to learn that accounting is not a cut-and-dried subject with all of its answers clearly indicated by the application. And we can use this book for us as an introductory course where most of the students have no prior training in accounting. Many schools are using this books comprises two separate courses, one dealing with Financial Accounting and other with Management Accounting. Where some use it only Financial Accounting Chapter 1 and chapters 2-14, Management Accounting is including chapter 1 and chapters 15-28. And also we can refer this book as the accounting module in a management development programme where the participants represent a variety of functional and Technical background. Many instructors assign or recommendedas this text, as it is essential to understand accounting prior to study the subject. This book covered total 28 chapters, including all financial and management accountings like the nature and purpose of accounting, basic accounting concepts –the balance sheet and the income statement, cost of sales and inventory, revenue and monitory assets, accounting records and systems, sources of capital debt and owners equity, acquisitions and consolidated statements, financialstatement analysis, the behaviour cost, the management control environment, management accounting system Etc. The concepts expressed in simple words which is very easy to understand and also the authors gave so many illustrations for our practical knowledge and the real case studies are the added advantageof this book.

Total 933 pages

Price:- 300/-

Publisher :- McGraw Hill Companies

*Asst. Professor, Chathamkulam Institute of Research and Advanced Studies, Palakkad.

March of Law Decisions of the Apex- Court.

A. Payment of Gratuity Act ,1972 section 7 and 13- Non payment of gratuity – Claim of set off as against loan obtained by employee- Not sustainable- Employer bank dismissed the employee after conducting enquiry. Employer deliberately deposited the amount of gratuity and pension in an account of the employee which was frozen by it. Employee filed an application before the Controlling Authority for payment of Gratuity. Controlling Authority directed for payment of Gratuity with interest- Employer with out issuing cheque informed employee that gratuity amount has been deposited in his SB account - Employee moved application to the Controlling Authority to and Controlling authority wrote the District Magistrate to recover the Gratuity amount with 15% interest - As there was no response, Employee - petitioner filed a writ petition for recovery of Gratuity. Employer Bank raised an objection in reply to the writ petition that the employee had authorised the Bank to receive such amount for adjusting the same against loan- Bank had not taken any defence of adjustment of loan before the Controlling Authority – Calcutta High Court held that Bank's lien cannot be exercised over the terminal benefits including gratuity, payable under the payment of Gratuity Act, 1972, of deceased employee. Provisions of Section 14 of the Payment of Gratuity Act 1972 are having an overriding effect over other statutes. Section - 13 of the Act protects gratuity payable under the Act from attachment in execution of any decree or order of any Civil, Revenue or Criminal court. Only section 4(6) of the Act permits forfeiture of gratuity only on specific grounds and not otherwise.

Case WP No. 15420(w)/2017, Dt. 03.08.2017.

(Bidyut Baran Haider Vs The State of West Bengal and Others. – LLR 32 – 1/2018)

B. Industrial disputes Act, 1947 section 33-C(2) – Claim - Of balance amount by workman – Proceeding under are in nature of execution proceedings- After

accepting a cheque of Rs.45,000 from management, as per voluntary retirement scheme, workman can not turn around and cannot raise a disputed claim - Madras High Court dismissed the appeal filed-

Proceedings under Section 33-C(2) of the Industrial Disputes Act, 1947 are in nature of execution proceedings: After accepting the payment from the management as per voluntary retirement scheme the workman can not turn around and raise a disputed claim and is estopped from raising further claim under Section 33-C(2) of the ID Act.

WA(MD) No 155/2014 dt. 03.07.2017 -

(C T Abraham V/s Labour Court Thirunelveli and Another - 2018 LLR 64.

C. Constitution of India – article 19(1)(C), 51-A and 226 Whether a Union can seek direction from the Writ Court to be issued to the Management to recognize it alone to be the sole bargaining Agent on behalf of the workers welfare?

No – Held, no doubt forming a Trade Union is fundamental right- But when there are more than one union in an establishment, it is for the authority competent to take a decision as to all unions be invited for negotiations or settlement in accordance with law or not – Petitioner alone cannot be recognized as a sole bargaining agent on behalf of the workers. Writ petition dismissed. If there are more than one union in an establishment, it is for the authority competent to take decision as to all unions be invited for the negotiations or settlement in accordance with the law or not.

Constitution of India insists equal opportunity to the citizens for effective participation in decision making process at all levels.

No union can claim that it must be declared as a sole union for the purpose of bargaining with the management.

WP No. 25849/2010 & MP No.1/2010 dt. 22.11.2017 - Madras High Court. 2018 LLR -167.



WOMEN EMPOWERMENT - THE ROLE OF WOMEN IN AGRICULTURE SECTOR IN INDIA

*Dr. B. Vijayachandran Pillai and ** Sandhya.S

Executive Summary

India is a developing country and the main occupation is agriculture, agriculture can be an important sector of growth and poverty reduction, more than half of the Indian population is dependent on agriculture for its subsistence. Many women in developing countries are involved in agriculture and the women occupation in agriculture in Asia is between 60-80 percent. The role of women in this field is highly substantial. More than eighty percent of the work has to be performed by women. They are working as labourers in different agricultural operations. Women have a bright future in the field of agriculture as it is the evergreen profession and involves much scope for future. This paper analyse the role of women in the agriculture sector in India.

KEYWORDS: Agriculture, Empowerment, Occupation, Growth, Women.

1. Introduction

Agriculture is the back bone of Indian economy. More than half of the people engaged in agriculture and it is the livelihood occupation for majority of the people. Agriculture in India has a significant history. *Agriculture can be an important engine for growth and poverty reduction. But the sector is underperforming in many countries in part because women, who are often a crucial resource in agriculture and the rural economy, face constrain that reduce their productivity.*

According to Swaminathan, the famous agricultural scientist, some historians believe that it was woman who first domesticated crop plants and thereby initiated the art and science of farming. While men went out hunting in search of food, women started gathering seeds from the native flora and began cultivating those of interest from the point of view of food, feed, fodder, fibre and fuel.

Women formed a very important and integral part of any society. Their role in every sphere of life was as important, if not more, as that of men. And it became even more so in sectors like agriculture which were generally perceived as very much male dominated but where changing socio-cultural environment and education levels were prompting men to allow women to take up a larger role and responsibility. Women play a significant and crucial role in agricultural development and allied fields including in the main crop production, livestock production, horticulture, post harvest operations, agro/ social forestry, fisheries, etc.

2. Multi-Dimensional Role of Women

Many rural women are engaged in agricultural activities and they are work as paid labourers, cultivator during labour on their own land

and work as managers of certain aspects of agricultural production by way of labour supervision and the participation in post harvest operations. The multi dimensional roles of women are depicted below:-

Agriculture- Sowing,
transplanting, weeding,
irrigation, harvesting, plant
protection, fertilizer
application, storing etc.

Domestic- Cooking, Child
rearing, water collection,
fuel wood gathering,
household maintenance etc.

Allied activities- Cattle
management, fodder
collection, milking etc.

1. Review of Literature

A brief of literature on the related subject is given below.

1. Kumar and Jha (2008) examined the visible nature of women's work on samastipur farms. The study found out that woman workers were highly participated in transplanting and weeding in paddy and weeding and harvesting in wheat. The study also pointed out that women were excluded from activities which required operation of machinery. The study also mentioned that women played a greater role in the production of paddy than that of wheat.

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2. Malik Saeeda (2005) in her paper "women welfare projects and development" mentioned the deplorable conditions of rural women. The study tried to link economic development with human welfare. She suggested that for the development of women, the government should initiate women welfare projects.
3. Gaur (2004) mentioned that women's empowerment status is assessed by their economic, educational and health status, participation in household decision making process, political awareness and psychological strength. The study noted that education with employment makes women significantly effective in respect to social awareness, independence and decision making.
4. Thangamani and Kasthuri (1999) conducted a study on the socio economic background of women entrepreneurs. The study also examined the constraints encountered by them. The study found out that literacy level, experience, decision making, family education, manpower support etc were highly affected with entrepreneurial performance.
5. Bhole and Patki (1992) conducted a study relating to the role performance of women labourers. The study pointed out that farm women labourers were involved in all types of farm activities and their role performance was found to be maximum in pre-sowing, sowing, manuring, harvesting, grain storage and marketing operations and minimum in respect to land preparation and plant protection.

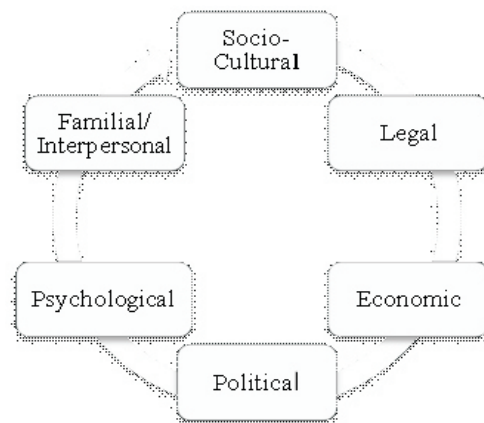
2. Objectives and Methodology

The main objective of this paper is to analyse the role of women in the agriculture sector in India. The present study is based on secondary data which is obtained from available published sources

3. Dimensions of women empowerment

Women development of any nation can be determined by female work participation rate, female literacy rate as well as by some health indicators like female life expectancy. Thus changes in female labour force participation, female literacy and health status determine the women development even in India also. There are various dimensions of women empowerment. Women's freedom of movement; lack of discrimination against daughters; commitment to educating daughters Women's visibility in and access to social spaces; access to modern transportation;

participation in extra-familial groups and social networks etc were the dimensions of socio cultural aspect. Women's control over income; relative contribution to family support; access to and control of family resources Women's access to employment; ownership of assets and land; access to credit; involvement and/or representation in local trade associations etc were the economic dimensions of women empowerment. Knowledge of legal rights; domestic support for exercising rights Community mobilization for rights; campaigns for rights awareness; effective local enforcement of legal rights Laws supporting women's rights, access to resources and options; Advocacy for rights and legislation; use of judicial system to redress rights violations etc were the legal dimensions.



❖ *Socio-Cultural:*

Women's freedom of movement; lack of discrimination against daughters; commitment to educating daughters Women's visibility in and access to social spaces; access to modern transportation; participation in extra-familial groups and social networks; shift in patriarchal norms (such as son preference); symbolic representation of the female in myth and ritual Women's literacy and access to a broad range of educational options; Positive media images of women, their roles and contributions.

❖ *Economic :*

Women's control over income; relative contribution to family support; access to and control of family resources Women's access to employment; ownership of assets and land; access to credit; involvement and/or representation in local trade associations; access to markets Women's representation in high paying jobs; women CEO's; representation of women's economic interests in macro-economic policies, state and federal budgets.

Familial/ Interpersonal:

Participation in domestic decision-making; control over sexual relations; ability to make childbearing decisions, use contraception, access abortion; control over spouse selection and marriage timing; freedom from domestic violence Shifts in marriage and kinship systems indicating greater value and autonomy for women (e.g. later marriages, self selection of spouses, reduction in the practice of dowry acceptability of divorce); local campaigns against domestic violence Regional/national trends in timing of marriage, options for divorce; political, legal, religious support for (or lack of active opposition to) such shifts; systems providing easy access to contraception, safe abortion, reproductive health services.

Legal:

Knowledge of legal rights; domestic support for exercising rights Community mobilization for rights; campaigns for rights awareness; effective local enforcement of legal rights Laws supporting women's rights, access to resources and options; Advocacy for rights and legislation; use of judicial system to redress rights violations.

Political:

Knowledge of political system and means of access to it; domestic support for political engagement; exercising the right to vote Women's involvement or mobilization in the local political system/campaigns; support for specific candidates or legislation; representation in local bodies of government Women's representation in regional and national bodies of government; strength as a voting bloc; representation of women's interests in effective lobbies and interest groups.

Psychological:

Self-esteem; self-efficacy; psychological well-being Collective awareness of injustice, potential of mobilization Women's sense of inclusion and entitlement; systemic acceptance of women's entitlement and inclusion The Government of India declared 2001 as the Year of Women's Empowerment (Swashakti).The National Policy for the Empowerment of Women came was passed in 2001. In 2010 March 9, one day after International Women's day, Rajyasabha passed Women's Reservation Bill, ensuring 33% reservation to women in Parliament and state legislative bodies.

2. Problems faced by women in agriculture sector

- ❖ Women have unequal land rights. They hardly enjoy land ownership rights directly in their names. Limited rights or access to arable land further limits livelihood options and exacerbates financial strain on women, especially in women- headed households.
- ❖ Women have limited access to use of productive resources.
- ❖ Women perform all un-mechanized agricultural tasks and perform multiple tasks which add more burdens to them due to lack of equipment and appropriate technology.

- ❖ Women have less control over decision making process, either inside home or outside home. Without access to capital or household decision making abilities women lack the resources that are for their labour stability and stability of their household.
- ❖ Few women holding of agricultural productive resources such as land, animals and machinery.
- ❖ Poor women farmers are less able to purchase technology to adapt to climate change due to lack of access to credit and agricultural services. They often have low productivity due to an inability to invest in things such as improved seeds and soil replenishment.
- ❖ Women farmers in agricultural sector suffer from high illiteracy rate among them. They do not know their legal rights.
- ❖ Women earn fewer wages, especially in joint, informal and private sector.
- ❖ Lack of market intelligence and inadequate information put women farmers under unfavourable situation with weak bargaining power with the buyers.

7. Empowerment of women through agriculture:

Empowerment refers to increasing the spiritual, political, social, racial, educational, gender or economic strength of individuals and communities. It often involves the empowered developing confidence in their own capacities. Empowerment includes ability to make decisions about personal or collective circumstances, ability to access information and resources for decision making, ability to learn and access skills for improving personal or collective circumstance, increasing one's ability in **discreet thinking** to sort out right and wrong etc.

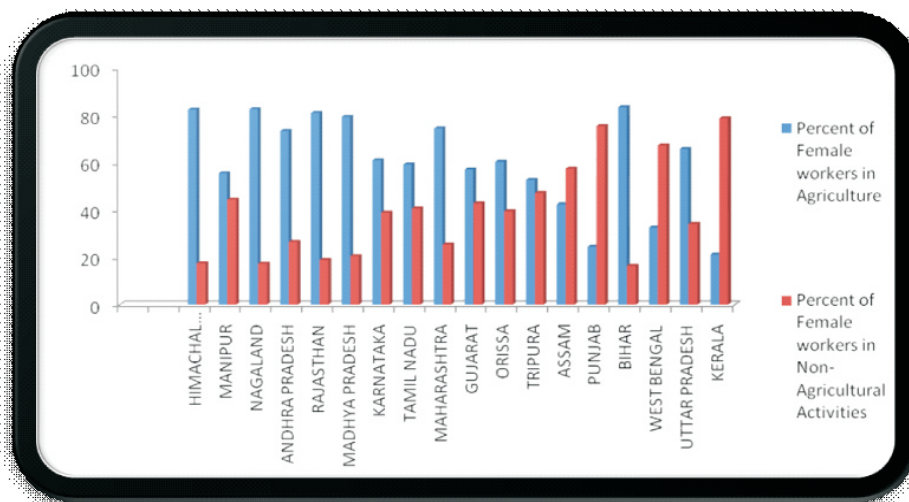
Women are a vital part of Indian economy. Over the years, there is a gradual realization of the key role of women in agricultural development and their vital contribution in the field of agriculture, food security, horticulture, processing, nutrition, sericulture, fisheries, and other allied sectors.

'Women' is a key for success of any human being. This phrase is an everlasting principle of the universe. The unique reason behind this is that, if we consider any personality there must be a direct or indirect influence of woman for his/her achievement. But from the period known, the role of women is always in a dependent position in spite of her strong support or impact on men. Women shoulder almost all responsibility for meeting basic needs of the family, yet are systematically ignored for utilization of the resources, information and freedom of action required for them to fulfil this responsibility. Several studies revealed that, when the women are involved, supported and empowered in the society then entire society will flourish and the communities become more resilient.

Agriculture is one of the oldest occupations of women. Their contribution to agriculture development continues to be very crucial to the National Economy. Many women in the agricultural sector are still in the informal sector and remain invisible in the official national statistics. India is predominantly an agricultural country with 82% of the households still in the rural sector. Women constitute 50.7% of the population and is considered to be a valuable resource potential needed to be meaningfully organized and recognized in the field of entrepreneurship, especially in the rural agricultural sector of India. In India, the empowerment of women in Agriculture has already begun.

Rural Women form the most important productive work force in the economy of majority of the developing nations including India. They are the major contributions in agriculture and allied fields. Her work ranges from crop production, livestock production to cottage industry.

Agriculture, the single largest production endeavour in India, contributing 25 percent of GDP, is increasingly becoming a female activity. Agriculture sector employs 4/5th of all economically active women in the country. 48 percent of India's self-employed farmers are women. There are 75 million women engaged in dairying as against 15 million men and 20 million in animal husbandry as compared to 1.5 million men. More than simply supplying labour, women possess detailed knowledge of agriculture and use of plant and plant product for food, medicine and animal feed. Women today are central to the selection, breeding, cultivation, preparation & harvest of food crops. Apart from their pivotal role in cultivation of staple crops, they are primarily responsible for the production of secondary crops such as pulses and vegetables which are often the only source of nutrition available to their families.



The graph shows the status of female workers across Indian states and also visualizes the percentage of women involved in primary occupation and the rest shows the occupation of women in other non-agricultural activities like household industry, services etc. It can be clearly indicated that across all the states considered for our study women majorly generates their income through agriculture and agricultural activities.

Poultry farming is one of the major sources of rural economy. The rate of women in poultry farming at household level is the central in poultry industry. Even though rural women are not using modern management techniques, such as vaccination and improved feed, but their poultry enterprise is impressive. Every year, income from poultry farming has been rising. In order to generate more and more income, rural women often sell all eggs and poultry meat and left nothing for personal use. Most of the rural women are engaged in rubber tapping, coconut plucking, paddy cultivation fields, and work as labourers in tea, cardamom and coffee cultivation field. There are many self help groups and kudumbasree, these group members

engaged in many agricultural activities, 48% of India's self-employed farmers are women. There are 75 million women engaged in dairying as against 15 million men and 20 million in animal husbandry as compared to 1.5 million men.



Women farmers also often possess unique knowledge about fish farming and handle most of the work associated with it. Beyond the conventional market-oriented narrower definition of productive workers, almost all women in rural India today can be considered as farmers in some sense, working as agricultural labour, unpaid workers in the family farm enterprise, or combination of the two. Thus, Rural India is witnessing a process which could be described as Feminization of Agriculture.

Conclusion

Rural women are the major contributors in agriculture and its allied fields. Her work ranges from crop production, livestock production to cottage industry. From household and family maintenance activities, to transporting water, fuel and fodder. Despite such a huge involvement, her role and dignity has yet not been recognized. Women's status is low by all social, economic, and political indicators. Now the women's are more working than men & most of the Farming activities (80%) are done by Females so this era is called as Feminization of Agriculture & Female face of Farming.

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(Continued from Page No 1) problem is clearly defined and there are known techniques for solving it. Surgery training is an example of horizontal development. Students learn to become surgeons through a process known as "pimping," in which experienced surgeons continually question students until the point when the student cannot answer and is forced to go back to the books to learn more information.⁷ While the process of learning is not easy, there are clear answers that can be codified and transmitted from expert sources, allowing the students to broaden and deepen their surgical competency.

Vertical development, in contrast, refers to the "stages" that people progress through in regard to how they "make sense" of their world. We find it easy to notice children progressing through stages of development as they grow, but conventional wisdom assumes that adults stop developing at around 20 years old—hence the term "grown up" (you have finished growing). However, developmental researchers have shown that adults do in fact continue to progress (at varying rates) through predictable stages of mental development. At each higher level of development, adults "make sense" of the world in more complex and inclusive ways—their minds grow "bigger."

In metaphorical terms, horizontal development is like pouring water into an empty glass. The vessel fills up with new content (you learn more leadership techniques). In contrast, vertical development aims to expand the glass itself. Not only does the glass have increased capacity to take in more content, the structure of the vessel itself has been transformed (the manager's mind grows bigger). From a technology perspective, it is the difference between adding new software (horizontal development) or upgrading to a new computer (vertical development). Most people are aware that continuing to add new software to an out-dated operating system starts to have diminishing returns. While horizontal development (and competency models) will remain important as one method for helping leaders develop, in the future it cannot be relied on as the only means. As one interviewee suggested, it is time to "transcend and include" the leadership competency mentality so that in the future we are able to grow our leaders simultaneously in both horizontal AND vertical directions.

The National Management Day Theme:**LEADERSHIP IN AN AGE OF DISRUPTION**

-P.Venugopal*

-Dr P. Sivadasan*

Constant change in the workplace is the new norm. From company restructuring to digital transformations to changing consumer preferences and expectations. Companies are operating in an environment of constant change, uncertainty, and ambiguity.

To thrive in such an environment, businesses must become more flexible and adaptable. Ushering in a nimble business model, however, will require a different approach to leadership.

Leadership today is a team sport

A relationship-driven leadership is much smoother than a "command and control" style.

With the increasing complexity of business today, it is even more dangerous for leaders at any level to disengage from the realities of the business, leading to poor decision-making and a host of other serious consequences. Decentralized leadership empowers leaders closer to the work to make faster and more informed decisions based on data, research, best practices, and proximity to the customer. Disruption will prevent businesses from staying idle, so leaders closer to the work must deal with unpredictable and changing situations with dexterity and confidence, quickly shifting priorities employing strong interpersonal and cross-cultural skills.

Empowerment, however, is not enough — rallying teams around a shared vision will require leaders to engage and inspire those they lead. Leaders at every level must join their teams in the trenches, reinforcing the vision and motivating and coaching employees through change and uncertainty to fully unleash their passions and talents. Exuding empathy paired with transparency, active listening, and humility will also boost staff performance and morale.

Communication, collaboration, negotiation, and influence across functional boundaries (horizontal) and up and down the chain of command (vertical) are more critical than ever. In fact, agile leadership will fail without superb communications at all levels. Solid communication helps foster alignment on activities, resources, and priorities. It also promotes the sharing of results, insights, and recommendations, and helps replicate best practices across the organization.

*General Manager, Rubfila International Ltd, Kanjikode

Introduction

In today's highly technological environment, the companies with the biggest competitive advantages are the ones constantly evolving. As our world continues to move toward a digitally dominated landscape, it is becoming increasingly important for leaders to effectively navigate their teams through times of change. Unfortunately, not enough organizations are adequately prepared to do this.

Constant change in the workplace is the new norm. From company restructuring to digital transformations to changing consumer preferences and expectations, companies are operating in an environment of constant change, uncertainty, and ambiguity.

To thrive in such an environment, businesses must become more flexible and adaptable. Ushering in a nimble business model, however, will require a different approach to leadership.

Existing leadership model

In today's fast-paced, hypercompetitive global economy, leaders are being challenged with delivering greater value to the customer while simultaneously building a stronger company culture where employees feel a sense of purpose and fulfillment.

Speed and agility will trump perfection as businesses are pressured to address these challenges with faster innovation, an enhanced end-to-end customer experience, cost reductions, etc. — calling on leadership to be more agile and efficient. Traditional command and control leadership approaches are slow, rigid, and stifle creativity and innovation; hence, they are becoming quickly outdated, and, in their place, more agile leadership models are emerging — comprised of high levels of collaboration, engagement, empowerment, and communication within a decentralized decision-making framework.

Qualities of a great leader during disruption

- **Empowerment:** Leaders closer to the work take quicker and more informed decision based on data, research, best practices and proximity to the customer.
- **Engagement:** join you teams in the trenches to not only stay grounded in the realities of the business but also to inspire them to unleash their passion and talents around a shared vision

*Director, Plan B Business Consultancy, Kochi

With so much work being done cross-functionally, across borders, and in a matrixed environment, leaders must also be able to lead and influence others without having direct authority. To succeed, they must skillfully unite disparate and sometimes competing departments and adapt to different styles and personalities while developing a deeper understanding of other functional areas.

An agile leadership model

In today's fast-paced, hypercompetitive global economy, leaders are being challenged with delivering greater value to the customer while simultaneously building a stronger company culture where employees feel a sense of purpose and fulfillment.

Speed and agility will trump perfection as businesses are pressured to address these challenges with faster innovation, an enhanced end-to-end customer experience, cost reductions, etc. — calling on leadership to be more agile and efficient. Traditional command and control leadership approaches are slow, rigid, and stifle creativity and innovation; hence, they are becoming quickly outdated and in their place, more agile leadership models are emerging — comprised of high levels of collaboration, engagement, empowerment, and communication within a decentralized decision-making framework.

Ten progressive leadership qualities best define an agile leadership model. These qualities are critical in today's disruptive environment and are required to attain speed, efficiency, creativity, innovation, and results.

The QUALITIES OF A GREAT LEADER IN AN AGE OF DISRUPTION



Michael J. Barry

- **Influence:** Being able to influence others without having direct authority is extremely important. Positive influence sparks motivation and engagement.
- **Innovation:** Leaders at all levels must incubate and incentivize creativity and innovation by supporting experimentation and learning including permission to fail.
- **Communication:** strong communication fosters alignment on activities resources and priorities. It also promotes sharing of resources, insights and best practices across the organizations.
- **Problem solving:** It should be a continuous activity. Constantly challenge the status quo. Don't approach problem linearly but rather expansively to create a greater impact.
- **Transparency:** It builds strong relationship and creates authenticity, engenders trust and helps high level of performance.
- **Adaptability:** An adaptable leader must deal with unpredictable and changing situations with dexterity and confidence using strong inter personal relations and cross cultural skills.
- **Empathy:** Exuding empathy with active listening and humility will boost staff performance and morale.
- **Continuous learning:** Leaders must engage in continuous learning to acquire knowledge, seek out best practices, sharpen skills and gain fresh perspectives.

Leadership at today's scenario

The ivory tower must crumble. With the increasing complexity of business today, it is even more dangerous for leaders at any level to disengage from the realities of the business, leading to poor decision-making and a host of other serious consequences. Decentralized leadership empowers leaders closer to the work to make faster and more informed decisions based on data, research, best practices, and proximity to the customer. Disruption will prevent businesses from staying idle, so leaders closer to the work must deal with unpredictable and changing situations with dexterity and confidence, quickly shifting priorities employing strong interpersonal and cross-cultural skills.

Empowerment, however, is not enough — rallying teams around a shared vision will require leaders to engage and inspire those they lead. Leaders at every level must join their teams in the trenches, reinforcing the vision and motivating and coaching employees through change and uncertainty to fully unleash their passions and talents. Exuding empathy paired with transparency, active listening, and humility will also boost staff performance and morale.

A new approach to problem solving

As well as being directive, leaders also have to encourage bravery!

The pressure to keep pace with rising customer expectations is causing organizations of all sizes to problem solve through creativity and innovation. In a command and control leadership structure, employees simply wait for the directives to trickle down from the top. In contrast, leaders who are closer to the work and engaged with their frontline employees will be in the best position to incubate a culture of creativity and innovation by supporting experimentation and learning, including the permission to fail. Sponsoring centers of excellence can further accelerate creativity and innovation.

Leaders today must embrace continuous problem solving to get ahead of emerging issues before they become serious. To do so, leaders need to think more expansively by moving past the scope of the immediate problem to instead focus on holistic, creative and sustainable solutions that will achieve a greater impact.

Continuous learning is no longer optional, regardless of title. Without it, leaders today risk being an expert one day and a novice the next. Continuous learning, inextricably linked to problem solving, involves acquiring new knowledge, seeking out best practices, keeping current skills sharp, and gaining fresh perspectives.

What's at stake?

Organizations need to get this right because their two most important stakeholder groups — customers and employees — have high expectations for leaders.

Customers are more empowered and savvy than ever before with expectations that transcend a brand name and product performance. Customers today are clamoring for a total experience, raising the bar even higher for brands. Leaders are challenged with creating an authentic brand experience, providing relevant solutions, engaging customers, listening and acting on customer feedback, and continuously innovating.

It's not a cliché — employees *are* a company's most important asset. Leadership that holds purpose, transparency, empowerment, and engagement will cost the business handsomely. Employees will slowly disengage, impacting creativity and innovation, resulting in significant disruption and lost opportunity costs that should raise the alarm of the CFO. With the help of platforms like Glassdoor and Google, the employer brand will suffer as the company finds it increasingly difficult to attract talent.

We can all take steps to become better leaders. Take a moment to reflect on your own leadership style.

Communication, collaboration, negotiation, and influence across functional boundaries (horizontal) and up and down the chain of command (vertical) are more critical than ever. In fact, agile leadership will fail without superb communications at all levels. Solid communication helps foster alignment on activities, resources, and priorities. It also promotes the sharing of results, insights, and recommendations, and helps replicate best practices across the organization.

With so much work being done cross-functionally, across borders, and in a matrixed environment, leaders must also be able to lead and influence others without having direct authority. To succeed, they must skillfully unite disparate and sometimes competing departments and adapt to different styles and personalities while developing a deeper understanding of other functional areas.

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Leadership that is absent purpose, transparency, empowerment, and engagement will cost the business handsomely. Employees will slowly disengage,

“IF YOUR ACTIONS INSPIRE OTHERS TO DREAM MORE,LEARN MORE, DO MORE AND BECOME MORE,YOU ARE A LEADER.”

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impacting creativity and innovation, resulting in significant disruption and lost opportunity for the overall performance of a corporate.

Some of the most successful ways the most dynamic leaders embrace disruption and radiate it through their entire organizations are the following:

They relentlessly pursue the truth

Not telling others what you can see with your own eyes is the first step towards an early grave. When the business environment shifts and the accustomed approaches stop working, the last thing any business needs is a leader who suggests everyone keep calm and carry on.

Disruptive leaders empathize with their teams and involve them in their thinking. They are always testing to make sure their companies' strategies are still effective—and say so when they aren't. The more rapidly changes take place, the more crucial it becomes for leaders to take all their employees with them on the journey. The truth sometimes hurts, but it's often the shock of that truth that prods people into taking actions and making decisions they might not have contemplated otherwise.

They guide others through chaos

Leaders need to be comfortable with the reality that in the face of change, the future is often hazy. Then they need others to be equally comfortable with that. As a company enters uncharted waters, it can be daunting for everyone involved. This is where the old “steady hand on the tiller” idea of leadership still has some force—not to guide an organization along a familiar course during difficult times, but to keep the ship steady as it steers in a new direction.

A big piece of that is communication. Leaders need to cut through the press-release palaver about “exciting new opportunities” and explain in concrete, practical terms how the changes under way tie into the business's objectives: What new moves is the company making, and how come? Disruptive leaders empathize with their teams and involve them in their thinking. Chaos with a final destination is somehow a little less chaotic, even if you can't map out in advance every move that will take you there.

They're decisive

The guiding principle of a disruptive leader is decisiveness. Leading by consensus has its place in the business world, but you can't focus-group your way to an effective new playbook when the landscape changes abruptly.

Even if some decisions involves the most basic of “gut feels,” disruptive leaders need to tell their teams precisely what they want, when, and why—then help them to make it happen. Waiting too long to weigh countervailing opinions can spell doom.

They break the rules and write new ones—but always explain why

The word “normal” doesn't exist in a disruptive leader's vocabulary—once something has become normal, it's probably obsolete. The market is constantly changing, and the aim is always to be at its forefront rather than floundering in its wake. Sometimes that means breaking the rules; indeed, disruptive leaders nurture a healthy skepticism of best practices.

If employees don't know the current rules of the game, the organization can't play by them as a team. Still, a willingness to break the rules isn't the same as cheering lawlessness. Embracing disruption means there's always a new normal, and for as long as it lasts, it's up to leaders to communicate what it is. If employees don't know the current rules of the game, the organization can't play by them as a team.

They thrive on uncertainty

Leading disruptive innovation means getting used to incredible levels of uncertainty. You never know how something will work until you try it. Modifying your assumptions and adapting your plans depending on your results is the standard practice of the most effective disruptive leaders.

But while such leaders might be called visionaries, they don't have a crystal ball. There's a certain method to the mayhem of navigating continuous changes, and disruptive leaders know that the key to success lies in using the insights from experimenting in order to chart a new direction.

Conclusion

Innovate and iterate. It doesn't matter if you don't understand what's happened the first time your organization tries something new. If you keep your eyes and ears open, you'll be better informed the second time. By then things might have changed all over again. Finding and developing leaders who are capable of seamlessly navigating through times of disruption can be considered as the most preferred leaders for the uncertain world.



MAJOR HIGHLIGHTS OF UNION BUDGET 2017-18

-Dr P Sivadasan*

Introduction

The 2018 budget was considered to be a crucial one as it would be the first since the rollout of Goods and Service Tax (GST) regime in India. It was widely expected that the budget would either increase the exemption limit or introduce a standard deduction for salaried people to reduce the tax burden, in addition to a reduction of tax rate for the ? 5 lakh-? 10 lakh slab from 20% to 10%, and an increase in the 30% band above ? 10 lakh. Budget was guided by mission to strengthen agriculture, rural development, health, education, employment, MSMEs and infrastructure sectors.

According to the finance minister, a series of structural reforms will propel India among the fastest growing economies of the world. Country firmly on course to achieve over 8% growth as manufacturing, services and exports back on good growth path. The Indian economy is a \$2.5 trillion economy. India is expected to become the fifth largest economy very soon.

Major highlights of the union budget 2017-18 are the following:

Agriculture and Rural Economy

- MSP to increase at least 1.5 times that of production cost.
- Minimum Support Price (MSP) of all crops shall increase to at least 1.5 times that of the production cost.
- The government will set up a fund of Rs 2,000 crore for developing agricultural markets.
- MSP for Kharif cost will be 1.5 times the cost of production.
- As per the FM, APMCs will be linked with ENAM.
- The government will develop 22,000 Gramin agricultural markets.
- The cluster-model approach will be adopted for agricultural production.
- Allocation in food production sector doubled to Rs 1400 crore.
- Minimum Support Price shall be increased by 1.5 times. Operation Green will be launched for agriculture and the Minister allocates Rs 500 crore for this.
- Agricultural corpus worth Rs 2000 crore will be set up. 470 APMCs have been connected to eNAM network, the rest to be connected by March 2018.
- A fund for the fishery, aquaculture development and animal husbandry will be set up with a total corpus to be Rs 10,000 crore. We will also allocate Rs 1290 crore for a bamboo mission, as it is green gold.
- In all, we are providing Rs 10 lakh crore to Rs 11 lakh crore as credit for agricultural activities.

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THE CENTRAL BUDGET 2018-2019 –AN EVALUATION

- Dr.K.C.Sankaranarayanan*

The budget was presented under some favourable conditions. India's foreign exchange reserve was more than \$400 billion, the highest after the initiation of economic liberalization policies during 1991. The economy was growing at the rate of 6.75 percent after the shock of demonetization. There was further liberalization with respect to foreign direct investment. Hundred percent foreign investment was permitted through automatic route in single brand retail. India's bond market credit rating was enhanced by the Moody's. With respect to ease of doing business India moved to a higher plane. The Economic Survey pointed out that the implementation of the insolvency and bankruptcy plan for public sector banks along with the recapitalization plan would go a long way in addressing the twin balance sheet problems affecting both corporates and banks which would in turn further boost economic growth.

Demonetization, even though created problems for the economy, sharply increased the tax revenue by 12.6 percent. Similarly, the implementation of GST, though haphazard, helped to increase indirect tax collection also. Apart from these government raised Rs.72,500 crore through disinvestment. Over and above these the total amount locked in tax disputes is more than Rs.8.2 lakh crore. This means if the government is earnest to solve the disputes through out of court settlements and if the government is able to collect even 30 percent of that, there is no need for any additional taxation as well as disinvestment.

In spite of these favourable conditions, the economy was suffering from huge unemployment, mal nutrition of the young population, mass poverty. A study of Oxfam presented in the recently held World Economic Forum at Davos revealed that one percent of the Indian population is holding 70 percent of the nation's assets.

With this as background let us evaluate the 2018-19 budget. If we consider the total amount of expenditure proposed this is the biggest budget proposing to spend Rs.24,42,213 crore. The total revenue deficit is Rs.4,16,024 crore, fiscal deficit Rs.6,24,276 crore and primary deficit Rs.48487 crore. The fiscal deficit is estimated to be 3.3 percent of the GDP.

The budget numbers are premised on 11.5 percent nominal growth in GDP which is in tune with 7 to 7.5 percent real growth projected in the Economic Survey and an anticipated rate of inflation rate of 4 to 4.5 percent during the 2018-2019 fiscal year. If there is any discrepancy in these figures, the benefits expected will vary.

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- Proposes to increase the target of providing free LPG connections to 8 crore to poor women.
- UjjwalaYojana, the free LPG connection scheme expanded to eight crore households.
- Six crore toilets have been built already, and in the next year, two crore additional toilets will be constructed.
- The government will provide 4 crore electricity connections to the poor under SaubhagyaYojana.
- Kisan credit card to be extended to fisheries, animal husbandry farmers.
- The government will establish a dedicated affordable housing fund.

Education, Health and Social Protection

- Outlay on health, education and social protection will be 1.38 lakh crore.
- By 2022, every block with more than 50% ST population and at least 20,000 tribal people will have 'Ekalavya' school at par with NavodayaVidyalas.
- A major initiative named Revitalising Infrastructure and Systems in Education (RISE) to be launched by 2022 with a total investment of Rs.1,00,000crore in next four years.
- Government will launch the Prime Minister's Research Fellows (PMRF) Scheme this year.
- Allocation on National Social Assistance Programme this year has been kept at Rs. 9975 crore.
- Govt. is launching a new national health protection scheme – RashtriyaSamajBeemaYojana. This will have 50 crore beneficiaries and 10 crore families will get 5 lakh per year for their families to cover secondary and tertiary hospital expenses. This is the world's largest government-funded healthcare program.
- ARs 600 crore corpus is being set up to help Tuberculosis patients. This will build a new India in 2022 and enhance productivity and will also generate lakhs of jobs for women.
- PM JeevanBeemaYojana benefitted more than 2 crore families.
- Jan DhanYojana will be extended to all 60 crore bank accounts.
- Rs 1200 crores allocated for the National Health Policy, 2017, which with 1.5 lakh Health and Wellness Centres will bring health care system closer to the homes of people.
- Government will be setting up 24 new Government Medical Colleges and Hospitals.
- All 4465 Ganga Grams – villages on the bank of river - have been declared open defecation free.

Medium, small and Micro Enterprises (MSMEs) and Employment

- Rs. 3794 crores provided for giving credit support, capital and interest subsidy and for innovations.

Now let us see the highlights of the budget. The budget, according to the Finance Minister, is directed to build a strong India of tomorrow. It is true that during the last couple of years the government has tried to implement certain mega projects in mission mode with great zeal and vigour. Examples are direct transfer of benefits and Jan-DhanYojana.

Addressing the joint session of the parliament the President of India stated that the government's first priority is to improve the standard of living of the farmers. True to that statement, the budget is oriented to improve the welfare of the farmers, young job seekers, senior citizens and the rural population. The credit availability to agriculturists is put at Rs.11 lakh crore. (This depends on the attitude of the bankers and their willingness and ability to lend). The MSP for kharif crop is pegged at 1.5 times of the cost of cultivation. This is a major step in doubling the income of farmers by 2022. Other measures such as the development of agro-markets, "Operation Green" for stabilizing the prices of perishable products, new missions for fishery and animal husbandry are expected to boost rural income and diversify the sources of income for farm households.

It is proposed to create 70 lakh jobs in this year. To equip people to take up meaningful jobs skill development centres will be established in every district. All these are intended to improve the livelihood of the rural people.

The biggest proposal in the budget for 2018-2019 is the National Health Protection Scheme "Aayushman Bharath" covering 10 crore families with an insurance cover of Rs.5 lakh per family. This is expected to cover 40 percent of the Indian population.

A scrutiny of these proposals will reveal some inconsistencies. The Finance Minister claims that cost plus 50 percent will be given as the Minimum Support Price (MSP) to help farmers to get reasonable income for their produce. But Finance Minister is not clarifying which cost (C2 which includes rentals or interest forgone on owned land and fixed capital assets) or A2 (which includes paid out expenses such as seeds, fertilizers and chemicals) will be considered in fixing MSP. If C2 is taken as the base, the economy will suffer high inflation. Another point to be highlighted in this respect is that the lion's share of Indian cultivators are either small or marginal farmers. They don't produce any marketable surplus. So this scheme, if implemented, will help only large farmers.

The Finance Minister proposes to insure 10 crore families up to Rs.5 Lakh and this is expected to cover 50 crore 40% of India's population. The health insurance scheme is expected to be implemented in collaboration with State Governments on a 60: 40 share basis. But no liaison work with State Governments on this issue is seen to have taken place before preparing the budget. Since the budget doesn't provide adequate allocation for implementing this scheme, it will remain only as a promise.

- Target of Rs.3 lakh crore for lending under MUDRA for 2018-19.

Employment Generation

- Finance Minister cited an independent study as showing that 70 lakh formal jobs will be created this year.
- Government will contribute 12% of the wages of the new employees in the EPF for all the sectors for next three years.
- An outlay of Rs.7148 crore for the textile sector in 2018-19.
- EPF contribution has been reduced to 8% for the first 3 years of employment and 12% government contribution to EPF in sectors employing a large number of people; however, there will be no changes in employer contribution.

Infrastructure and financial sector development

- Increase of budgetary allocation on infrastructure for 2018-19 to Rs.5.97 lakh crore
- Under the Bharatmala Pariyojana, about 35000 kms road construction in Phase-I at an estimated cost of Rs.5,35,000 crore has been approved.

Railways

- Railways Capital Expenditure for the year 2018-19 has been pegged at Rs.1,48,528 crore.
- 600 railway stations to be redeveloped.
- Over 3600 km railway track renovation targeted in the current year.
- In Railways, 18,000 kms of doubling of tracks would eliminate capacity constraints.
- We are moving towards optimum electrification of the railway. Over 3,600 km of track renewal is being targeted in 2018-19.
- 150 km additional suburban railway network at the cost of Rs. 40,000 cr
- Rs 11,000 crore is being allocated for Mumbai Suburban Railways.
- Rs. 17,000 crore is being set aside for Bengaluru Metro.
- Govt. to eliminate over 4,267 unmanned level crossings in the next two years.
- All railway stations and trains will have WiFi and 150 kilometres of additional suburban corridors in being planned

Air transport

- Airport capacity to be hiked to handle 1 billion trips per year.
- UDAN will connect 56 unserved airports and 36 unserved heliports.
- As per the FM, The Airport Authority of India has 124 airports.

Financial and Digital Economy

- Government will establish a unified authority for regulating all financial services in International Finance Service Centre (IFSCs) in India.
- NITI Aayog will initiate a national program to direct efforts in artificial intelligence.

The National Health Policy 2017 stated that health expenditure needed to increase to 2.5 percent of the GDP. But the total allocation for the health ministry in the budget is only Rs.56226 crore which is only around 1.2 percent of the GDP.

Another important point to be noted in this respect is that this is the third health scheme that the government has introduced in the last three years. In the 2016 budget the scheme was known as Rashtriya Swasthya Bima Yojana and that promised an insurance cover of Rs.one lakh. But nothing material has happened. In the 2017 budget, a new scheme promised an insurance cover to 26.57 crore below-poverty-line cardholders. A cover of Rs. 30000 was promised. But by end 2017 more than 21 crore BPL cardholders did not receive any health card. In 2018-2019 budget the government is proposing the health care scheme in another name. But the allocation made in the budget is very meagre and there is no surety when the scheme will be started (Some say it will be started from August 15 while the secretary, finance says it will be started from October 2). If the government wants to give insurance cover of Rs. 5 Lakh per family to 10 crore families at least Rs. 1.5 lakh crore will be required. But the allocation for this is only a meagre amount (Rs.2000 crore) and that does not meet the ambition.

Other important initiatives in this area are starting of medical colleges covering every three parliamentary constituencies. An allocation of Rs.12000 crore is made for 1.5 lakh health and wellness centres which are expected to act as the foundation of Indian Health System. There is also proposal for starting 24 new medical colleges and up-gradation of existing district hospitals. The budget also allocated Rs.600 crore for nutritional support to TB patients @ Rs,500 per month during their treatment.

Lack of adequate infrastructure is the Achilles heel of the Indian economy.

An estimate shows that India requires \$ 4.5 trillion (around Rs.288 trillion) for infrastructure development. To meet part of this requirement, the allocation for infrastructure is bolstered around 20 percent over the last year's allocation and Rs. 5.97 lakh crore allocation is made in this sector. The multiplier effect of this is expected to be substantial.

The budget allocated Rs.35,010 crore for higher education and Rs. 50000 crore for school education and literacy. The budget proposes to start two new schools of planning and architecture and 18 IITs and NITs. For launching

- Department of Science & Technology will launch a Mission on Cyber Physical Systems
- Allocation on Digital India programme increased to Rs 3073 crore in 2018-19
- Proposed to set up five lakh wi-fi hotspots to provide net connectivity to five crore rural citizens.
- Rs. 10000 crores allocated in 2018-19 for creation and augmentation of Telecom infrastructure.

Disinvestment

- Finance Minister announced that 2017-18 disinvestment target of Rs. 72,500 crores has been exceeded and expected receipts of Rs.1,00,000 crore.
- Disinvestment target of Rs. 80,000 crores for 2018-19.
- Three Public Sector Insurance companies- National Insurance Co. Ltd., United India Assurance Co. Ltd., and Oriental India insurance Co. Ltd., will be merged into a single insurance entity.
- A comprehensive Gold Policy will be formulated to develop gold as an asset class
- To celebrate the 150 Birth Anniversary of Mahatma Gandhi an amount of Rs.150 crore set aside for the activities leading to the commemoration programme.

Direct and indirect taxes

- Budget Revised Estimates for expenditure in 2017-18 are Rs.21.57 lakh crore (net of GST compensation transfers to the States) as against the Budget Estimates of Rs.21.47 lakh crore.
- FM projected a Fiscal Deficit of 3.3% of GDP for the year 2018-19.
- Revised Fiscal Deficit estimates for 2017-18 were put at Rs. 5.95 lakh crore at 3.5% of GDP.
- Proposed acceptance of key recommendations of the Fiscal Reform and Budget Management Committee to bring down Central Government's Debt to GDP ratio to 40%.
- Growth of direct taxes in financial year 2016-17 was 12.6 percent, and for financial year 2017-18 (upto 15th Jan, 2018) is 18.7 percent. Buoyancy in personal income tax for financial year 2017-18 (RE) is 2.11.
- Number of Effective Tax Payers has increased from 6.47 crore at the beginning of Financial year 2014-15 to 8.27 crore at the end of 2016-17.
- Proposed 100 percent deduction to companies registered as Farmer Producer Companies with an annual turnover upto Rs. 100 crores on profit derived from such activities, for a period of five years from financial year 2018-19.
- Payments exceeding Rs. 10,000 in cash made by trusts and institutions shall be disallowed and would be subject to tax.
- Long Term Capital Gains exceeding Rs. 1 lakh to be taxed at the rate of 10 percent, without allowing any indexation benefit.

a revitalization plan for infrastructure and systems in education schemes an amount of Rs. 1 lakh crore is proposed for the next four years. But the question is will this government will be there to meet the proposed commitment? Now let us see the taxation proposals. There is no drastic change in this area even though there was high expectations from the side of salaried people. But there is not much change in personal taxation. It is true that the standard deduction was revived. But the benefit of that is restricted as concessions given on conveyance allowance (Rs.19200) and medical reimbursement (Rs.15000) have been withdrawn. The senior citizens are given some consideration by raising the exemption limit for taxing interest on fixed deposits from Rs.10000 to Rs.50,000.

There is nothing particular to boost capital investment except the measures announced to benefit MSMEs. The revival of long term capital appreciation tax has created havoc in the stock market. This has wiped out more than Rs.4.6 lakh crore from the book value of shares. The stock market stock is still continuing.

Critics point out that the Finance Minister failed to bring down fiscal deficit to 3 percent of GDP and also to wipe out revenue deficit in spite of revenue growth and exceeding the revenue expected from disinvestment. If the government is prepared to streamline expenditure and execute projects on time thousands of crores of rupees can be saved. But time over-runs and cost escalations continue to be the bane of the economy.

The government has fixed the disinvestment target at Rs. 1 lakh crore and government's borrowing limit at 40 percent of GDP. But capital expenditure has been declining during the last several years. That trend is continuing. Since borrowed money is not spend on capital projects, that will hipe up inflation.

There are many other things in the budget which requires attention. But that are left out from this analysis.



- Proposed to introduce a tax on distributed income by equity oriented mutual funds at the rate of 10 percent.
- Proposed to increase the cess on personal income tax and corporation tax to 4 percent from the present 3 percent. It will be called the “Health and Education Cess”.
- Increase customs duty on mobile phones from 15 percent to 20 percent, on some of their parts and accessories to 15 percent and on certain parts of televisions to 15 percent.
- Customs duty is proposed to be reduced on raw cashew from 5 percent to 2.5 percent, to help the cashew processing industry.
- Proposed to change the name of the Central Board of Excise and Customs (CBEC) to the Central Board of Indirect Taxes and Customs (CBIC).
- Deduction of 30 percent on emoluments paid to new employees Under Section 80-JJAA to be relaxed to 150 days for footwear and leather industry, to create more employment.
- No adjustment in respect of transactions in immovable property where Circle Rate value does not exceed 5 percent of consideration.
- Standard Deduction of Rs. 40,000 in place of present exemption for transport allowance and reimbursement of miscellaneous medical expenses. 2.5 crore salaried employees and pensioners to benefit.
- Introduce a tax on distributed income by equity oriented mutual fund at the rate of 10%.

Provisions for senior citizens

- Exemption of interest income on deposits with banks and post offices to be increased from Rs. 10,000 to Rs.50,000.
- TDS not required to be deducted under section 194A. Benefit also available for interest from all fixed deposit schemes and recurring deposit schemes.
- Hike in deduction limit for health insurance premium and/ or medical expenditure from Rs. 30,000 to Rs. 50,000 under section 80D.
- Increase in deduction limit for medical expenditure for certain critical illness from Rs. 60,000 (in case of senior citizens) and from Rs. 80,000 (in case of very senior citizens) to Rs. 1 lakh for all senior citizens, under section 80DDB.



- Proposed to extend Pradhan Mantri Vaya Vandana Yojana up to March, 2020. Current investment limit proposed to be increased to Rs. 15 lakhs from the existing limit of Rs. 7.5 lakh per senior citizen.

Other important highlights

- To make the villages open defecation free and improving the lives of villagers, FM announced the launch of Galvanizing Organic Bio-Agro Resources Dhan (GOBAR-DHAN).
- 2600 crore allocated under Prime Minister Krishi Sinchai Yojna to provide assured irrigation in 96 deprived irrigation districts
- Allocation of Rs 1,34,572 crore has been made for the transport sector while the efforts to develop disaster resilient infrastructure is being given a push with an allocation of Rs. 60 crores in 2018-19.
- Total earmarked allocation for SCs in 279 programmes increased to Rs. 56,619 crores & for STs in 305 programmes to Rs. 39,135 crores for 2018-19.
- Ten prominent sites to be developed as Iconic tourist destinations.
- Under the Smart City mission, 99 cities selected with the outlay of Rs. 2.04 lakh crores.
- The government announced AMRUT program to focus on water supply to all households in 500 cities. Water supply contracts for 494 projects worth 19,428 crores will be awarded.
- Government does not consider cryptocurrency as legal tender and will work towards eliminating illicit transactions going on through crypto assets.
- 24 Public Sector Units to be divested.

Conclusion

The budget delicately balances the need for fiscal consolidation over the medium run with its short-term expenditure priorities. While it relaxes the near-term targets, its intention to accept the N.K. Singh Committee's recommendation of bringing down the fiscal deficit to 3% of GDP by fiscal 2021 should offer comfort on the medium-term fiscal trajectory. As past experience shows, announcing new measures and committing resources is not enough to improve the primary sector. For success to be visible, these have to be complemented by measures outside the budget, support from states and relentless implementation of what has been announced by the central government with a reasonable time limit.



A STUDY ON SCIENTIFIC APPROACH IN RESEARCH FOR IMPROVING THE QUALITY OF RESEARCH WORKS IN THE PRESENT TECHNOLOGY DEPENDENT ENVIRONMENT.

*Dr. M.K. Hariharan

Executive Summary

Any research requires a detailed search for knowledge which is existing or an innovative idea which can be applied in future. Here we categorize the researches in to two. One is for the purpose of academic awards to get any degree or diploma. And the other is a real research done by any person in the real working field for solving any problem. In both the categories a scientific approach is a must for its complete structure and to reduce the error in the findings which are the real outcome expected of a research. In this paper a detailed explanation and a sample of procedure is given to conduct a research by highlighting the issues and challenges of a real research.

Introduction

Research, the word itself means a Search for Knowledge. We do various research in our real life to search for knowledge to solve a problem or to identify whether there exists any problem. This thought comes from a management dialma where the smooth running of an organization is hindered due to various reasons. Normally the research is done for many purposes and these purposes are categorized (for the purpose of explaining the procedure) in to two; viz: Academic research and Non-academic research. The academic research is done by the research scholars for the award of a degree or diploma from any university by submitting the research report in front of the duly appointed Examiners for an evaluation or Viva Vorce. On the other hand a Non-Academic research is conducted by researchers for various purposes other than the academic awards. They are the research conducted by the company executives to solve any problem in the organization, the research conducted by Govt. or Non-Government organizations for getting any data or information for future reference or decision/policy making.

Objectives

- To identify the problems in the process/steps in research work
- To study a research process suitable for social science research.
- To specify the influence of technology in the research work.

Methodology

The study is a descriptive in nature by having a thorough study of literatures on the available process of research in a scientific manner and interview conducted with research scholars who do the academic research and interview conducted with Managers and Entrepreneurs who do real research and described the model of a process/steps followed in research to do it scientifically. The scientific approach towards the research work is carried out by designing the methodology to conduct surveys, collect data and analyse the data for better logical interpretations.

Methods and Discussion

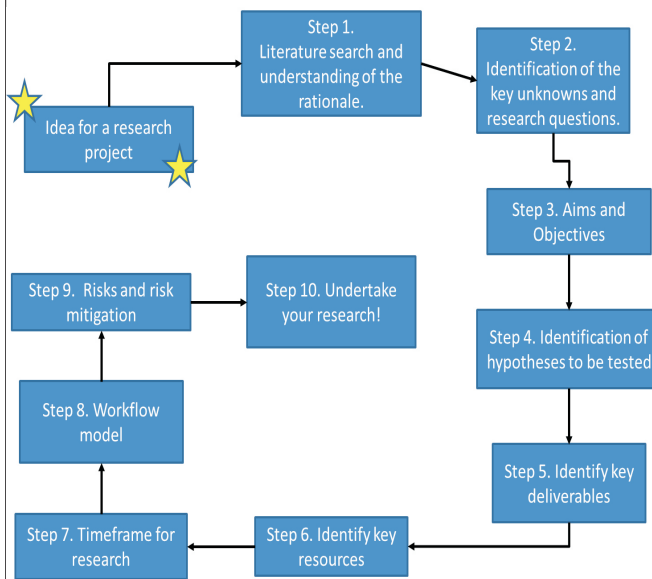
The Literature review is a vital part in a scientific method of research. Here the justification will be given how the literature review strengthened the study. The Literature review is also to be done with specific objective to help the progress of research in the right direction. The past studies in the fields of area and the relevant studies in the related sectors, are mainly considered in literature review of any study. The literature review to be streamlined by segregating the literatures in the various criteria to make it more effective and systematic way, based on the topic and objectives of the study.

Data collection is to be done based on the study of required relevant variables/ factors influencing/related to the study variables and the standard questionnaire will be designed to collect data from the selected samples based on the sample design, frame and size which can be decided by the researcher based on the nature and size of the population. These data will give the insight to get the findings/solution for the problems and fulfilling the objectives of the study. This is the crux of the researcher's contribution to the study. In this stage the data were presented in chart or table form and selected the analytical tools for assessing the information collected to realize the research objectives. There are number of statistical tools available to analyse the data viz, Parametric and Non-Parametric Tests. The tests are chosen on the basis of the type of study, the degree of accuracy required, the sampling plan used and the nature of the questions asked. It is to be noted that the relevant statistical tools are to be used based on the nature and form of the data and hence the scientific proof can be given to the findings and analysis can be done to arrive such findings.

Steps to be followed in a scientific research

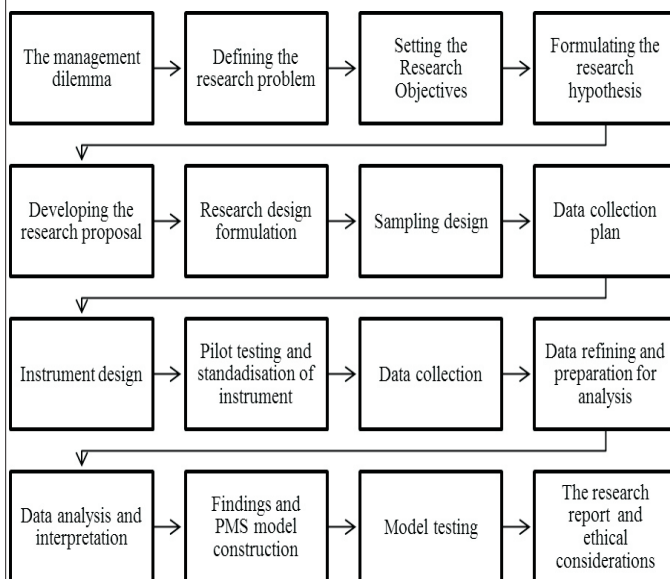
Pic 1

*Entrepreneur, Sterling Enterprises, Palakkad



Source: <http://www.antarcticglaciers.org/students-3/postgraduate-students/research-design>

The alternative and similar research process is given below. Pic 2



Above mentioned two process charts are just a sample process to conduct any research. These stages can be modified/alterd/added/deleted while doing the study based on the nature/time/type of research.

Insights from the data

It is found that there are several problems faced by the researchers while doing their research work. In an academic research the students/scholars find it difficult to convince the evaluators where the different parameters are followed by different people. And the method adopted to collect data is influenced by technology also makes lot of opinion differences in the researchers while focusing on the

outcomes and findings. In many a case the academic projects are found little less qualitative due to lack of availability of real data where the companies find it difficult to disclose the real information due to various internal factors. However the real research where the company themselves conduct research for identifying a solution for their problem. Here the data quality is more compared to the former. Another important issue is the usage of suitable statistical tool. Most of the academic research rely more on statistical tool for the purpose of satisfying the Institution/University requirements where the scholars /students are unable to explore the suitability or necessity of many such statistical tools. In the case of the real research the usage of statistical tools are less important where the research data are qualitative in nature and in the case of a quantitative research the required tools are used as there is no compulsion to really use a statistical tool.

The influence of the technology play a vital role in the field of data collection where more varieties on online data collection methods, in-built questionnaire methods are used now adays. This reduces the time required to travel to meet the respondents and the cost is also very less. How ever the reliability of the data filled should be taken care. Prior to data collection the literature review today mainly depend on the online publications where the searching/sorting/even reading of literatures are done by softwares. There are many software packages used today for data analysis which increases the depth in the analysis and the time taken is very less for these steps. Checking of plagiarism and writing of bibliography are done using technology today.

Conclusion

“Well begun is half done”, The systematic strong scientific approach in designing the research methodology will lead to a successful completion of a research with good results. Hence it is concluded with a suggestion that any research in using such scientific methods shall contribute a valuable information/findings which will in turn help the society by improving the performances of the people and company for which the study is done.

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Corporate Scene :

MANUFACTURING SECTOR – IN SEARCH OF DYNAMISM

[Continued from the previous issue]

-Dr. Francis Cherunilam*

It is more than a decade since Government of India initiated a comprehensive approach to boost the manufacturing sector of India with a target of increasing the growth rate of manufacturing from the hitherto long term rate of 7 per cent to 12 - 14 per cent and the contribution of manufacturing to GDP to 25-35 per cent from the 15 per cent stigma.

However, there has not been any improvement in the share of the manufacturing in the national output and the very recent picture of its performance is worrisome, casting doubt about maintaining at least 7 per cent annual growth.

True, the aggregate level of manufacturing output of India has been growing faster than the world average, leading to an increase in India's share of global manufacturing value added (MVA) and global ranking, albeit insignificant compared to China's performance. The 2016 *Global Manufacturing Competitiveness Index* brought out by research firm Deloitte has expected the global ranking of India's MVA to jump up to as high as fifth place by 2020 (behind China, the United States Germany and Japan) from 9th in 2012. While the size of the manufacturing output of India is more or less concomitant with the size of the economy, the MVA per capita is palpably poor with a global ranking as low as 117. Table 1 shows how poor is India's global position even in comparison with many developing countries.

Table 1: The UNIDO MVA World Ranking, 2012

Ranking 2012 by MVA total	Ranking 2012 by MVA per capita	Country	Share in world MVA (%)	MVA per capita	Share of MVA in GDP (%)
1	10	United States of America	20.50	5785.82	13.49
2	54	China	17.42	1147.12	34.35
3	5	Japan	10.91	7692.75	20.94
4	8	Germany	6.51	7074.59	18.92
5	9	Republic of Korea	3.39	6226.10	27.94
9	117	India	2.31	163.44	14.89
10	47	Mexico	1.98	1522.16	17.77
11	67	Brazil	1.70	764.38	13.26
12	60	Russian Federation	1.52	946.99	13.76
16	17	China, Taiwan Province	1.27	4856.52	25.39
17	85	Indonesia	1.22	444.05	25.49
20	53	Thailand	0.93	1186.06	37.36
25	50	Argentina	0.64	1398.38	20.29
27	1	Ireland	0.60	11772.35	26.17
28	41	Malaysia	0.56	1715.46	26.68
29	3	Singapore	0.52	8800.39	25.56
30	61	South Africa	0.52	910.92	15.11

Source: Antonio Andreoni and ShyamUpadhyaya, Growth and distribution pattern of the world manufacturing output:

A statistical profile (UNIDO Working Paper 02/2014) UNIDO, Vienna, 2014.

The high decibel Make in India campaign launched by the Narendra Modi Government, claiming to give a big boost to Indian manufacturing sector has created a lot of hype in India and abroad, even tending to captivate to feel that something magical is going to happen. It is in fact old wine (i.e. strategies of the previous governments) in new bottle, smartly branded and astutely marketed - a reincarnation of the manufacturing sector development strategies put in place by the UPA I and UPA II governments.

In fact, make in India has been the cornerstone of the development strategy followed in India since the mid 1950s through the Mahalanobis model of development planning, Industrial Policy Resolution 1956 and Import Substitution Industrialisation Strategy, although the term make in India was not in usage to describe these essentially 'make in India' strategies. This policy that continued until 1991 had several drawbacks too. The liberalization ushered in 1991 was intended to remove these handicaps.

True, the economic liberalisation since 1991 boomed the interests of Indian and foreign businessmen in the business opportunities in India. The last two and a half decades of liberalization have witnessed a massive increase in investment and creation of huge production capacities and pushed India to a high growth trajectory, overtaking the GDP growth rate of China in 2015, as predicted by Goldman Sachs long ago.

What makes NDA government's Make in India different is the expansion of the liberalisation, particularly foreign investment. There has been an increase in the number of industries open to FDI and in the FDI cap (including 100 per cent in many cases) in industries where FDI was already permitted and increase in the ease of foreign investment.

The present Make in India is characterized by too much liberalisation of imports with the result that Make in India amounts, to a significant extent, make in China for India. India's huge trade deficit with China is the major contributor to India's large trade deficit. The very rapid rise of China as a global manufacturing hub has significantly impacted the growth of India's manufacturing sector in four ways: (1) Because of the low cost, many Indian firms preferred to contract manufacture in China instead of doing it India. (2) A number of Indian companies established production bases in China. (3) There has been a substantial increase in the goods imported from China by dealers, making Chinese products easily available in India, adversely affecting the Indian manufacturing (4) Because of the low cost and much better logistical environment, foreign buyers preferred China to India. However, there are several rays of hope. As costs are increasing in China, several Indian companies are relocating production/sourcing from China to India. Foreign companies, including Chinese, too have been shifting from China to India.

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The *National Manufacturing Competitiveness Council* had estimated that about 100 million jobs would come out of China and India has the potential to get 40-80 million of those jobs and that can only happen if labour reforms are carried out in India. The Council cautioned that we do not have much time, this has to be done in the next 2-3 years or else all these jobs from China will go to South East Asian countries like Vietnam or Cambodia or even Bangladesh which has overtaken us in a sectors like textile and apparel. India has been pinning great hopes in the labour intensive industries. But the recent reports are highly worrisome. Automation is resulting in the low labour cost economies losing their advantage and a number of companies are shifting manufacturing back to advanced economies.

It is pointed out that the spurt in the demand for manufactured goods resulting from the fast growth of the economy, particularly the swell in the size of the well to do young consumers, has the potential to contribute to a growth rate of 15 to 20 per cent for Indian manufacturing for some time to come if appropriate measures supporting the growth of the sector are taken.

The scope for substituting imports from China by domestic manufacture in the changing environment is also an advantage. In recent years, the imports from China was about three times our exports to that country. Several Indian companies are relocating production/sourcing from China to India. Foreign companies, including Chinese, too have been shifting from China to India,

If the manufacturing sector becomes vibrant, India can expect to increase its share of global exports of manufactures, giving further impetus to the growth of the sector. That China is the leading exporter of manufactures indicates the potential of emerging economies like India, if the right conditions are ensured.

However, several government measures are deleterious to the national interest. There is a strong feeling that under the guise of Make in India which has got wide fancy, the government seems to be too enthusiastic to push forward liberalisation, particularly of foreign investment, indiscriminately.

The previous governments, in their over enthusiasm, expanded FDI even to areas which were not essential and also hiked the FDI cap to 100 per cent in several industries as a result of which several foreign companies which entered the Indian market through joint ventures severed their collaborations with Indian firms and went in for wholly owned enterprises (examples: Honda's collaboration with Hero and Suzuki's collaboration with TVS in two wheelers). Nations should come to an agreement that foreign companies operating in a country must be mandatorily listed in that country's stock market too to give the nationals a chance, easily, to invest in the shares of these companies so that the entire profit of the business is not taken out of the country. The indiscriminate and imprudent foreign investment, both FDI and FII, will gradually lead to foreign take over of a substantial part, mostly the important parts, of corporate India. Let not the Make in India campaign lead to the

domination of the industrial sector of India by foreign investors. The Indian market is too attractive that foreigners will be enthusiastic to be here even without 100 per cent equity holding in companies.

The present government seems to be much more wedded than the previous in liberalising FDI and FPI. FDI shall be permitted only in essential cases and 100 percent FDI shall be permitted only in exceptional cases, such as where it is necessary for transfer of proprietary technology. There is a tendency to take the quantum of FDI inflow as an indication of the success of Make in India. The liberalization of foreign investment will result in the progressive foreign ownership of corporate India. For example, now 100 per cent foreign investment is possible in pharmaceutical sector. The implication is that Indian pharma firms can be taken over by foreign firms resulting in the domination of this vital sector by multinationals. This should be viewed in the light of the fact that the domestic generic pharma sector is well developed and globally competitive. Indian banks have developed with a rural base and now when they have reached a highly appreciable level of development they are being increasingly owned by foreigners. Foreign investment is permitted even in public sector banks.

The indiscriminate liberalization will lead to draining out the nation's income and resources and cause serious ecological damages. It is time we differentiated between positive reforms and motivated measures designed to serve vested interests. Development is far wider than GDP growth and there could even be conflicts between the two if GDP growth strategies do not have social and egalitarian orientations. Now that India has reached a certain level of development, the emphasis shall be on policies and other measures that will lead to the realisation of the full potential of the indigenous capabilities; there shall not be imprudent foreign investment policies which will dampen the indigenous development, leading to foreign exploitation of the Indian economy. Instead of the over-enthusiasm to bring in foreign capital to make in India what the government should do is to encourage the Indian entrepreneurs to make in India and in other countries by providing conducive policy environment and improving ease of doing business and fast developing quality infrastructure. The over-enthusiasm shown in respect of the land acquisition law will be detrimental to the national interest. The ecological aspects also seem to be ignored.

While India has the potential to emerge as a major manufacturing destination of the world, there are many challenges on the way and there are also several critical issues pertaining to the socio-cultural and ecological implications of the development strategies and tactics, including the covert objectives. Important ones include technological deficiencies, difficulties of doing business, poor competitiveness of India, rampant corruption, infrastructural bottlenecks, governance problems, increasing threat to national security and law and order, challenges of improving the educational scenario, inflation, ecological problems, declining external value of rupee, global economic disruptions etc.

SCALING US TO INDUSTRY 4.0

-A.Kanthimathinathan*

Introduction

This article is the second and concluding part on Industry 4.0, which is a vision and journey of many organizations today. In the first part we discussed about Industrial revolutions from the beginning and the global efforts/exercise on Industry 4.0 covering IoT, IIoT, AM and Cyber Physical systems along with goals of Industry 4.0. Let us start with Cyber Physical systems.

Cyber Physical Systems

Cyber Physical Systems help Industry 4.0 to have paradigm shift from 'centralized' to 'decentralized' production. CPS are physical engineered systems whose operations are monitored, coordinated, controlled and integrated by a computing and communicating core. A CPS integrates computing, communication and storage capabilities with the monitoring/control of entities in the physical world from the nano world to large scale wide area systems—dependably, efficiently and in real time.

Application of CPS

Healthcare industry: Medical devices on health Management/Networks

Transportation: Vehicular networks and smart highways
Process controls in Industry

Large scale infrastructure: Electricity generation and distribution

In general 'X' by wireless monitors and controls 'Y' which is physical.

Trend: CPS has started its entry in a mega way by making 24/7 availability, 100% reliability, 100% connectivity, instantaneous response even though it is complex. The benefits of the same is being fully utilized by every sector of the industry as on today and is being expanded manifold at a jet speed.

Cyber Security

Strategy, policy, and standards regarding the security of operations in cyberspace, and encompass[ing] the full range of threat reduction, vulnerability reduction, deterrence, international engagement, incident response, resiliency, and recovery policies and activities, including computer network operations, information assurance, law enforcement, diplomacy, military, and intelligence missions as they relate to the security and stability of the global

information and communications infrastructure.

In short, Cyber security is the activity or process, ability or capability, or state whereby information and communications systems and the information contained therein are protected from and/or defended against damage, unauthorized use or modification/ exploitation.

Cloud Computing

Cloud computing appears to have origins in network diagrams that represented the internet or various parts of it as schematic clouds. Cloud computing was coined for what happens when applications/services are moved into the internet 'cloud'. Cloud computing is not something that appeared suddenly overnight; in some form it may trace back to a time when computer systems remotely time-shared computer resources and applications. Many companies are delivering services from the cloud.

For example: Google : Has a private cloud that it uses for delivering Google Docs and many other services to its users, including email access, document applications, text translations, maps, web analytics, and much more.

Characteristics of Cloud computing

- **Shared infrastructure:** Uses a virtualized software model, enabling the sharing of physical services, storage, and networking capabilities. The cloud infrastructure, regardless of deployment model, seeks to make the most of the available infrastructure across a number of users
- **Dynamic Provisioning:** Allows for the provision of services based on current demand requirements. This is done automatically using software automation, enabling the expansion and contraction of service capability, as needed. This dynamic scaling needs to be done while maintaining high levels of reliability and security
- **Network access:** Needs to be accessed across the internet from a broad range of devices such as PCs, laptops, and mobile devices, using standards-based APIs (for example, ones based on HTTP). Deployments of services in the cloud include everything from using business applications to the latest application on the newest smartphones
- **Managed Metering:** Uses metering for managing and optimizing the service and to provide reporting and billing information. In this way, consumers are billed for services according to how much they have actually used during the billing period

Cloud Computing-Service models:

- **SaaS--Software as a Service:** Consumers purchase the ability to access and use an application or service that is hosted in the cloud. A benchmark example of this is Salesforce.com, as discussed previously, where necessary information for the interaction between the consumer and the service is hosted as part of the service in the cloud.

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- PaaS--Platform as a Service: Consumers purchase access to the platforms, enabling them to deploy their own software and applications in the cloud. The operating systems and network access are not managed by the consumer, and there might be constraints as to which applications can be deployed. Examples include Amazon Web Services (AWS), Rackspace and Microsoft Azure.
- IaaS—Infrastructure as a Service: Consumers control and manage the systems in terms of the operating systems, applications, storage, and network connectivity, but do not themselves control the cloud infrastructure

Benefits of Cloud Computing

- Cost savings: companies reduce capital expenditure
- Scalability/Flexibility: Companies can start with a small deployment and grow to a large deployment fairly rapidly, and then scale back if necessary. Also, the flexibility of cloud computing allows companies to use extra resources at peak times, enabling them to satisfy consumer demands
- Reliability: — Services using multiple redundant sites can support business continuity and disaster recovery.
- Maintenance: Cloud service providers do the system maintenance, and access is through APIs that do not require application installations onto PCs, thus further reducing maintenance requirements.
- Mobile accessibility: Mobile workers have increased productivity due to systems accessible in an infrastructure available from anywhere.

Big Data

Private companies and research institutions capture terabytes of data about their users' interactions, business, social media, and also sensors from processing machines/devices like their Machines running in their factories, cars running on roads, cars on hire services, Ambulance on emergency services etc. The challenge of this era is to make sense of this sea of data. This is where big data analytics comes into picture. Big Data Analytics largely involves collecting data from different sources, munge it in a way that it becomes available to be consumed by analysts and finally deliver data products useful to the organization business.

Big data analysis involves :

- Business process definition
- Research
- Human resources assessment
- Data acquisition
- Data Munging
- Data storage
- Exploratory data analytics
- Modelling
- Implementation

Big Data-Core Deliverables:

- Machine learning implementation: This could be a classification algorithm, a regression model or a segmentation model.
- Recommender system: The objective is to develop a system that recommends choices based on user behavior. Netflix is the characteristic example of this data product, where based on the ratings of users, other movies are recommended. Dashboard: Business normally needs tools to visualize aggregated data.
- Dashboard: A dashboard is a graphical mechanism to make this data accessible. Ad-Hoc analysis: Normally business areas have questions, hypotheses or myths that can be answered doing ad-hoc analysis with data.

Today's industry scenario in a Modern Spinning Mills who is Moving towards 'Industry 4.0'

Most modern mills in India are working with system suppliers to utilize almost all the systems described elsewhere in these two parts of the paper and the examples of such systems are:

1. IoT: Internet of Things: Mills get data instantaneously from the running machines in a defined format in a structured format in mobile phones through WiFi.
2. Big data analytics and Cyber physical systems: Examples are the systems which are making inroads in Spinning mills like:
 - Individual Spindle monitoring systems
 - Production monitoring systems
 - Energy Management systems
 - E-Bikes with Dashboard

Conclusion

This is the second and concluding part of the paper and author tries to sow the seeds for fourth Industrial revolution in India, in a simple manner.



FINANCIAL MANAGEMENT FOR THE LAYMAN

-CA. K.V.Venkitaraman,B.Com;F.C.A.,;C.I.S.A.*

In the earlier part, we discussed about the various types of finance that is required for setting up and managing a business, the various sources of finance, their cost, ease of raising the funds etc..In this part, we will discuss how to go about estimating the requirement for funds while setting up a new unit.

Project Report preparation is the next step towards setting up the unit.After the project has been identified, availability of technology, market outlook and demand for the product has been studied, availability of required raw materials, required labour, infrastructural facilities required has been ascertained, the next step is to visualise the project and the financial aspects of the project in terms of investment, revenue generation, meeting repayment obligations, expansion/ diversification etc... has to be conceptualised in a report.It usually contains projection for the immediate 5-10 years, to cover the repayment period of term loans.

The first step in project report preparation is the estimation of long term funds for investment in the fixed assets including land, buildings, plant & machinery, tools & dies, electrical, furniture, vehicles, office equipments, and the core working capital required.Each and every item of investment has to be carefully considered and conservatively estimated.Similarly the operating income and expenses for the first few years has to be estimated. Depending up on the project, the investment expected, the repayment period etc... projections are made for a period of 5 to 10 years, covering the repayment period of the term loans.

Contents of Project Report

As said earlier, the Project Report is a summary of the project detailing the nature and scope of the project, the business environment, market and competition, availability of inputs and infrastructure required, technology employed, marketing plans, volume of production and expansion details, financial commitments, funding plan and cost, profitability, justification for implementation of the project etc...

Among the other aspects, the Project Report will include:

1. Management Evaluation
Promoters, their track record, management personnel, organisation structure etc...
2. Technical Feasibility.
Technology and manufacturing process employed, location, Plant & Machinery to be installed,raw materials required and their procurement, infrastructural facilities required and manpower availability,project monitoring & implementation, contracts and so on.

3. Environmental Clearances.

In the earlier periods, ie...up to the 2000-2005, clearances from the Governmental authorities were minimal. Only after that awareness about environmental damage, depletion of forest cover, pollution in the form of solid waste, liquid and gaseous pollutants, ozone hole, climate change etc.. has become verycommon. Now obtaining environmental clearances from various authorities is essential before setting up an industry. Apart from this, observance of safety measures, safe manufacturing practices,compliance with international standards etc.. are essential.

4. Commercial Viability.

Before the project is implemented, it's commercial viability has to be confirmed.The study includes, demand & supply study,existing and potential market, expected market share,buy back arrangements if any,selling price fixation, distribution channels, pricing mechanism, after sale servicing, spare parts availability etc.. are to be considered.

5. Financial Viability.

Requirement of long term , medium term and working capital requirements, quantum of funds required, cost of capital, optimum mix, financial returns & profitability, pay back period etc.. are considered.

6. Economic Viability.

Social cost of the project to the society including the benefit to the society, adverse impact on the society, direct and indirect costs, are to be considered.

7. Executive Summary .

This is the final decision taken to implement the project justifying the project.

Financial Aspects

Estimating the investment in Fixed Assets.

Fixed assets include the investment in land, buildings, plant & machinery, electrical, tools, dies & jigs, furniture & fixtures,office equipments including IT hard ware & soft ware, intangible assets like patent & trade marks, technical knowhow,goodwill and so on.

Land.

Depending up on the project, the location is decided, considering various aspects such as availability of raw materials, nearness to the market, availability of water, power, disposal of effluents, availability of labour, other

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infrastructural facilities available etc.. are some of the factors to be considered. While cost of land will be high in developed localities offering good infrastructural facilities, land cost will be lower in undeveloped areas, but infrastructural facilities may not be available. Requirement of land for future expansion also is to be considered. A trade off of higher land cost with lower operating cost due to well developed infrastructural facilities is made while deciding the location.

Industrial estates are now being developed both by the Governments as well as Infrastructural developers in the Private sector in different parts of the Country. Area based tax exemptions and financial incentives offered by the governments for setting up industries in less developed areas has led to the geographical dispersal of industries.

Land is now available on long term lease of up to 99 years on attractive terms and there are various options to pay the lease rentals in instalments or in lump sum. Where the promoter has sufficient land holdings suitable for the project, it can be brought into the business as the promoters contribution, valuing the land at the present market rates.

Since land by itself is not a active productive agent, the investment in land has to be kept at the lowest minimum requirement, considering the other factors in mind.

Buildings.

Building also is not an active productive agent. The building should fulfil the functional requirements and satisfy the regulatory requirements. In the case of units engaged in the manufacture of food products, pharmaceuticals, chemicals, etc.. there are specifications requiring the maintenance of asptic environment in the production areas.. In all other cases, the building should be functional ,meeting statutory requirements, but cost effective. There is no point in constructing a RCC building for a factory ,if a shed with sheet roofing will fulfil the requirements. A tendency which is quite common with entrepreneurs in Kerala is to invest substantial amounts in land and building, which may not be essential and thereafter, the business suffers due to inadequacy of working capital, when the business commences production and sales.

There fore while selecting the location of the factory and planning the construction of the factory, it should be need based rather than purely decided on aesthetics,strength , other extraneous considerations. The aim is to limit the investment to the bare minimum, so that other productive investments can be financed.

Plant & machinery.

The choice of the right technology and production process and the right equipments have a great bearing in the success of the enterprise.How much of automation is required depends on the production volumes and availability of labour. The initial volumes planned, the expected growth, the scalability of the production, are all factors to be considered while deciding on the purchase of plant & equipments.

Electricals

Depending on the nature of the industry, the expenditure on electrification will vary. Power supply to the various equipments, safety equipments, power saving devices etc.. are covered in this head.

Tools,jigs, dies, patterns

Again depending on the nature of the industry, the investment in these assets will vary.

Office Equipments & Furnitures

Necessary office equipments such as computers, furniture, conveyances are to be covered under this head.

Margin for Working Capital.

A portion of the working capital requirement, known as the core working capital has to be met out of the long term funds and is considered as fixed capital investment.

Pre-Operative Expenses.

The expenses during the project implementation, on travel, administrative expenses, interest during project implementation period, professional fees, etc.. are treated as preoperative expenses to be amortised over a period of time.

Provision for Contingencies.

Usually, there will be a time gap between the project preparation and implementation. Depending upon the size of the project, this gap will be short or long. Where the project is implemented over a period of more than 12 months. There are likely to be cost escalation due inflation and other busuness conditions. To fund this cost increase, generally , a contingency provision , as a %age of the project cost is made.

SUMMARY

FIXED CAPITAL INVESTMENT IN

- 1, Land.
- 2.Buildings
- 3,Plant & Machinery.
- 4.Electricals.
- 5.Tools, jigs, dies, patterns.
- 6.Office equipments,Furniture & Vehicles.
7. Margin for Working Capital.
- 8.Pre operative Expenses.
- 9.Provision for Contingencies.

TOTAL INVESTMENT IN FIXED CAPITAL.

(To be continued in the next issue)

