MANAGEMENT DYNAMICS IN TRANSFORMING ECONOMY

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Foreword

I am delighted to write this foreword, not only because the editors of this book have been my students, but also because I believe deeply in the educative value of interpretive discussion for all students, especially in a business society. I also believe that management practitioners at every level and stage of their career can enrich and strengthen their skills by learning the discussion leading patterns and practices presented in this book. It is privileged to present before the esteemed readers of the book "Management Dynamics in Transforming Economy".

The need of the hour is professionally trained employees, equipped managers, research-oriented scholars and intellectual academicians in our nation due to rapid industrialization, commercialization and globalization with growing competition. To achieve professionally sound managerial skills and competence, managers, both present and future ones are required to get fully equipped with the current scenario of business and proper understanding of it. India has to nurture itself in such a way that it can take advantage of demographic dividend in the current business race. To convert the Indian economy into developed economy is the real challenge for the Government and providing the shape of super economic power is full of threats. Also the present business world is passing through major changes like worldwide competition, survival of the fittest, skill-based services, transfer of technology and so on managers are supposed to update and upgrade their specialization as per the need of super-specialization so knowledge is the indispensable part for achieving the targets pre-determined by the pragmatic administrators.

The contributors in this book have used the latest tools, techniques and data for contributing to the addition in the existing body of the knowledge in the dynamic field of management practices and have made serious academic attempt to elaborate on the conceptual implications with the empirical evidence with special reference to Indian scenario. It is targeted that the book will help the academicians & teachers, management houses, industrialists, entrepreneurs, researchers & scholars, students and general readers in unique way to provide proper combination of theory with practical application of present management practices and allied areas. This book can help practitioners develop a shared vision and understanding of interpretive discussion and its flexible uses across management areas. The research papers, articles, literature, case studies and theories can structure and guide management stakeholders of not only academia but the corporate house as well.

The editors of this book Dr. Mohit Kumar, Dr. Rishish Mishra and Mr. Abhishek Mishra deserve appreciation for assembling healthy bent of knowledge by combining the present management practices in our emerging economy. I wish that this book will serve the readers as a serious academic endeavour in the sphere of business management and allied subjects.

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Acknowlegement

It is privileged and honours to present before the esteemed readers of our book "Management Dynamics in Transforming Economy". Sound management education and management practices are essential for the development of the business world. The entrepreneurial activities carried out by an entrepreneur leads to job opportunities, which plays an important role in fostering country's GDP. India is one of the fastest-growing economies with the second largest population in the world. The challenging task for the Government of India is to maintain the growth story with better job creation. To boost this growth story in line with the employment generation, the Government has taken several valuable initiatives. This edited book covers wide range of issues and strategies relating to the management practices and its prelude in transforming the economy. We look forward that this book will be highly useful to all the stakeholders of academics, research, philosophies, policymakers, intellectuals and readers of the society as a representation of the said initiatives. We would take this opportunity to congratulate all the authors for their valuable contribution in the form of research papers, articles, literature, case studies and theories as well as to the Editor in Chief for the efforts that he has put together towards scheduling and making this proposed book a reality. We would also express our gratitude to Dr. Pradeep and MRI Publishers for their wonderful collaboration for turning this proposed book from phenomenal assumptions to a contextual reality.

This book aims towards the basic and advance pillars of management practices leading to provide insights, suggestive measures and futuristic scope for the development of a nation. The book aims to provide a platform for academicians, research scholars, practitioners and students to get an insight of the present transformation of the Indian economy through the valuable contributions made by authors across the nation.

The management education is one of the most important aspects of our society as the management education creates managers and skill-

oriented employees for streamlining the industrial growth and equal contribution in not only business development but social enhancement as well. This edited book is an effort in the field of understanding the latest development occurring in Business Industry trough unique yet innovative management practices.

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Contents

E-Commerce: A Journey from 'Bricks' to 'Clicks'

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Abstract

Electronic commerce, often abbreviated as e-commerce, has synonymously been termed as web business, online business or e-business. This term took birth around the 1990s, and since then it has always shown an upward trend not only in term of its usage but also in term of its implementation. E-commerce provides an innovative way of doing business and can bring about expansion and creativity in an organization. With the advent of globalization, the entire world has become a village. The resources are not confined to one particular nation; rather, they are spread in all far-flung regions too. They have got the tendency to spread their wings in different directions, and so is the case with customer and business. E-commerce permits no limits in terms of national or international boundaries. It is growing with a brisk trend in our country, India. Information technology is playing a crucial role in the development of business. It is the pivot behind the smooth functioning of E-commerce. IT has brought about a path-breaking change in the ecosystem of business and is working at a progressive rate to develop such a business model which satisfies the needs of customers. E-commerce has given a facelift to the business and has brought about a paradigm shift in the world of trading. Companies are working hard to create a strategic plan and for their smooth and proper implementation. The acceptance of E-commerce is comparatively less in the banking sector and other financial institutions but has far-reaching adaptability in the area of marketing. The paper titled 'E-COMMERCE: A JOURNEY FROM 'BRICKS' TO 'CLICKS' is an attempt to provide an overview of E-commerce, highlight its growth trend, prospects, opportunities, advantages, and limitations.

Keywords- E-commerce, Web business, Online business, E-business, Globalisation.

Introduction

As explained in the above-stated abstract, E-commerce stands for electronic commerce and is synonymously known as E-business, web business, online business. E-commerce includes the entire online process of developing, marketing, selling, delivering, serving, and paying for product and services. In a nutshell, E-commerce means doing any business activity online. E-commerce does not include buying and selling of goods and services, but it also includes the entire development process, marketing, delivering, servicing, and paying for the product and services. The commencement of E-commerce has provided the benefit of the easy and quick order placing from anywhere in the world and at any time round the clock. The desired product can be placed at any time and from anywhere. There are two prime models which are adopted for the effective and smooth functioning of E-commerce, i.e. business to business (B2B) and business to customer (B2C); both these models have been explained further in this paper. E-Commerce has changed the way of doing business. It is stretching far beyond the physical presence of the buyers and sellers. Nowadays, business is earning by leaps and bounds by sitting at two different corners of the world and this is possible only through E-commerce and one can witness a transitional shift in business. E-commerce, despite offering various advantages and merits, is still a debatable topic because of the shift of platform, i.e., from the physical platform to the virtual platform. In light of various initiatives like digital India, the concept of E-commerce will soon penetrate well in society and will be highly appreciated and accepted.

Research Methodology

The paper titled 'E-commerce: A journey from bricks to clicks' is entirely based on secondary data. These secondary data have been procured from various research papers available on the internet and the report of India Brand Equity Foundation (IBEF).

Objectives

- To throw light on the evolution of E-commerce.
- To discuss various models of E-commerce
- To highlight the growing trend and future prospects of E-commerce.

Literature Review

- E-commerce has been viewed as a revolution in business practices. E-commerce and the internet are closely related for the purpose of developing a country. (Ohidujjaman, et al., 2013)
- A study by (Raghunath and pang, 2013) says that E-commerce will be a reluctant affair as far as security is concerned. To accelerate the use of e-commerce, the ambiguity relating to the online business should be identified, understood and alleviated.
- Schwarze and Grabowska (2015) have emphasized on the growing significance of online marketing and its future.
- Mukherjee and Das (2016) highlighted the consumer satisfaction aspect and its relation to the growth and development of E-business.
- Sreekanth and Rao, in their study, have analyzed the influence of personal factors on the online shopping behavior of consumers. This study explores factors like gender, age, education and income and their impact on online shopping.
- Hasan (2010) studied that E-commerce has now become an important element of business and are strong drivers of economic development.

Evolution of E-commerce

The evolution of E-commerce has been a great topic for research because of its growing relevance and enhanced acceptability. According to one of the papers read on the evolution of E-commerce, E-commerce was made possible by the development of electronic data interchange (EDI). EDI was originated due to the needs of transportation and retail industries to create a paperless office in 1960s.

By the mid of the 1970s, EDI was formalized by the accredited standards committee of industry representatives and many companies began to adopt EDI by the end of 1970s and mid of 1980s.

EDI allows the organization to exchange information, place orders and conduct electronic fund transfer through computers.

The penetration of EDI was slow and by late 1990s very few companies had adopted EDI. The vital characteristics of the second generation E-commerce are the transfer of goods and services through internet. In 1983, when the internet protocol became the only approved way to all computers could easily exchange information.

In 1986 NSFNET was launched with the purpose of providing high-speed linkage between major computers across the US. The backbone of NSPNET then became the foundation of TCP/IP based internet.

In the early 1990s the development of HTML i.e., hypertext markup language and URL enabled the web to become an environment which we know at present. The internet was therefore sidelined from a complex use to common use, and hence it was used for business purpose as well. Hence the evolution of E-commerce is still continuing and is directly linked to the development of IT. The demand for convenience, no time boundary and privacy has been a major driving force for the upward scale of E-commerce. Despite this, it is still a need of the hour to create a secure and safe path for the customers.

Models of E-commerce

The various models on which E-commerce is based are basically of four types. They operate with different parties and hence are known by different names and the names generally represent the parties which are involved in conducting the business.

Various relevant models of E-commerce are as follows,

- Business to business (B2B)
- Business to consumer (B2C)
- Consumer to consumer (C2C)
- Consumer to business (C2B)
- **Business to Business (B2B):** When a transaction between two different organizations is being conducted through the internet it is known as business to business model of e-commerce and is usually

abbreviated as B2B business. They mainly include procurement of raw material, maintenance of inventories, channel management, sales, and payment management.

- **Business to Consumer (B2C):** This model is about the transaction which takes place between business and consumers. Example- Jabong, Shopclues, Flipkart and Myntra, etc.
- **Consumer to Consumer (C2C):** Though this isn't a firsthand transaction, it includes sales of goods fro m one customer to another that is secondhand sales of goods.
- **Consumer to Business (C2B):** C2B i.e., consumer to a business model is another model which is in a fast-growing pace. In this type of business, consumers sell goods to business.

Figure 1: Models of E-commerce

Current Scenario and Future Trend of E-commerce

Electronic commerce in India is still at a nascent stage; the growing culture of E-commerce still needs threshing for availing its opportunities. Rediff .com was the first e-commerce website in India. E-commerce has become a vital part of our business culture. The basic reason why companies are going for e-commerce is that the advertisement cost is being cut short. The websites are providing goods at cheaper costs.

According to the IBEF report, July 2019, the followings are the extracts on growth of E-commerce.

- Actuated by an increase in Smartphone users and the launch of 4G network the Indian E-commerce is expected to grow to US$ 200 billion by 2027 from US$38.5 billion in 2017

- With the increase in Smartphone users by 2022, the expected reach of E-commerce is to grow to 1200% by 2020.
- E-commerce retail logistics market in India is estimated at US$ 1.35 billion in 2018 and is expected to grow at a 36% CAGR (compound annual growth rate) over the next 5 years.
- As of July 2018, total E-commerce transaction in retail is 1-1.2 million per day and on the E-commerce platform, it is 50-60 million per month.
- According to the same report, i.e., India brand equity foundation reports the growth drivers of Ecommerce are increasing awareness, government initiatives, and investments.
- IBEF also reports that the other major driving force behind E-commerce are internet contents in a local language, growth of consumer demand in non-metro cities, mobile commerce, growth of logistics and warehouse, Bharat net and digital India, Ecommerce draft policies, internet Saathi, reliance jio.
- In the year 2017, India witnessed 21 private equity and venture capital dealings worth US$ 2.1 billion. And in the first half of 2018, there were 40 deals worth US$29.

Conclusion

E-commerce is now an emerging area of study. Many types of research are being conducted for bringing out the growing trend and prospects of e-commerce. E-commerce is increasing rapidly, both in terms of buying as well as selling of goods mostly because of the convenience it offers. As per one of the papers read, the E-commerce industry is expected to grow four times by 2021 as compared to that of 2015. This paper has discussed various models on which the E-commerce business is based i.e., B2B, B2C, C2C, and C2B all these have a different mechanism of working and offers different merits. The current scenario and future trend, as discussed in this paper have been taken from IBEF reports, July 2019. This report gives details of the causes behind the upsurge movement of E-commerce. To conclude, we can say that E-commerce, especially in India, is still at a nascent stage because the maximum population is concentrated at a lower income group. E-commerce is more prominent among the higher income group. It will take a good period for E-commerce to penetrate in the Indian society, but not to deny, E-commerce is a new lubricant to the economy and everyone is welcoming it with open arms.

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A Study on Management Functions in the Age of Information Technology and its Impact in the Economy.

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Abstract

The impact of technology on the roles of managers over the past few years have been extraordinary, they resulted in numerous changes in the global environment of business and economy. Generally, new technologies had a great impact on all aspects of life as well as in the management area and the economy is undergoing a fundamental transformation. This paper analyses these impacts by examining the changing managerial roles at the time of information technology and the impact of this in the economy. The present economy is changing and is becoming "Knowledge Economy", where knowledge and information are essential is the key factor of production. This paper analyses these effects of using information technology in the area of management and its impact on the economy.

Keywords: Knowledge-Economy, Digital information technology management, Cloud computing, Customer Segmentation.

Introduction

In the past few decades, technology has progressed in leaps and bounds, creating modern marvels out of ideas considered impossible in the preceding eras. Technology has its application in all areas of human existence and the technology is considered as a synonym for advancement. From smart discoveries to brilliant inventions in each field, the impact of technology has been immense, constant and lasting. Technology also plays a dominant role in the field of business and management. If one looks at the overall effect of technology of any kind on management and organizations, it is understood that it assumes a direct connection with ease and efficiency, as it does in every other field. Advanced technology ensures efficiency in all the processes, from research to planning to execution. Changes in technologies have a significant impact on the various operations in a business organization. There will be a need for new types of managerial, diplomatic, and social skills and it leads to a need for new type of decision-making process that will not be accommodated by existing organizational structures. Technological updates are required on a timely basis and all the managerial functions should be changed as per the changes in technology. There will be increased responsibility on management for organization outcomes leading to added emphasis on planning, decision making, control, and coordination. These will often rely on computer-based management science techniques which demand a higher intellectual capability of managers.

Definition

Information Technology (IT) was described by Chaffey and Woods as "Technology resources used for business information management". Resources include various software, hardware and other requirements for enabling digital information technology management.

The Industrial Revolution and Scientific Management

Prior to the industrial revolution, management was not a highly discussed topic as most of the managerial functions are done by the sole owner of the organization. Only a few organizations followed a full fetched managerial concept, apart from those, all the organizations exist in the rule of thumb. Only glimmers of what was to come showed up in the work of thinkers such as Adam Smith, with his insight that the division of labour would increase productivity.

With the rise of the industrial revolution, that changed. Along with the new means of production, organizations gained scale. To coordinate these larger organizations, owners needed to depend on others, which economists call "agents" and the rest of us call "managers". The focus was wholly on the *execution* of mass production, and managerial solutions such as specialization of labour, standardized processes, quality control, workflow planning, and rudimentary accounting were brought to bear.

Concept of “management” was in wide use from the 1900s onwards and management principles of various scholars like Adam Smith laid the stepping stones for the concept. Others – such as Frederick Winslow Taylor, Frank and Lillian Galbreth, Herbert R. Townes, and Henry L. Gantt – developed theories that emphasized efficiency, lack of variation, consistency of production, and predictability. The goal was to optimize the outputs that could be generated from a specific set of inputs. The mid-twentieth century was a period of remarkable growth in theories of management, and in the guru-industrial complex. Important management theory contributors like Chester Barnard, Max Weber,Elton Mayo, Mary Parker Follett, and Chris Argyris imported theories from other fields (sociology and psychology) to apply to management.

Various mathematical and statistical theories are applied in management for effective management of the organizations. Later attempts to bring science into management included the development of the theory of constraints, management by objectives, reengineering, Six Sigma etc.

IT Revolution

Industrial Revolution has made many changes in an organization by maximising the productivity as well as effectiveness of the workforce. However, the business world remained somewhat stagnant for a century after. With the information technology revolution, and the use of information technology in business, however, things changed even more disruptively than during the Industrial Revolution and it would be safe to say that things will never be the same again. The rate at which information technology is evolving and adapting is exponential to the point where all businesses are being swept by the wave, whether they are ready for it or not. It might not seem like we have made that much progress, but even just 5 years ago, social media did not have any consumerism, mobile phones weren’t used for business, cloud-based solutions did not exist, the App Generation was not born yet, and omni channel marketing was taking its baby steps.

Information technology has just about changed every aspect of business in a big way and this has never happened this fast before in history.

Find a few ways in which information technology has affected business below:

Phenomenon of Cloud Computing

Cloud computing has made it possible for businesses to outsource many of their functions to third parties using the internet. It makes it possible for variable data packages to be handled but also makes it possible for businesses to expand rapidly and embrace mobility without having to worry about such things as crashes, downtime, and lost data. This has enabled small and medium-sized businesses to gain access to resources that would have cost them a fortune only a few years ago. In effect, the playing field has been levelled.

Increased Customer Segmentation

Since more and more data is flowing, it is now much easier to analyse and gain deep insight into the things that customers are looking for. Research and analytical services are expanding every day and are allowing businesses to segment their prospects into more and more specific groups, making it much easier to target them and get more value for their advertising money. Analysing customer's information enables the firm to have information about the kind of browser they're using, how they stumbled upon a website, what they do on that website, how long they are likely to stay and at what point they decide to leave. There are even more advanced analytics services that allow businesses to become even more refined with this segmentation in order to improve their conversions drastically.

Increased Connectivity

Technology has made it easier for people to stay in touch. Whether you're looking to communicate with your employees and colleagues via video chat or sending email blasts to leads, mobile technology and the constant innovation that takes place within the purview have made it possible for communication to take on a new level of hyper-realism.

Decreasing Costs and Increasing Utility

There are two main things that have come together to make what is called a "buyer's market" possible. Hardware and software that are needed in creating the necessary software solutions have become more affordable and market experts who are also tech-savvy are appearing by the day to make use of these technologies. There was a time when it would take a large company about a year to build a back-end inventory system. Now it takes a few college graduates a matter of weeks to build the same thing. Since the solutions are offered affordably and very easy to use, businesses do not have to invest too much money into them and that has made business easier.

A Changing Consumer Base

Millennials have come of age and they are now the force driving the modern economy. Pretty soon, over half the American workforce will consist of millennials and pretty soon they will also be coming into their peak affluence, where they will have a lot of money to spend and very few financial obligations, give them a lot of disposable income. They are greater in number than the baby boomers and are a lot more liberal with their wallets. They are also all about instant gratification. They have also been raised with the internet. They are connected, tech-savvy, and ready to spend. Businesses have to adapt to this new customer base if they are going to thrive.

Greater Consideration for the Social Impact of Business

Business is not operating in a vacuum. Social networking has made the world a smaller place where users can connect regardless of who they are, where they're from, and how wealthy they are. Only a few years ago you could have gotten by if your customer service was just okay. Now you have to put in the extra effort if you don't want unfavourable ratings on review sites and people going on rants on social media about your service. Hence businesses need to be careful about their online reputation and need to work on their digital footprint.

How Can Management Use Technology to Work More Efficiently?

Technology is used to integrate communication within your organization. Let your employees be on the same page with each other, using such things as collaboration platforms and social media to keep everyone updated about what is going on in the business and where it is headed. Technology has to sync with the goals of the business, and their productivity will be significantly improved. Organisations can also use technology to improve the service you deliver to your customers, by enabling them to give you feedback on your products and services, as well as suggestions on what you can improve.Effective knowledge and understanding of information technology are important for managers and other business knowledge workers in today's global information society. Information systems and technologies have become a vital component of successful business and organisations.Information technology becomes an effective field of study in management and business administration, as they are considered a major functional area in business operations.

Conclusions

Information technology tools and systems provide managers with the knowledge and easy access to vital information for decision making. Since the role of the manager includes "knowing who knows what, which enables the manager to leverage the knowledge of others" (Bassellier et al, 203, p. 159), having a sound IT infrastructure is relevant for business success in the information led or IT-economy of the 21st century. Effective managers must possess tacit IT knowledge conceptualized as a combination of both experience and cognition. In today's business environment a manager's experience must include personal computing, IT projects, and overall management of IT, along with cognitive constructs or mental models and ideas in dealing with business challenges and problems (Bassellier, et al, 2001). The mental models which Bassellier and colleagues make reference to are the manager's process view and his or her vision for the role of IT. Managers in today's competitive business environment must effectively utilize IT to gain competitive advantage, increase market share, and deliver a leap in customer service (Mujtaba and McFarlane, 2005). In order to accomplish this today's managers must have enough knowledge in the use and application of IT systems and tools to address business problems and provide solutions. IT-competent business managers are chiefly having two behaviours, ie; an increased willingness to form partnerships with IT professionals and an increased propensity to lead and participate in IT projects (Bassellier, Reich, and Benbasat, 2001, p. 160). These collaborative partnerships and IT knowledge will further allow managers to respond to market risks and change as they venture into the new global economy.

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Growth of Mutual Fund Industry after Demonization- An Indian Perspective

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Abstract

The world is rapidly responding to India's digital revolution after the announcement of demonetization on 8 November 2016 by the Honorable Prime Minister Shri Narendra Modi. There are some events which illustrate both challenge and tremendous opportunities for the growth of mutual fund (MF) in India. The Indian mutual fund industry is one of the fastest growing and most competitive segments of the financial sector. Today, India's financial system is considered to be sound and stable as compared to many other Asian countries where the financial market is facing many crises. As awareness increases, MFs could become one of the first choices for both short- term and long- term investments.

The present study is based on the growth and key influences for the success and expansion of the MF industry in India. The purpose of this study is to present the key trends which impacted its growth in the last decade.

Keywords: Growth of the Mutual Fund, Long-term investments. Mutual Fund and Short-term.

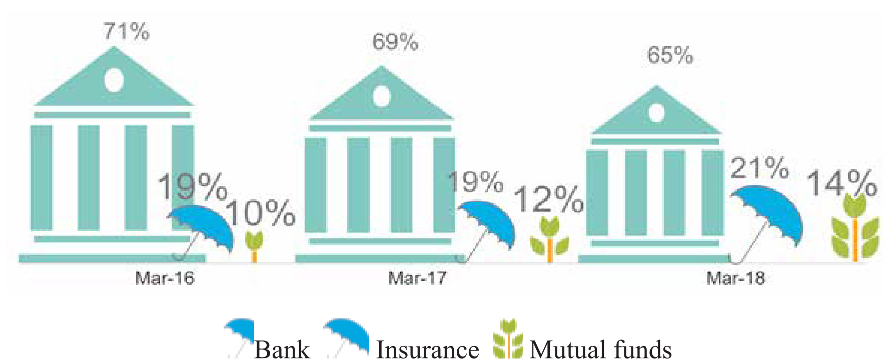
Introduction

The world is rapidly responding to India's digital revolution after the announcement of demonetization on 8 November 2016 by the Honorable Prime Minister Shri Narendra Modi. Demonetization was initiated with a wide array of motives like stripping the Indian economy of its black money, push people to pay taxes for the unaccounted pile of cash, curb terrorism, promote the digital India movement and make India a cashless economy. India has pulled select denomination of currency twice before. The first on 12 January 1946, when Rs.1,000, Rs.5,000 and Rs.10,000 notes were taken out of circulation a year and a half before the country won independence from the British. The second time on 16 January 1978 by Prime Minister

Shri Morarji Desai of Janta Party coalition government demonetized banknotes of Rs.1,000,Rs.5,000 and Rs.10,000 again in the hopes of curbing counterfeit money and black money. The ban on old notes is being cited as one of the key contributors to the economic slowdown. With the gross domestic product (GDP) for the April-June quarter slipping to 5.7%, the reality of the economic slowdown could not be ignored. In an attempt to curb black money in the economy, the Prime Minister announced the demonetization of Indian high-value currency in November 2016. Despite this move, the unlikely presidential win of Donald Trump, Brexit, uninspiring equity markets and surging oil prices, the Indian mutual fund (MF) industry did exceptionally well in 2016, recording its highest growth in 7 years and reaching a total corpus of 17 lakh crore INR. As an investment instrument, MFs played an important role in increasing the penetration of the Indian population into capital markets. At present, the penetration is just around 3%, but recent events illustrate both challenges and tremendous opportunities. Asset management companies grew their average assets by approximately 30%, adding nearly 4 lakh crore INR to their MF portfolios.

Figure 1

Share of mutual funds vs. banks and insurance in financial investments of India



Bank data represented by time and demand deposits

Life insurance and mutual funds represented by their aggregate assets at that specific point in time

***Source**: Reserve Bank of India (RBI), Life Insurance Council, Insurance Regulatory and Development Authority of India (IRDAI), AMFI*

As per data analyzed shown in figure 1, the share of mutual funds has increased in the last three years to 14% of the financial savings/ assets in India even as the share of banks – which have traditionally got the bulk of financial investments – has fallen to 65%, as of March 2018, from 71% in March 2016.

Objective of the Study

- To understand the concept of demonetization.
- To analyze the present and future of mutual fund business service based on past performance.
- To analyze the impact of the demonetization on Mutual fund Industry.
- To evaluate the growth of the mutual fund after demonetization.

Resear ch Methodology

Research Methodology is a way to systematically solve the research problem. The research methodology used in this study is descriptive in nature. The interpretation and conclusion are mainly based on the data collected with the help of Books, Magazines, Newspapers, Research articles and E-Journal. The data was collected from secondary sources which are gathered through journals, internet, government reports and websites. The collection has been suitably tabulated analyzed and interpreted with the help of suitable statistical techniques.

Origin of Mutual Fund in India

Mutual funds (MFs) have existed for more than a century and have played an active role in financial markets all around the world. The first modern mutual fund came up in the US in 1924 and there were more than 700 funds that existed in the US just before the Great Depression. In India, which was established in 1963 and was the only mutual fund available to investors until public sector banks became eligible to offer mutual funds in the 1980s. But it wasn't until the mid-1990s when the private sector was also allowed to compete that the industry saw real growth in assets. Mutual Fund is an instrument of investing money. Nowadays, bank rates have fallen down below the inflation rate. Therefore, keeping large amounts of money in the bank is not a wise option, as in real terms the value of money decreases over a period of time. One of the options available is to invest the money in stock market. But a common investor is not well informed and competent enough to understand the complexities involved in the price movement of shares in the stock market. This is where mutual funds come to rescue them. The role of mutual funds will increase in the Indian markets also. This means that retail investors will opt for mutual funds. In the US, 35 to 40 per cent of the investments currently come through mutual funds while in India it is very negligible.

The history of mutual funds dates backs to the 19th century when it was introduced in Europe, in particular, Great Britain. Robert Fleming set up in 1968 the first investment trust called Foreign and Colonial Investment Trust which promised to manage the finances of the moneyed classes of Scotland by spreading the investment over a number of different stocks. This investment trust and other investments trusts which were subsequently set up in Britain and the US resembled today's close-ended mutual funds. The first mutual in the U.S., Massachusetts investor's Trust, was set up in March 1924. This was the open-ended mutual fund.

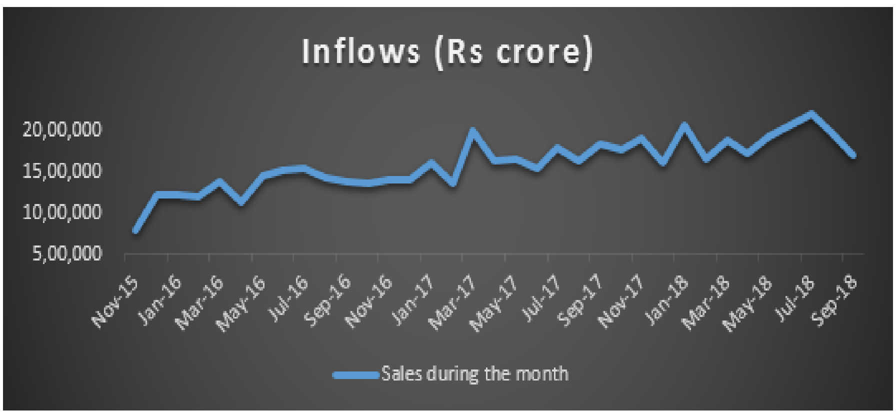
The stock market crash in 1929, the Great Depression and the outbreak of the Second World War slackened the pace of mutual fund industry, innovations in products and services increased the popularity of mutual funds in the 1960s and 1990s. The first international stock mutual fund was introduced in the U.S. in 1940. In 1976, the first tax-exempt municipal bond funds emerged and in 1979, the first money market mutual funds were created. The latest additions are the international bond fund in 1986 and arm funds in 1990. This industry witnessed substantial growth in the eighties and nineties when there was a significant increase in the number of mutual funds, schemes, assets, and shareholders. In the US, the mutual fund industry registered a ten-fold growth the eighties. Since 1996, mutual fund assets have exceeded bank deposits. The mutual fund industry and the banking industry virtually rival each other in size. Mutual funds were first started in England during the 19th century. These funds could not succeed due to highly speculative nature. Mutual Funds started in U.S.A. during 1900 but they picked up only after 1924 when a number of such funds were started. After World War II, mutual funds expanded rapidly. The mutual fund industry in India started in 1963 with the formation of Unit Trust of India, at the initiative of the Reserve Bank and the Government of India. The objective behind this was to attract small investors and introduce them to market investments.

Table 1 : Evolution of Mutual Fund Industry

Year	Industry Evolution
1963	Formation of the Unit Trust of India.
1964	Launch of the maiden scheme of UTI- Unit Scheme
1987	The entry of public sector funds. SBI Mutual Fund was the first one followed by Canbank Mutual Fund.
1993	The emergence of private sector funds. Franklin Templeton (erstwhile Kothari Pioneer) was first to its kind.
1993-2003	Robust growth and revised MF regulation from SEBI in 1996, entry of foreign funds, several mergers and acquisitions.
2009	Removal of the entry load
2012	Single plan structure for mutual fund schemes Cash investment allowed in mutual funds Fungibility of total expense ratio (TER) allowed A portion of TER to be used for investor education Entire exit load to be credited to the scheme Launch of Rajiv Gandhi Equity Savings Scheme (RGESS)
2013	Reduction in Securities Transaction Tax (STT) for equity funds Uniform Dividend Distribution Tax (DDT) of 25% on all debt mutual funds Product labelling Introduction of direct plans
2014	Changed the definition of 'long term' for debt mutual funds to 36 months from 12 months for LTCG Tax exemption limit for investment in financial instruments under Section 80C raised to Rs. 1.5 lakh from Rs. 1 lakh
2015	Launch of MF Utility (MFU) – Digital aggregator platform by the industry, for the industry SEBI asked fund houses to shift from colour coding to Riskometer which classified schemes based on the risk profile EPFO started investing in the equity market via Exchange Traded fund (ETF) SEBI allowed gold ETFs to invest up to 20% of their assets in the government's Gold Monetisation Scheme

2016	SEBI tightened norms for mutual fund investment in corporate bonds Allowed investment advisors to use the infrastructure of the stock exchanges for sale and purchase of mutual fund units Provided easy entry to the foreign fund managers keen to enter India.
2017	SEBI allowed mutual funds to invest in REITs and InvITs Allowed investment up to Rs 50,000 per mutual fund per financial year through digital wallets Instant access facility to the liquid funds' investors (via online mode) of up to Rs. 50,000 or 90% of the folio value, whichever is lower The government discontinued the tax benefits of RGESS
2018	SEBI asked fund houses to benchmark returns of equity schemes against a total return index (TRI) SEBI introduced categorization and rationalization of mutual fund schemes making it simpler for an investor to understand LTCG of 10% without indexation introduced for equity-oriented funds for an investment horizon of > 1 year, subject to capital gains of over Rs. 1 lakh per assessee per year. Dividend plans of equity-oriented funds subject to a DDT of 10%, deducted at source Mutual fund houses asked to disclose TER for all schemes under a separate head on their websites on a daily basis SEBI further redefined the scope for T15/B15 cities to T30/B30 and push for higher penetration

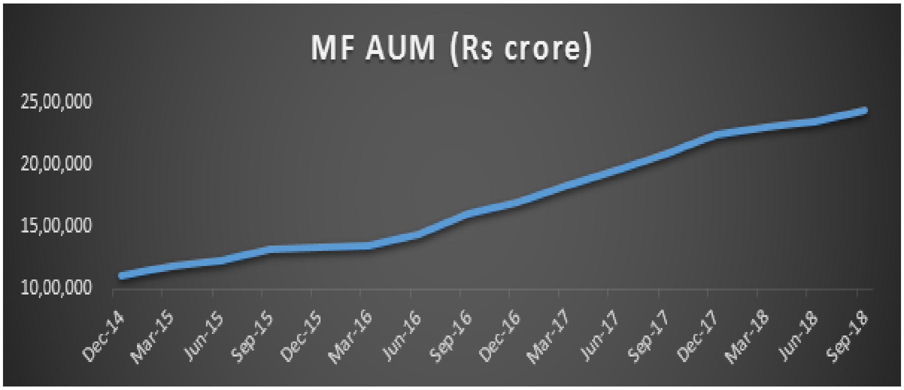
Graph 1



***Source**: AMFI*

In fact, mutual fund AUM saw a steep rise of 14 per cent in six months from September 2016 to March 2017 and an eight per cent hike from December 2016 to March 2017. The AUM rose by three per cent and one per cent in the respective periods a year ago. The AUM has far reached Rs. 23.15 lakh crore as on October 31, 2018 which can be studied from Table 4.

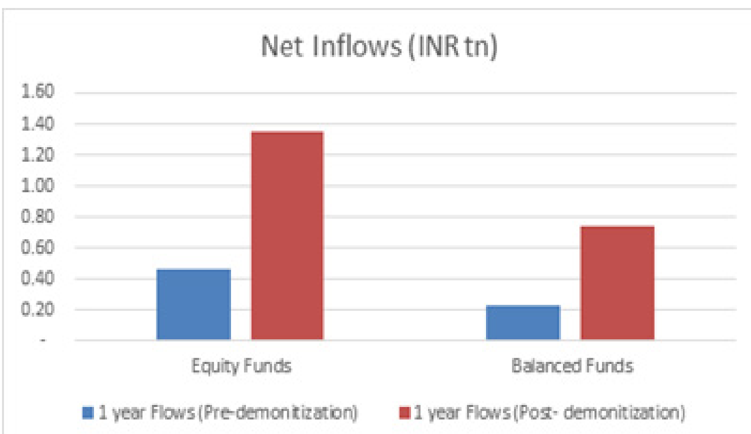
Graph 2



Source: *AMFI*

Since demonetization flows into mutual funds have been very strong, especially in equity and balanced funds. Table 5 shows from November 2016 to October 2017, equity funds have received inflows of Rs. 1.35 lakh crore and balanced funds have received Rs. 74,000 crore. This represents a huge jump in the flows received in these categories a year prior to demonetization. While the flows under "Income funds" as reported by AMFI have remained tepid, that is the result of volatile institutional flows into the "Ultra Short Bond Fund" category. Short-term funds and credit funds have been receiving healthy inflows since demonetization.

Graph 3



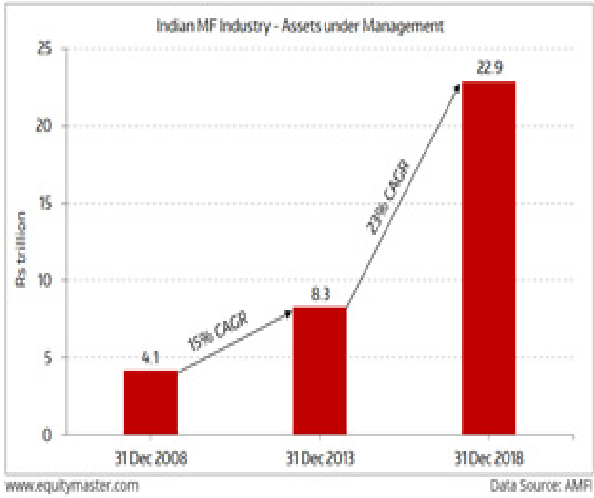
Source: *AMFI*

Growth of Mutual Fund in India

By the year 1970, the industry had 361 Funds with combined total assets of 47.6 billion dollars in 10.7 million shareholder's account. However, from 1970 and onwards rising interest rates, stock market stagnation, inflation and investors some other reservations about the profitability of Mutual Funds, Adversely affected the growth of mutual funds. Hence Mutual Funds realized the need to introduce new types of Mutual Funds, which were in tune with changing requirements and interests of the investors. The 1970s saw a new kind of fund innovation; Funds with no sales commissions called "no-load "funds. The largest and most successful no-load family of funds is the Vanguard Funds, created by John Bogle in 1977. In the series of a new product, the First Money Market Mutual Fund (MMMF) e.g. The Reserve Fund" was started in November 1971. This new concept signalled a dramatic change in Mutual Fund Industry. Most importantly, it attracted new small and individual investors to mutual fund concept and sparked a surge of creativity in the industry.

The world is rapidly responding to India's digital revolution after the announcement of demonetization on 8 November 2016 by the Honorable Prime Minister Shri Narendra Modi. India has seen a concerted effort to move towards a cashless economy. Events from the last few weeks of 2016 illustrate both the challenges and tremendous opportunities for the growth of the mutual fund (MF) industry in India. As awareness increases, MFs could become one of the first choices for both short-term and long-term investments. While MF products are not suitable for all kinds of investors, the sector has shown tremendous growth by exceeding 17 lakh crore INR in assets under management (AUM), with inflows worth nearly 4 lakh crore INR in the last 2 years alone.

Graph 4

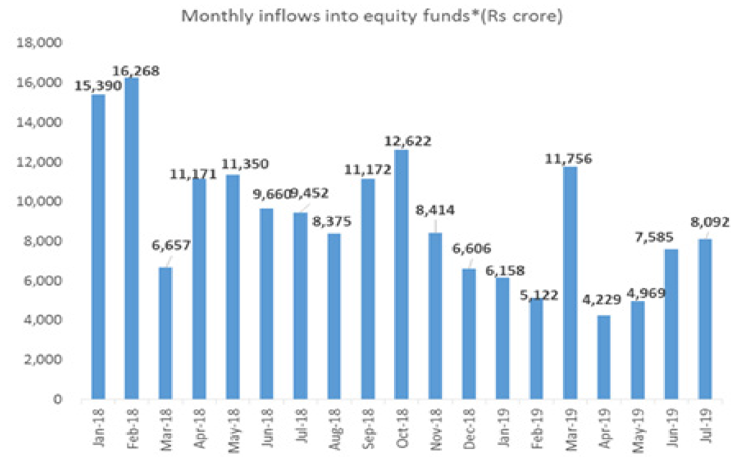


Indian Mutual Fund Industry is rapidly growing after demonization. Ten years ago, the total assets under management (AUM) of the Indian mutual fund industry were Rs. 4.13 trillion (1 trillion equals 1 lakh crore) as on 31 December 2008.On31 December 2018 Indian equities worth Rs. 33,014 crore and debt instruments worth Rs. 47,795 crore. So far in January 2019, they have sold equities worth Rs. 2,675 crore. Over the subsequent five years, the industry grew at a compound annual growth rate (CAGR) of 15% to take the total AUM to Rs. 8.2 trillion as on 31 December 2013.

Thereafter, the Indian mutual fund industry took off like never before, compounding at 23% CAGR, and taking the total AUM as on 31 December 2018 to Rs. 22.86 trillion. In just 10 years, the AUM of the Indian MF industry has multiplied 5.5 times, compounding at 19% CAGR. The total number of mutual fund folios as on 31 December 2018 stood at 8.03 crore (80.3 million) presented in Graph 4.

Assets under management (AUM) of the mutual fund industry stood at Rs. 24.5 lakh crore at July-end, up by a per cent month-on-month

Graph 5



Source: AMFI, *equity funds (open-ended and close-ended) including ELSS excluding ETFs

(MoM), data from Association of Mutual Funds in India (AMFI) showed in Table 7. Mutual funds (MFs) saw a total inflow of Rs. 87,087 crore in July, mainly driven by large inflows into equity, liquid and money market funds, equity-linked savings scheme (ELSS) and exchange e-traded-funds (ETFs) while credit risk fund saw capital outflows. While the inflows were healthy, overall AUM growth in July was almost flat as equity markets saw the worst performance with nifty falling by 7 per cent in July. But despite weak equity markets, inflows into equity schemes increased by 7 per cent MoM in July. Open-ended equity schemes saw inflows of Rs 8,113 crore, while there was a small outflow of Rs. 21 crore in close-ended equity plans, taking total equity inflows of Rs. 8,092 crore in July. Investors seem to have opportunistically used the correction in markets to invest inequities.

Conclusion

Demonetization is in the long term interest of our country, comfortably outweighing the disadvantages. It may make a massive change in our economy. It is a historical step and should be supported by all. Average Assets Under Management (AAUM) of Indian Mutual Fund Industry for the month of July 2019 stood at Rs. 25,81,026 crore. Assets Under Management (AUM) as on July 31, 2019, stood at Rs.24, 53,626 crores. The AUM of the Indian MF industry has grown from Rs.7.22 trillion as on 31st July 2009 to Rs.24.54 trillion as on 31st July 2019, about 3 ½ fold increase in a span of 10 years. The MF Industry's AUM has grown from Rs. 10.06 trillion as on 31st July 2014 to Rs. 24.54 trillion as on 31st July 2019, about 2 ½ fold increase in a span of 5 years. The Industry's AUM had crossed the milestone of Rs. 10 Trillion (Rs. 10 Lakh Crore) for the first time in May 2014 and in a short span of about three years, the AUM size had increased more than two folds and crossed Rs. 20 trillion (Rs. 20 Lakh Crore) for the first time in August 2017. The Industry AUM stood at Rs. 24.54 Trillion (Rs. 24.54 Lakh Crore) as on 31st July 2019. The total number of accounts (or folios as per mutual fund parlance) as on July 31, 2019 stood at 8.48 crore (84.8 million), while the number of folios under Equity, Hybrid and Solution Oriented Schemes, wherein the maximum investment is from retail segment stood at 7.62 crores (76.2 million). This is 62nd consecutive month witnessing rise in the no. of folios.

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The Nature Highway

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Abstract

A highway is the lifeline of progress for the nation's economy when it makes balance with nature and public, become a nature highway. This paper proposed certain changes in the present highway making and maintenance process, by which nation may become fully dependent on own resources, there is no need for foreign assistance for the development of nation.

This paper divided into several parts firstly introduction under which have been discussed about the idea generation and background theory. Secondly research methodology which shows that this paper based on the qualitative data explorative design. Thirdly what is nature highway? Under this section discuss what exactly nature highway is? And its element. Fourthly the pros and cons, under this paper discussed advantages and disadvantages of the nature highway. Fifth a uses of this concept and lastly conclusion.

Keywords: Green belt, Highway house, Recycling of plastics, Solar array, Under flyover house.

Introduction

Like India and China had over 25% of his population people are homeless on other hands they have multibillionaires wants to ride the world. The same situation in India, one side Indian science and technology is very powerful in the world but still millions of young generation seeking for the jobs. Even for the job of a peon or sweeper highly educated people apply for the job. On other hand 65% of the total population still lives in villages.

It's well known that highway and other multipurpose projects are playing a very crucial role in economic as well as a nation-building process. But these projects have required so much of land than the funds. These lands mainly hold by the farmers of the nation, who playing role of universal suppliers of the nation kitchen. During the acquisition of land they get little money in exchange for their lands. Also its fact that Indian farmers are very less educated, in this way they are not spending their money in productive way.

As soon as they become poor due to the end of the money. because they had no skill other than farming. After that, for the sake of living, they are continues to moves toward the cities and towns. The result of this is that Delhi, Mumbai and other urban slums are increasing.

For coping with this mass migration, the government came with schemes like MGNREGA etc. I agree with the fact that this scheme is the biggest scheme in the world, which employs illiterate jobs within a radius of 5 kilograms of their villages, but offers 100 days of employment only for the whole year, at rate 200 rupees per day. At the same time, the children of cities do not take 200 rupees for their daily expenses from their parents. They are unemployed for the remaining 265 days. For the livelihood, they should be bound to either do work as labour on other's land or to go to city. We also know that on an average six to eight members in every villager's family in India. Yes, those who have land can live a satisfying life, but who have no land or no employment, how can they fill basic requirement of their families in this money? Schemes like MGNREGA do not make them skilful in any way.

On the other hand, there is urbanization in developing countries like India, China and Pakistan etc. without any industrialization, which is happening on the land of the farmers, Due to this reason unemployment rates going on day by day. Every year in our country, every government, crores of rupees continue allocating this scheme.

And after spending millions of rupees on such schemes, the result is not nearly zero, I do not say that MNREGA does not change the economic conditions of the farmers, no country can make a plan of crores, keeping in mind the small changes. If it does, then it will be stupid

The nature highway concept proposing that with some changes in the present highways under which these highways can maintain balance with nature and public for the sustainable growth of the nation.

Methodology

This paper is based on qualitative data and exploratory design. The ideas of the above Paper come by the recent news that china made world-first solar highway and by observing and studying highways in India according to the Indian geographical, economical and sociological situation.

What is Nature Highway?

Road and transport both are the backbone of the nation's economy, without proper transport systems no nation in the world can meet own economic and social needs and met the demand of their population. On this point every nation trying to build proper transport and communication channel to meet internal as well as external demands.

But these highways are made by against the natural rules. in this way, there are so many nations faced so many problems like water shortage, pollution, drought, earthquakes etc.

Nature highway concept tries to short out these problems, by given some changes in their highway design and maintenance.

There are so many nations' tries to make balance with nature for their sustainable growth and development. On this way, china shocked the world by inaugurating a two-kilometre solar highway.

There are so many defaults in this project which given below:-

- Due to this design, there is no future of plantation along highway side. Because of trees the efficiency of solar penal gets hampered.
- During the heavy traffic hours, the sunlight did not fell with required intensity on panel to generate electric current.

- After some month or year transparently of glass get loosed due to rubbing of rubber or tires.
- Due to globalization to compete with each other countries like India, America buys this technology to implement without knowing about the necessity.
- This technology not going to generate employment.

Here I am going to propose a theoretical model of making solar highway which can be helping the fight against the problems like pollution, employments generation, and green energy by less capital investment.

Here I tried to get above specification of on ideal policy.

- Recycled plastic made
- Solar panel array above the tree's standard height
- Green belt both side highway
- 5-8 kilometre there is highway house with highway employees
- Flyover houses

Let us go in detail one by one

Recycled plastic material

As we know that plastic is very cheapest and user-friendly material in the world. That the reason people were starting using plastic in every possible use and even in clothing. Plastic can't be destroyed by any means but it can only recycled but it spread everywhere in this can't possible to collect all plastics for the surroundings but can reduce by the sequential use for recycled for the making useful products.

But keep in mind, the use of plastic is not removed from human life.

As we know that plastic has own property that water-resistant, more holding capacity, low and high melting points according to its use.

As per the researches conducted on it shows that the roads and highways made by the plastics have more life in comparison to the traditional tar coal or concrete.

Solar panel array above the tree's standard height

There is no technique to done street lighting without using poles or supports. In the globalization era, every nation wanted to works for twenty-four hours in a day, in they bound to be facilities his citizen proper street lightening.

On the other hand due to more use of fossil fuels, deforestation, un-sensible constructions. This becomes cause of various natural and climatic disasters like drought, flood, earthquake, pollution etc.

Pollution and global warming became very disastrous for developing nations like India, China. Because they had no advance technology. In this way trees and forest are only main technology for the fought by such problems. In this way proposed to say plantation should happen in systematic manner which will generate income and employment for the farmers and low skilful workers. This will help in the growth of GDP of nation and generate carbon credit.

In the same way, the energy resources are also essential for the development of country, but now most nations lost their renewable resources or near be lost. In this way all nations' moves towards non-renewable resources like solar, wind and nuclear etc. but the solar energy is mostly free of cost in comparison to another resource. Here want to be proposing that solar panel array can be installed above the tree's standard height; because of that panel gets maximum sunlight from the sun. Power storing battery can be channelized more than two panels or directly connected with the grid to supply power for the household or industrial use.

Green belt both side of the highway

Everyone in the world wants a green belt around his house may poor or rich. Suppose you drive a car on Lucknow Agra expressway to going Lucknow to Delhi. Suddenly you want medical treatment or rest but you can't do that because this highway mostly no main highways at night except the vehicles are moving in road at super speed. What you will do? You have no choice either you reach anyhow Delhi or get stay in a motel but after 40-50 kilometre driving distance. During this time maybe you will cause of accident.

Now think about if there is a small space to stay or rest. You not faced with such a situation.

In this way proposed to make a green belt along with high way which has places for stay passengers or drivers, for facilitating required to full fill with services or goods for their safe journey at the reasonable price. In these places can be a bio-mass or bio-fuel and solar power plant. In the bio-mass plant uses waste biowaste along with the high way or trees to generate excess power country. Which may save precious foreign currency.

Highway house with employees

Along with green belt highway should have a highway house or office in every five to ten miles, which have to accommodate with emergency facilities for the tired or ill passengers. for the assisting them a team of persons, this team of permanent employees along with ambulance, patrolling truck, grander, an emergency medical facilitator for injured people, plant operator (who operate both the power plants like solar,bio-mass),driver(expert in drive various vehicles to stay away by the highway). these employees should be appointed on permanent came from near places (villages or town). The reason behind this that these people can gather people and other facilities from villagers during emergency time.

1. Flyover houses

Due to increasing the population of the nation nations faces so many problems to provide affordable housing to the citizens. Due to globalization per cap income of the nation also increase. That's the reason overcrowded roads by cars or personal vehicles increases the problem of heavy traffic.

For solving the problem of traffic every nation in the world is focusing on making flyovers.

Here I also support this act of the nations but you may not see these millions of people lives on the side of the roads because they are daily labourers or home-less person.

From these jobs, they earn little money from this either they pay rent of room or save for the family to feed the food.

Whether you recognized or not but I realized that climbing and downward which made by the bricks or sand or concrete can be used for the making for the night shelter or small houses or hotels for providing shelter to them by spending small money for a day or month.

This concept may become a reality because Chinese engineers made houses of concrete pipes for homeless or low-income groups.

Advantages of nature highway

- This highway make a balance between the development and nature of the nation
- This highway may help to enhance tourism in the nation
- It can increase per capita income of the nation
- It reduces the carbon emission
- It reduces the oil imports and saves the foreign currency
- It can help in increase in the forest ratio of the nation
- It can reduce the mass migration of people
- It can increase dependence on non-traditional energy resources
- It can reduce the cases of accidents on the highways
- It can help in increasing the groundwater level

Disadvantages of the nature highway

- It can initially costly project
- It can have high operational cost

Other uses of this concept

- This concept may be used for the decorating making the waterways

- It can use for rail-road for reducing railway safety reducing the railways miss-happening

Conclusion

A highway is a lifeline of nation, but which made on the land of the farmers after acquiring land for highway; they get some amount of money in the name of compensation.

After spending this money they have no resource for their livelihood. Now they have two choices either works as a landless labourer in their village or migrate to the cities for work and lives on the slums or on roadside. Sometimes they met with accident or loss of life or health.

It is seen in developing nations like India and china forcefully land acquisitions from the farmers for the development. It is beneficial for only the millionaires not effective for poor's or low-income groups.

this is the reason cities of developing nations are facing crucial problems of slums growing around them, where is no proper medical, health, drinking water, and sanitation facility available for them.

They are bound to face inhuman treatment by their employers because most of them less educated or illiterate, they had no knowledge about rules and regulation. This is the reason they bound to work in an unhealthy environment and illegal industries.

This paper proposed that if the employment for such people given to them in nearer to their village with some skill enhancement. They are not forced to migrate to the cities. If they bound to migrate for their needs must provide a healthy and peaceful environment at low cost. It is not possible in present scenario if these proposed things apply may be helpful in this noble cause.

How Online Gossip Influences Consumers' Intention to engage in e-Word of Mouth.

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Abstract

The chapter is based on an empirical study examines the effects of online gossip propensity on social networking sites (SNSs). The study posits that online gossip propensity affects SNS identification, which in turn determines normative pressure and SNS engagement. The ultimate outcome is the electronic word-of-mouth (eWOM) intention. The data were collected from a questionnaire survey with 200 general consumers. Using a scenario approach, the respondents were asked how they would react to a special discount campaign for a popular apparels brand's advertisement posted on an SNS. The structural equation modelling results indicate that online gossip propensity is indeed a significant driver of SNS identification. The findings also suggest that OGP strengthens SNS identification, which means through informal and casual small talk, users feel closer by belonging to the SNS. The ultimate outcome of the model, electronic Word of Mouth intention was not influenced by Normative Pressure. This reveals that when users engage in gossiping through SNSs, they need a reason in order to share the information with others. The study highlights certain managerial implications such and provides some insights into SNS based online marketing.

Introduction

The chapter is based on a study that inspects the influence of SNS users' online gossip propensity by Okazaki, S., Rubio, N., & Campo, S. (2014). Gossip is defined as the information about the new, deviant traits or behaviours of other people (Arno 1980). SNS users are interested to know the happenings around their friend's acquaintances lives which can include interesting, scandalous and hilarious aspects. In the current connected world, the study tries to understand how this translates to electronic word-of-mouth and more importantly whether this lead to brand recommendations in the online world.

'Gossip is small-talk about a mutual friend or acquaintance that has curious, scandalous, novel, humorous and unexpected elements (Guerin & Miyazaki 2006)'

Researches on gossip, rumour and word-of-mouth have clearly distinguished these concepts. Rumour is different from gossip in the sense that it is concerned with events rather than people and is speculative in nature (Dubois *et al.* 2011). Word of Mouth is defined as an informal conversation through which opinions on products and brands are discussed and spread (Arndt 1967). Research on the influence of gossip in the context of marketing is very rare. Gossip is extensively studied in a personal and organizational context and rarely in marketing context. Most of the studies involving Gossip is having a negative connotation and only recently positive aspects of Gossip is studied (Foster 2004). Gossip, specifically online gossip, when it is about product or promotional campaigns, can give rise to electronic word-of-mouth. The study and its findings are interesting in that aspect especially when it is done under the setting of social networking sites.

The concepts pertaining to online gossip is studied and reported herewith. Then the research model and the formulation of hypotheses are highlighted followed by the methodology in detail and describing the results. On its basis, findings and results are drawn while recognizing the limitations of the study.

Conceptual framework

Research hypotheses

This study is based on Algesheimer et al.'s (2005) brand community social identification model. The research model is presented in Figure 1 which defines how the study is modelled. Various studies have pointed out that online gossip is one of the popular social networking site (SNS) activities. Online gossip propensity is identified as a major driver of social networking site (SNS) identification which further leads to electronic word-of-mouth intention.

Motives of online gossip

This study presents that the motivation for gossiping online can be a function of information exchange, recreation, or conversation which in turn creates a social influence. The motives for such participation are highlighted by the studies of Dholakia et.al (2004) as information value, friendship value, entertainment value, and social enhancement value. Information value is defined as the value that a user derives when he/she exchanges information through social networking sites. Friendship value is derived when the user is able to maintain excellent relationship with others. Entertainment value is when the user gets fun and relaxation while using social networking sites.

Schiffman *et al.* (2003), and Bruner and Kumar (2005) found that the major drivers of consumer's acceptance of mobile and computer devices where the entertainment value that they derived out of those devices. Social enhancement value is derived by the user when he/she is able to observe a rise in the status within the group based on their contribution through the social networking platforms.

The key antecedents of Online Gossip Propensity are defined as follows Information Value – Value derived by the user by exchanging information through social networking sites.

Friendship Value: Value derived by the user by maintaining close relationships with other people.

Entertainment Value: Value derived by the user from fun and relaxation through the use of social networking sites.

Social Enhancement Value: Value which is derived from the approval and acceptance of the community

Hedonic Behavior: Use of social networking sites for activities that bring self-fulfilling value in a personal context, for fun and entertainment

Gossip: is the sharing of information which is interesting and about the behaviours of other people. Gossip is small talk about a mutual friend or acquaintance that often contains humorous/scandalous/interesting aspects about him/her

SNS Identification: Refers to how a user of a social networking site defines his/her self with respect to the various features relating to the social category he/she belongs.

SNS Engagement: Refers to the intrinsic motivation of the user to engage with other users of the SNS platform

Normative pressure – Every community has its own norms. Normative pressure refers to the extent of pressure on the user to conform to those norms.

E WOM: Electronic Word-of-Mouth refers to the spreading of information about a product/service through SNS platforms

Hypothesis

H1: Higher the levels of online gossip motives stronger the online gossip propensity in SNSs in terms of (a) information value (b) friendship value (c) entertainment value (d) social enhancement value

H2: Higher the levels of online gossip motives, stronger the online gossip propensity in SNSs in terms of hedonic behaviour.

H3: Greater levels of Online gossip propensity will lead to stronger SNS identification.

H4: Higher level of SNS identification will lead to stronger SNS engagement.

H5: Stronger SNS identification will lead to weaker normative pressure.

H6: Stronger SNS engagement will lead to stronger normative pressure.

H7: Higher levels of normative pressure will lead to weaker e-WOM intention.

H8: Higher levels of SNS engagement will lead to higher e WOM intention.

Figure 1 schematically presents the conceptual framework of the current study.

Methodology

The researcher used a descriptive design for the study with a structured questionnaire for data collection. Data was collected from a sample of 200 consumers. The samples were asked to respond to a scenario which involved a discount campaign of a popular women's apparel brand advertisement posted in a social networking site. The scenario is as follows: 'Imagine that while logging into your account on a social network today, you find an ad for a popular women's apparel brand. The brand is currently promoting a new clothing line and offers a 40% discount coupon. In order to obtain this coupon, you simply have to click and register your name and email address. The promotion will end in one week, and during that time, the coupon can be redeemed at any store.'

Data collection tool:

Data were collected from the respondents using a structured questionnaire. The questionnaire was distributed among the SNS users and data is collected.

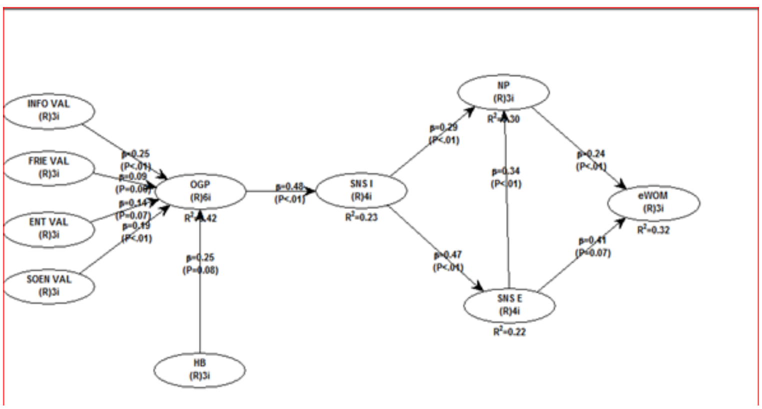

Figure 1. The Conceptual Framework

Data analysis:

The data were analyzed using appropriate statistical tools like chi-square, Structural Equation Modeling using PLS software.

The tool used for analysis is Partial Least Squares (PLS) and the software used was WarpPLS 4.0.

WARP PLS 4.0

WarpPLS 4.0 is a powerful yet user-friendly PLS-based structural equation modelling (SEM) software.The model fit represents the influences that various motives have on Online Gossip Propensity and the effect of hedonic behaviour has on it. The p values establishing all these relationships were found to be less than 0.01, establishing a positive relationship other than the relationship between the variables hedonic behaviour and online gossip propensity. The results show that online gossip propensity positively influences SNS identification ($P<0.01$) which in turn influences normative pressure and SNS engagement. The model also establishes positive influence of normative pressure and SNS engagement on electronic word-of-mouth intention.

H1: Higher the levels of online gossip motives stronger the online gossip propensity in SNSs in terms of (a) information value (b) friendship value (c) entertainment value (d) social enhancement value

When calculating the direct effect, the R squared value obtained between informational value and OGP by this study is 0.27. This indicates that 27% of the variation in OGP in the sample can be explained by independent variable Informational Value and the relationship is found to be significant at $P<.01$.

In the relationship between Friendship Value and OGP, the R squared value obtained by this study (b) is 0.12. Hence 12% of the variation in OGP is explained by Friendship Value and it is found to be significant.

The regression coefficient for the relationship between Entertainment Value and OGP is found to be 0.24. This indicates that Entertainment Value contributes 24% of the variation in online gossip propensity (OGP).

For Social Enhancement Value and OGP, the R squared value obtained by this study (d) of the sample is 0.21. Hence 21% of the variation in OGP is explained by social enhancement value (SOEN VAL) in the sample and the relationship is significant.

H2: Higher the levels of online gossip motives, stronger the online gossip propensity in SNSs in terms of hedonic behaviour**.**

When calculating the direct effect, the R squared value obtained by this study of the sample is 0.13. But this relationship is found to be insignificant since $p > .01$. Hence the hypothesis is rejected.

H3: Greater levels of Online gossip propensity will lead to stronger SNS identification

The direct effect between OGP and SNS identification is explained by the regression coefficient at 0.23. That is only 23% of the variation in social networking sites identification (SNS I) in the sample can be explained by independent variable online gossip propensity (OGP) and is found to be significant at $P < .01$. The sign of the regression coefficient is positive. Thus we can conclude that in the sample, the OGP has a positive relationship with social networking sites identification.

H4: Higher level of SNS identification will lead to stronger SNS engagement

The R squared value obtained by this study of the sample is 0.22. That is only 22% of the variation in social networking sites engagement (SNS E) in the sample can be explained by independent variable social networking sites identification (SNS I). The sign of the regression coefficient is positive. Thus we can conclude that in the sample, the SNS I has a positive relationship with SNS Engagement.

H5: Stronger SNS identification will lead to weaker normative pressure.

The R squared value obtained by this study of the sample is 0.22. Hence 22% of the variation in normative pressure (NP) in the sample can be explained by independent variable social networking sites identification (SNS I). The sign of the regression coefficient is positive and significant. Thus we can conclude that in the sample, the SNS I has a positive relationship with NP.

H6: Stronger SNS engagement will lead to stronger normative pressure. The R squared value obtained by this study of the sample is 0.24. Hence 24% of the normative pressure can be explained by SNS engagement. The p-value is also significant.

H7: Higher levels of normative pressure will lead to weaker e-WOM intention.The R squared value obtained by this study of the sample is 0.18.

Table 1. Results for direct and indirect effects

Direct/Indirect		*Effects (R sq.value)*	*Significance value(p value)*
H1(a): Online Gossip Propensity	→	Information value 0.27	< 0.01
H1(b): Online Gossip Propensity	→	Friendship value 0.12	<0.01
H1(c): Online Gossip Propensity	→	Entertainment value 0.24	< 0.01
H1(d): Online Gossip Propensity	→	Social Enhancement value0.21	< 0.01
H2: Online Gossip Propensity	→	Hedonic Behaviour 0.13	0.08
H3: Online Gossip Propensity	→	SNS identification 0.23	<0.01
H4: SNS Identification	→	SNS engagement 0.22	<0.01
H5: SNS Identification	→	Normative Pressure 0.22	<0.01
H6: Normative Pressure	→	Normative Pressure 0.24	<0.01
H7: Normative Pressure	→	E WOM 0.18	<0.01
H8: SNS engagement	→	E WOM 0.27	0.07

That is only 18% of the variation in the electronic word of mouth (eWOM) in the sample can be explained by independent variable normative pressure (NP). The sign of the regression coefficient is positive. Thus we can conclude that in the sample, the NP has a positive relationship with eWOM and is found to be significant.

H8: Higher levels of SNS engagement will lead to higher e WOM intention. According to the study results, 27% of the variation in the electronic word of mouth (eWOM) in the sample can be explained by independent variable SNS Engagement (SNS E). The sign of the regression coefficient is positive and significant. Thus we can conclude that in the sample, the SNS E has a positive relationship with eWOM

Results and Findings

The structural equation modelling tests done in the study reveals that Online gossip propensity is a major antecedent of SNS Identification. The results indicate that the path from online gossip propensity leading to SNS Identification is found to be statistically significant (beta=0.48) The data reveals that the path from entertainment, social enhancement, informational, friendship value to online gossip propensity was statistically significant with positive effects. The results posted were true as the standardized beta for the path SNS Engagement lead to increase in Normative Pressure with 0.48. The study also reveals that SNS Engagement is an antecedent of electronic Word of Mouth intention. The product used in the study women's apparel brand defers significantly to the brand chosen in the parent study (beer). This could have an influence on the varied significance level of the variables and the reliability of the measures. The model fit obtained from PLS software represents the influences that various motives have on Online Gossip Propensity and the effect of hedonic behaviour has on it. The p values establishing all these relationships were found to be less than 0.01, establishing a positive relationship other than the relationship established between the variables hedonic behaviour and online gossip propensity. The model also reveals that online gossip propensity influences SNS identification ($p<0.01$) with a positive effect, which further determines normative pressure and SNS engagement. The relationship established by the model reveals a positive relationship on the outcome variable- electronic word-of-mouth (eWOM) intention

Limitations of the study

The focal product of the study 'women apparel collections' may reflect particular preferences or bias.

Conclusion

This research work is based on the theory of brand community social identification model through which the role of online gossip propensity in a social networking site is studied. The study reveals through its results that OGP acts as a driver of the SNS's social influence in terms of SNS Identification. Contrary to the parent study results all the motives of online gossiping in SNSs had a positive effect on it and hedonic behaviour has a negative influence. The findings suggest that through online gossip propensity strengthens user's identification with social networking sites. The ultimate outcome of the model, electronic Word of Mouth intention was not influenced by Normative Pressure. This reveals that when users engage in gossiping through SNSs, they need a reason in order to share the information with others. The study highlights certain managerial implications such and provides insights into Social Media Marketing. Marketers and advisers are encouraged to focus more attention on informal rather than a formal exchange of information through SNSs. The model fit obtained from PLS software represents the influences that various motives have on Online Gossip Propensity and the influence of hedonic behaviour has on it. The p values establishing all these relationships were found to be less than 0.01, establishing a positive relationship other than hedonic behavior. The model also reveals that online gossip propensity influences SNS identification ($p<0.01$) with a positive effect, which in turn determines normative pressure and SNS engagement. The relationship established by the model reveals a positive relationship with a positive influence on the outcome, electronic word-of-mouth (eWOM) intention.

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Digitalization: A Catalyst for Transformation of Indian Economy

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Abstract

Objectives: Digital India is a scheme of Government of India to make India digitally empowered in technology. It ensures improvement in online infrastructure and also makes Government services accessible to all the citizens electronically. This paper aims to highlight the concept of digitalization and its impact on economic growth and development of the country. It also studies the hurdles which come in the path of its successful implementation. Secondary data has been used from various government sources, websites and research papers.

Methodology: secondary data analysis has been used. This paper covers Digital India and its impact on transformation of Indian economy with E-commerce revolution.

Findings: Digital India aims at development in the field of manufacturing, trade and distribution. Digitalization which encompasses cloud computing and mobile application leads to economic growth and development.

Limitations: The study brings some useful findings but there are certain limitations also. Digital India programme has just started and has not been able to reach every nook and corner of the country and has remained beyond the reach of many. Also, not much data is available to statistically measure the impact of the programme on the Indian Economy.

Keywords: Digitalisation, Economic Growth, E-Commerce, Digital India

Introduction

Digitalization which has become a global concept over the past few years has a prominent impact on economic growth and employment of any country. Digitalization has brought a social and economic transformation in the lives of the people all over the world and India has also not remained untouched with its impact. Digitalization from societal perspective can be defined as "the economic and social transformation triggered by the massive adoption of digital technologies to generate, process, share and transact information" (Katz, Koutroumpis and Callorda, 2014). To reap the benefits of it, the Indian Government launched Digital India programme on July 2, 2015 to connect India with high-speed internet networks. Digital India is an initiative to transform India into digitally empowered country and knowledge economy (Mannathukkaren and Nissim, 2017). It has three main features i.e. delivering government services digitally, universal digital literacy and developing digital infrastructure.

Digital India includes using information communication technologies (ICT) for improving productivity and developing Indian economy. Digital India is a scheme which acts as a bridge between digital "have and have-nots". Government of India aims at coordinating with the common public by connecting digitally so that they can digitally empower society. The aim of this scheme is to enrich India digitally so that rural and urban areas can be connected by improved digital infrastructure. It also includes digital literacy of the people of India.

The objective of this paper is to seek answers that how digitalization is nurturing economic growth of India and how internet and E-commerce are contributing towards the growth of economy. At the same time, the paper also highlights various hurdles that come in the way of digital India.

Digital India and E-commerce

The world economy is revolutionizing due to ICT. Most of the business activities are done today through E-Commerce. electronic commerce (E-commerce) is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the internet. These business transactions occur either as business-to-business

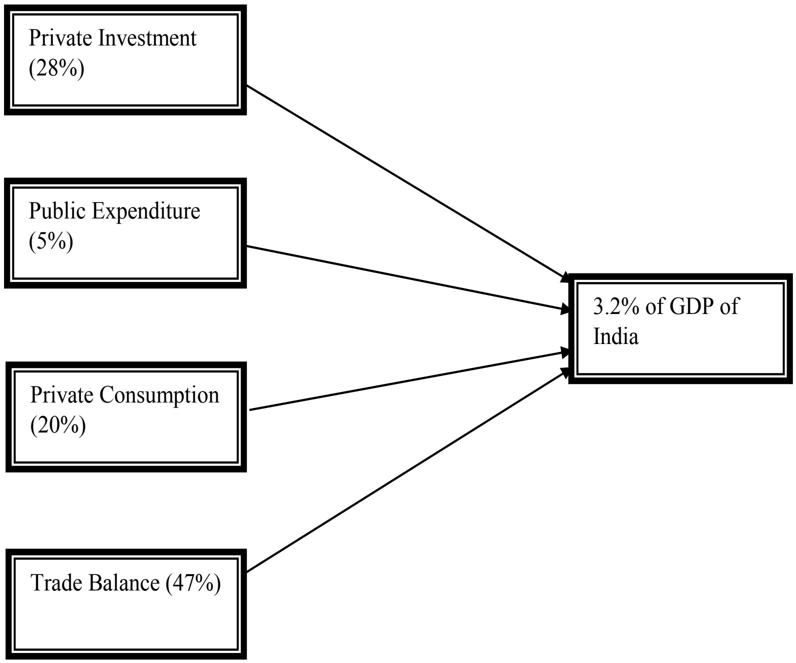
(B2B), business-to-consumer (B2C), consumer-to-consumerc or consumer-to-business (C2B). The terms e-commerce and e-business are often used interchangeably. The term e-tail is also sometimes used in reference to the transactional processes for online shopping. E-Commerce helps to reach customer early and achieve competitive advantage. E-commerce or E-business can be defined as an activity that occurs within the electronic market (Turban, Lee, King & Chung, 2000). Various researches have been done highlighting the benefits of ICT in E-business and today both developed and developing economies are reaping the benefits for digitalization. Digitalization aims at boosting economic growth and generating employment opportunities for the educated youth of the country. As the number of digital industries is growing, the demand for digital skill is also increasing. There has been a rapid increase in the demand of web developers, product managers, data scientists, online marketing managers, etc. who would act as a catalyst in the growth of the country. Continuous innovation and creative thinking would be required for facing the challenges of the digital business world (Jones, Beynon- Davies & Muir, 2003).

Studies show that in the last five years the internet contributed 21% to the economic growth of the matured economy (Mc Kinsey Global Institute, 2011). However internet's contribution towards GDP growth of India was 5%. According to Mc Kinsey survey (2011) four components of internet are contributing to GDP i.e. private investment (28%), investment regarding internet-related technologies; public expenditure (5%) means internet spending by the government for consumption and investment, Private consumption (20%) related to online purchase of goods and services by individuals all of them are contributing 3.2% of GDP of India (Chaudhuri and Kumar, 2015).

Components of Internet Contribution to GDP (cited by Chaudhuri and Kumar, 2015)

Pillars of Digital India

There are nine pillars in Digital India. This programme is run by various



Source: McKinsey Global Institute, 2011

ministers and Departments of Government with mutual coordination and help of Department of Electronics and Information Technology (Deity).

- *Broadband Highways:* It includes broadband for all urban and national information infrastructure (NII).
- *Universal access to mobile connectivity:* Providing mobile connectivity to masses.
- *Public Internet access programme:* Post offices and common service centres (CSCs) are the two components of it.
- *E-Governance:* To transform Government sectors and to make them technologically advanced.
- *E – Kranti:* Providing online access to Government services.
- *Information to all:* Information must be available online to all through a digital medium.
- *Electronic manufacturing:* Electronic equipment is the basic requirements for the programme to implement successfully.

- *IT for jobs:* Provide Digital literacy.
- *Early harvest programmes:* These programmes are those which run with a deadline within which they have to be completed.

Impact of Digitalisation on Indian economy

The impact of Digitalization on various sectors covered under the study is agriculture, industry and services which are as follows:

Agriculture Sector

- The farmers will be able to get accurate and timely information regarding weather, monsoons, soil condition, etc.
- Due to accurate and timely information, the farmer will be able to utilize his resources optimally and save his expenditure.
- The surplus labour force of agriculture can be used in various other sectors.
- Digitalization can help in providing better infrastructural facilities like warehouses.
- Agriculture literacy will be increased.
- A farmer will be able to enjoy better returns for his hard work.

Industry Sector

- Digitalization helps in increasing the rate of GDP growth in the industrial sector.
- To meet the digital requirements there will be an increased demand for a digitally literate workforce.
- Automation or digitalization will help in making the supply chain management effective.
- Customers spread all across the world are very well connected and are able to get goods and services through online mode.
- Scope of innovation will increase giving rise to new goods and services.

Service Sector

The service sector has become an emerging sector these days and digitalizing this sector means an increase in a major sector of the economy. It includes BPO's, banking, insurance, telecommunication, etc.

- Digitalization of services improves their efficiency and effectiveness to a great extent.
- It also fastens the process and activities related to different services.
- Getting quick and easy service options lead to customer satisfaction.
- Getting services online reduces a lot of time and energy of the people and at the same time reduces the expenditure by getting discounts, offers, etc.
- There has been ease of banking through digitalization and with the help of mere a small banking app almost all the banking services can be attained just by sitting at home.
- Digitalization has also made shopping so much easy and fun by getting goods and services directly at home by making online payment or swiping your card.
- Digitalization has also changed the traditional way of teaching and learning. Today with the help of advanced and modern technologies like powerpoint presentations teaching and learning has become much more effective.
- Digitalization has also increased the level of tourism by making tourists aware of all the facilities available at the tourist destination.

Challenges of Digital India

In spite of having a lot of benefits of digitalization the pace of its impact has not been as expected which is due to the following reasons:

Lack of education" Most of the people in our country are not that much educated that they can easily use this automated version or digitalization in various fields and thus leading to the digital divide.

Lack of infrastructure and technology: Digitalization demands a change in technology from traditional primitive modes to modern and updated technologies which still lack in many parts of our country.

Financial constraint: A huge financial burden has to be borne in order to bring digitalization in the mainstream. A lot of expenditure needs to be done in buying modern technologies and thus becomes a problem for a developing country like India.

The reluctance in accepting the change: People have been so much use to their primitive methods that they are not ready to accept this modern way of doing things.

Cybercrime: People find it risky to make transactions online due to safety issues and also Cyber laws are not paid that much heed too.

Lack of confidence: Most of the people still lack confidence in using machines and prefer hand-done things.

Lack of required skill and expertise: Being digitally empowered requires certain skills and training which is lacking in most of the people either due to lack of interest in learning or due to various other reasons.

Conclusion

To shift Indian economy from developing economies to developed economies, a lot of work needs to be done and enhancing and promoting digitalization in the country is one such step towards that goal. Digitalization has brought a drastic change in the economic and social sectors of India. It has led to increase in the GDP of the country along with increase in employment opportunities as far as economic field is concerned. At the same time it has brought a change in the lifestyle and standard of living of the people who have readily accepted this change and thus bringing a social change. Digitalization has taken up a major role in economic growth and is a source of competitive advantage where E-commerce is playing an important role. But to have a global standing in the digital world, India needs to move faster by better access and affordability. To reap the benefits of digitalization, it is essential that India needs to implement such policies that should focus on digital plan and digital programmes which would help our country to digitally grow in upcoming time. All the sectors i.e. retail, hospitality, financial, marketing, healthcare, etc should be digitalized in order to get maximum and quick returns. Also digital infrastructure is required to be developed by the government and private sector to bridge the digital divide in the country. In the digitalization one more important step is required that is to provide digital education. So that India must have digital workforce which is essential to digitalize the Indian economy. Thus, the need of the hour is to overcome all the obstacles in the way of digitalization in order to have transparency in the system and improving the quality of life of the people of our country.

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A Case Study on Sustainable Coastal Tourism Development of Goa

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Abstract

Tourism is presently among the world's largest industries and emergent economic sectors. These days due to mass tourism, coastal areas are under increasing environmental threat and degradation. The Beaches are the most popular places for coastal tourism in India and always in high demand during the winter season. Goa is well known for its breathtaking virgin beaches that attract a large number of tourists from distant lands. In Goa, tourism significantly contributes to the economic development of the state. Most of the tourism in Goa is concentrated in the coastal stretches of Bardez, Salcete, Tiswadi and Marmagao. Coastal tourism has captured international attention and become very competitive as the country tries to increase its market share in terms of beach visitors, both domestic and international. The uncontrolled tourism development at a rapid pace in the coastal zones of Goa has exposed their fragile ecosystems to a cumulative risk of environmental degradation.

The incredible growth of coastal tourism in the past 40 years is one of the foremost reasons for the urban infrastructural development of these coastal areas and subsequent coastal environment problems. Usually, any developmental measures at the coastal region are always looked from commercial perspective, whereas as far as environmental aspect is concerned, it is being described as " trying to minimize environmental effects". This attitude leads to unsustainable coastal tourism. It is, therefore, necessary to initiate sustainable measures in coastal tourism.

The paper attempts to study the coastal tourism impacts in Goa and tries to adopt a sustainable tourism model in these coastal regions. Some of the most popular beaches like Calangute, Anjuna, Baga etc in North Goa and Palolem, Agonda, Majorda etc in South Goa are analyzed The paper also highlights the impact of beach tourism on water environment and fish production in Goa. The study concludes with some suggestions in the hope of operative transition towards sustainable tourism in coastal areas.

Keywords: Beaches, Coastal Tourism, Goa and Sustainability.

Introduction

"The greatest threat to our planet is the belief that someone else will save it."

– Robert Swan

Environmental quality is considered to be a vital part of the natural attraction as far as tourists demand are concerned. The internationalization of environmental awareness through organizations such as Green Globe has led to the gradual restructuring of the tourism industry to adopt strategies and policies in support of environmental quality, based on the sustainable use of environmental resources (Christ Lim et.al, 2004). Tourism has a close relationship with nature. As environment is an unavoidable asset for the tourism industry, the protection of environment is indispensable for the existence of tourism industry Therefore, environment protection has become a key issue.

Sustainable tourism is determined as an industry that tries to minimise the impact on the environment and local culture, thereby facilitating creation of income, employment, and the conservation of local ecosystems. Tourism was given high priority in Goa anticipating its contribution to the economic development of the state, particularly to domestic employment, foreign exchange, and its contribution to accelerated economic growth.

Given the scale of tourism in world's coastal zones, one of the greatest challenges faced by coastal managers is giving tourism development a proper place within integrated coastal management in order to increase its long-term sustainability (UNEP 2009).

Sustainable coastal tourism consists of wide range of sustainable coastal management practices. It indicates unpolluted water, air and healthy coastal ecosystems. It makes sure a peaceful and secure recreational environment through the management of coastal hazards, such as erosion, storms and floods. It also helps in attaining the beach sustainability through various means of beach restoration by maintaining the recreational and attractive values of beaches.

Goa had developed impulsively as a tourist destination in the 1960s with its unique selling points being its natural coastal beauty, its rich history, its cosmopolitanism and the hospitality of its people. Presently, increased tourism has resulted in clogged infrastructure, haphazard developments and inadequate basic services, water is the most critical.

More attention must be paid to the integration of coastal tourism through strategic development planning which will reduce problems induced by tourism and recur both the sustainability of the tourism industry as well as coastal resources used by other sectors.

Tourism in Goa

Tourism in Goa dates back to the 1970's with the arrival of Hippies on the shores of Goan beaches. It is later in 1982, Goa Tourism Development Corporation was set up to look after the commercial activities of the Government in the service industry of tourism in the state.

Goa is a world-famous destination that has witnessed the consequences of tourism and its impact on the culture mainly due to globalization and international tourists.

Goa has a well-developed social, physical and industrial infrastructure and virtual connectivity. It has an international airport that is in line with its importance as a globally-recognised leisure destination. It also has a significant port infrastructure.

Table 1: Position of Goa is revealed By Comparing Top Ten Tourist States in terms of foreign tourist arrival in 2017

Rank	*State/U.T*	*Foreign tourist arrival*	*% share*
1	Maharashtra*	5078514	18.9
2	Tamil Nadu	4860455	18.1
3	Uttar Pradesh	3556204	13.2
4	Delhi*	2740502	10.2
5	Rajasthan	1609963	6.0
6	West Bengal	1574915	5.9
7	Punjab	1108635	4.1
8	Kerala	1091870	4.1
9	Bihar	1082705	4.0
10	Goa	842220	3.1

Source: India Tourism Statistics

Calangute and Candolim have not developed long ago. In the early '70s there was only the GTDC Tourist Residency at Calangute and by the mid-70s there was TajAguada resort. Now there are plenty of resorts spread in these two areas.

Provisional

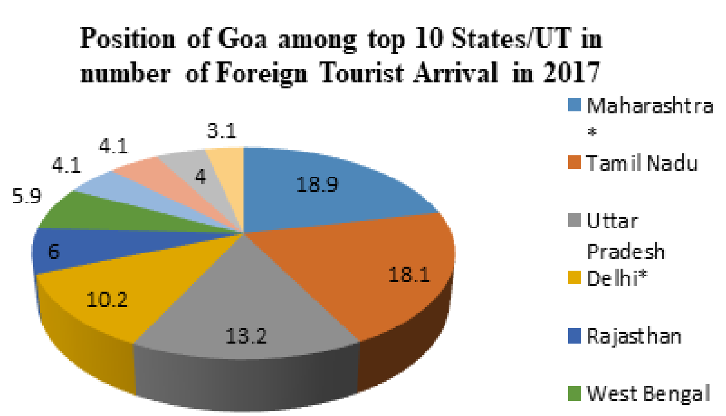
Operational definitions: Attfield defined the environment as the surroundings and its association with individuals for the duration of their life or the society for the duration of its existence.

Coastal Tourism: The concept of coastal tourism embraces the full range of tourism, leisure, and recreationally oriented activities that take place in the coastal zone and the offshorecoastal waters. These include coastal tourism development (accommodation, restaurants, food industry, and second homes), and the infrastructure supporting coastal development (e.g. retail businesses, marinas, and activity suppliers).

Sustainable tourism: "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities"

Review of literature

Biliana Cicin-Saint al., (1998) in according to them attractive, safe, and functional recreational beaches, clean coastal waters, and healthy



coastal ecosystems producing abundant fish and wildlife are essential for sustainable coastal tourism. They also recommended that federal policies and programs essential for sustainable tourism development are interrelated and should be treated as such. They feel a creation of a standing interagency group devoted to coastal tourism among the various federal agencies with programs in this area could be given, where state and local government representatives should also be included.

(Romila Chawla) and to do this planning and assessment are important parts of sustainable development of tourism, and role of tourism in rural development is basically a commercial one and can help to stand and improve the quality of life, in rural areas.

An excellent destination for coastal tourism is Goa and it reveals the spirit of the voyage, and a lot of scope looms for tourism. Tourism developed in Goa, because of its economic prospective; and abundant availability of complimentary natural surroundings. (Shaikh, Yasmin Zahid)

Singh J. (2003), in his thesis, assesses the performance of tourism in Goa while also identifying the problems created by tourism. He analyzed the importance of tourism in the economic development of Goa, employment opportunities generated as well as foreign exchange earned by tourism. He 18 has also highlighted the problems created by tourism in Goa and provided suitable solutions for the same.(Ganguly and Sharma)

The local community participation in beach tourism activities is essential to the development of tourism, better tourist-host relationship and the preservation of the natural beauty of that destination. The development of tourism in coastal areas are related to the socio-economic features of the receiving environment such as local community interests, health and security conditions, political factors like exchange rate fluctuations, unpredictable crises and less effective marketing. The environmental conditions such as unpredictable climate conditions, algae blooms, winds and the associated risk of forest fires, tsunami, storms and floods, as well as many other constant features or unexpected events, affect tourism development in coastal areas (A.K. Sanyal,2011).

Objectives of the study

Some of the objectives of the study are the following:

- Identification of present limitations and the bottleneck of sustainable tourism development in Goa.
- An estimation of present tourism management plans and the formulation of sustainable management strategies to protect the beach ecosystem.
- Assessment of the present environmental status of important beaches of Goa under the unprecedented surge of coastal tourism in the last decade.

Study area

Few selected destinations of North and South Goa are identified for the study. Colva, Panolem, Agonda, Utorda and Varca belong to coastal South Goa. Calangute, Candolim, Baga and Anjuna are located in North Goa region.Tourism in South Goan beaches of Agonda and Panolem has been a recent phenomenon more due to push factor of tourists. Usually tourists who visit these beaches prefer to stay away from overcrowded beaches. The tourist who arrives here can be classified as explorers or backpackers who are budget tourists who prefer to live in guest house accommodation or beach huts popularly known as coco huts. In North Goa, beaches like Calangute, Baga and Condolim are identified which are overcrowded by tourists and overbuilt.

Research Methodology

Exploratory research design has been used for this study. The data for the study was obtained from primary and secondary sources. Primary data is taken through interview with the local people but the rest of the data is collected through secondary sources like the reports of NGO, publications in local newspapers, and various have also been taken in consideration journals in order to collect multiple views about the nature, dynamics and impact of tourism development in Goa.

Problems of coastal Tourism in Goa

In the yesteryears, people of Goa used the shoreline for fishing by using hand-cast and hand-pulled nets; traditional fishing was the major economic activity of coastal aboriginals. They never occupied dunes or beaches. Human pressures on the beach especially dunes started during the 1970s when tourism was declared a potential revenue earner for Goa and was projected as a major tourist destination.

Coastal tourism is one of the emerging areas of present-day tourism with its chief attributes of sand, sea and sun. It has drawn international attention and become highly competitive as everyone attempts to increase their market share in terms of beach visitors, both domestic and international. When there is a beach tourism development happening, activities such as construction of resorts on the beach and the destruction of natural barriers accentuate coastal erosion. Water-based activities such as diving, snorkelling or surfing are always responsible for the loss of the coastal ecosystem and biodiversity when tourists make their access to sensitive areas(Datta).

North Goa district is a major tourist destination and a hub of a variety of tourism-related activities. North Goa's tourism belt is getting cram full. There is water scarcity in some of the populated regions of North Goa because of the influx of tourists. Low budget hotels need 573 liters of water per room per day. Luxury hotels, by contrast, need 1,335 litres per room per day, as they have huge landscaped areas, swimming pools, and up to three restaurants.

Candolim, a former fishing village now turned tourist destination immediately south of the overbuilt and once world-famous Calangute beach.

There is reckless hill cutting that is taking place in order to accommodate new hotels and houses; people have not even spared the seashores as there are several houses or resorts coming close to the sea that is leading to soil erosion. One of the major consequences of Land degradation and land-use change are habitat and biodiversity loss. This results from the construction of tourist facilities and infrastructure through the clearing of mangroves, wetlands, and beaches, and the extraction of building materials. Uncontrolled activity and coastal pollution are raising apprehensions that the coral reefs and marine life are adversely affected.As tourists flock to coastal areas for their holidays, they tend to demand that local seafood be present on the menu, and this is leading to overfishing of already-strained fisheries.

North Goa is purposively chosen for the present study to enumerate the impact of unplanned development of tourism on its physical as well as socio-economic infrastructure. The excessive construction activities and related infrastructure requirements catering to the tourism sector in North Goa have resulted in uncontrolled growth of many coastal stretches as several coastal belts are overbuilt. The northern Baga-Candolim strip is a typical example as at many points there is no proper public access to the beach. Here, the entire coast has "turned into a continuous row of hotels and resorts. There is a steady decrease in the total annual fish catch. There is decrease in certain varieties of shellfish and crabs. All these are believed to be due to the construction of roads to Sao Jacinto Island (Panjim) and Talpona.

With the consistent rise of pressure on the coastal belt, and as an increasing number of people are moving towards the coast, some of the beaches are getting filthier. The Baga-Candolim stretch, Miramar, Colva and even Benaulimare few of them. One of the important creeks at Colva is used as a dumping site for all types of waste by stall owners in the nearby area. Most of the hotels in South Goa produce large junkyards of non-biodegradable garbage which is discharged in the river Sal. along with sewage.

There is large scale construction activity on plateau and coastal hill slopes. It is evident along the hill slopes of Dona Paula-Bambolim stretch, along the river Zuari as well as within the Mandovi estuary, on the banks and slopes opposite the city of Panjim. This tourism infrastructure along hill slopes has resulted in mud flows into the rivers leading to heavy siltation at places. This is clearly evident on either side of the railway track at Talpona estuary. Rapid construction activities are not only spoiling coastal aesthetics but also gradually leading to the degradation, deforestation and concretization of coastal hill slopes.

It is observed that overexploitation of the beaches for tourism-related activities has severely degraded the sand dune habitats. Dune vegetation is an integral part of the dune ecosystem. The vegetal cover plays an important role in an effective sand binder and this, in turn, promotes the stability of dunes by reducing erosive processes. It is observed and revealed that sand dune vegetation is in various stages of degradation in different parts of coastal stretches. The maximum amount of damage appears to be along the Baga-Candolim strip.

Almost along the entire' coast particularly where sandy stretches as the dunes are found, the recreational activities of pleasure seekers and picnickers can be found. One of the major threats is driving on the beach which is an illegal activity. This activity results in a degradation in different parts of coastal stretches.

There are so many beach shacks on the coastal stretches of Goa. Beach shacks are purely temporary in nature and comprise simple huts, made of bamboo and coconut tree leaves. During the earlier days, there were few of them but now due to the increasing competition, it has resulted in the proliferation of shacks. According to the CRZ notification, as sandy beach falls under CRZ-I category, even a temporary stall such a shack cannot be allowed on the beach. The geographical shape of a sandy beach keeps changing and adjusting itself towards equilibrium, as a beach generally restores itself. Therefore, beach shacks, which come and go are not expected to induce any large-scale damaging effects from the environmental point of view. However, increasing numbers in shack have resulted in severe crowding which is gradually leading to overexploitation of limited beach space. As they are frequented by a large number of people, shacks generate huge quantities of garbage, which unintentionally mixes with sand, and hence litter large areas, and invariably finds its way into the estuaries.

It is also understood that in Calangute, regulation to leave a minimum of 200 meters from the high tide sea level without any constructions is violated. Sand dunes, which serves as natural protection against sea erosion are removed for development of tourism facilities such as hotels, resorts etc. Due to the fact that the hotels or guest houses and other facilities are constructed very near to the sea, they release sewerage and other effluents to pits and septic tanks by which the underground water is polluted. This again contaminates the seawater because it leaks out to the coast. Over-development of tourism establishments along the coast is also one of the major reason that has limited access to the beach by the resident population.

Apart from the natural problems due to coastal tourism, there are also problems associated with the culture. Commercialization of local culture had created 'reconstructed ethnicity. There is an increase in crime rates, drugs trade, vandalism, trafficking etc in various parts of Goa. Beaches like Calangute, Condolim and Baga has become very commercialized. It is the centre of massage parlours and gambling.

Discussions on sustainable tourism development model in the coastal areas of Goa

From north to south, the coastal zone of Goa parlours by seven major dynamic estuarine rivers and four minor river systems.

The carrying capacity of a destination should be concerned before undertaking any tourism activity. Tourism beyond the carrying capacity frequently creates many negative impacts on the environment and the local society. Therefore studies related to are essential. With regard to environmental carrying capacity, it is estimated that the maximum number of tourists allowable on the beach is expected to be 1,500 at any point in time. Presently, the condition is more susceptible regarding quality and quantity of water in certain section of the coast, especially in Calangute and Candolim. (Gokhale et al.)

There should be a sustainable strategy which is necessary to formulate a sustainable coastal tourism management plan for mitigating the process of degradation of coastal community considering the physical environment, local economy and culture. A holistic policy for sustainable development involving policy and decision-makers, and developers and managers from NGOs, and other organizations', the private sector, and the local and native communities is needed at the time of formulation of a tourism development plan.

A real sustainable coastal tourism industry will witness economic benefits maintained through time. A more fair and efficient local distribution of profits and an influx of foreign currency will create employment and investment opportunities in both tourism and supply businesses and will alleviate poverty. Reduced costs due to damage and expensive errors from unregulated industry and rise in local and national government revenues through taxes on tourism-related employment and goods and services will encourage investment in infrastructure and services which will further help in contributing to employment and stimulating tourism.

The educational element of sustainable tourism is significant for a community's culture. The close interactions between the cultures of tourists and those of the local community give an opportunity for cultural exchanges that will promote understanding and reduce intolerance and prejudice.

One of the most essential principle of sustainable coastal tourism the clear water, healthy eco-system and well maintained coastal environment. Over the years, sustainable tourism has gained popularity in Goa. Several tour companies, hotels and travel enterprises are promoting their brand in the name of eco-friendly and sustainable tourism. Several initiatives and tourism infrastructure projects were undertaken to augment the carrying capacity of the state in order to promote Goa as an ideal tourist destination. (Mascarenhas)

The objective of achieving sustainability is the major thrust area in which Goa Tourism is effectively working. Over the years, tourism in Goa has evolved and is not only known as a beach tourism destination but a multi-faceted holiday destination offering umpteen avenues for tourists visiting the state."Almost all Goans staying within the CRZ areas in Calangute- Condolim have built small and medium guest houses. Even large beach side resorts have used the same route to build sprawling resorts by simply buying existing houses and rebuilding them. In Baga-Candolim where resorts and hotels are dense, sustainable tourism is significant for the growth of community's culture..

Various activities both in rural and urban Goa have engaged local Goans in the tourism sector manifold. There are several Goans not only engaged in water sports activities on the sandy shores but also in activities, directly or indirectly, in the hinterlands and greener Goa. "Activities like promotion of local culture, music, traditions and customs, local cuisine and various other aspects are some examples. This endeavour of the local communities engaging in tourism activities has brought about a huge change in the tourism segment of Goa and has helped in the development of Goa as a sustainable tourism destination.

Another aspect of sustainable tourism is taking into consideration the social environment of the tourist destination and encouraging them to actively participate in order to promote their culture. In Goa, there are many locals who have benefited through tourism. Many have started their own business ventures with the support of tourism while many have carried forward their traditional businesses.

With respect to the planning and management, most of them have expressed the view that still much planning and development is required in this area. The local community should be given subsidies and other financial support along with entrepreneurial training to venture into new business in the coastal area. All development should embrace social and cultural values. As far as sustainable development is concerned, there is no orientation or awareness among the local community about how development should be carried out.

The 3 E's of environmental sustainability are Education, Efficient equipment and Empathy. People need to be made aware of the damage which is being caused to the environment. They should be educated about the steps they take and its implication. The local people along with the support of the government introduced various schemes by which they are encouraged to invest in more efficient equipment, like better quality boats, which have noiseless or less polluting engines, sail boats, kayaks, cycles, electric vehicles; and provided access to affordable renewable energy; as well as be encouraged to take ownership and protect their natural resources because it is difficult to achieve sustainability until efforts are made to reduce damages caused to the environment.

There is a need to understand and study the ecosystems, habitat, flora and fauna of the state and design activities that are minimally intrusive and low in impact. For example, kayaking around mangroves is sustainable, but jet boating, speed boats, water sports around mangroves is not sustainable.

Conclusion

Goa is a classic example of a coastal resort in the developing world. Over a decade Goa is experiencing increasing pressure of mass tourism on its shores. This is especially inevitable in North Goan beaches of Calangute, Condolim and Baga.

The coastal area is a very sensitive area in every respect and it requires clear planning while handling. This study shows that the present tourism development in coastal area is not in the right direction of sustainability in various aspects. All the beaches taken for the study have much potential but require effective and efficient planning.

Tourism development in Goa has been the major catalyst for a wide spectrum of environmental and social changes. Ranging from accentuated rates of beach erosion to coastal pollution and eventual devastation of coastal biodiversity, Goa has suffered a lot due to unsustainable tourism practices. Its social life has also been altered drastically. The emergence of sex tourism in the form of prostitution and massage parlours as well as mushrooming of alcohol serving bars are the only few examples of this later

Community participation and their socio-economic and environmental empowerment and enrichment are the core elements of the sustainable practices for any sort of tourism projects, particularly for beach tourism developments.

Goa has also incorporated many strategies for sustainable coastal tourism by adhering to the initiatives made by several international conventions. Some major ones include the United Nations Convention on the Law of the Sea (UNCLOS 1982), Agenda 21, Convention on Biological Diversity (CBD), Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention) etc.

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Whistleblowing And Its Role In Fighting Against Corruption

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Abstract

Whistleblowing has been defined often and in differing ways in the literature. The concept of whistleblowing looks confusing in that whistleblowing presumable bring wrongdoing in the attention of the people who have power to correct that situation. This paper has main purpose to elucidate the meaning and attempts to show the consequences faced by the whistleblower for blowing the whistle and also various legal laws introduced by different countries to protect the whistleblowers and how whistleblowing helps in reducing corruption. This paper also provides a brief view of the various factors affecting whistle-blowing behaviour of the whistleblower. This is a literature review based paper so it considers various views of authors about the definition, factors affecting and consequences of blowing the whistle. The methodology used in this paper is descriptive cum exploratory and secondary data has been used which has been collected from various articles, research papers, working papers etc. In conclusion, it is concluded that government by providing legal protection to the employees' can motivate them for blowing whistle against wrongdoing and it will help in reducing cases of fraud and corruption and organization can also by taking actions on internal reporting bring loyalty in employees.

Keywords: Disclosure, Legal protection, Whistleblowing, Wrongdoing.

Introduction

Whistleblowing is a term widely used to describe an act of exposing the wrongdoing. There is no clear cut definition of the whistleblowing. But, all precision concur that whistleblowing is an act of reporting wrong, that misconduct/wrong is not restricted to illegality and also not restricted to reporting the colleague. There is always disparity about the person involved, the situations of the disclosure, motive behind whistleblowing and decision regarding the selection of a mode of blowing the whistle. The main objective of whistleblowing is to safeguard the public interest. Whistleblowers achieve this by informing people or organizations who have the power to prevent, investigate and take necessary action regarding wrongdoing. To come forth for the protection of someone's right is closely related to protect someone's right to freedom of expression and principles. It is similar to the principles of transparency and accountability.

There are mainly four components of whistleblowing. These are:

- The intention of whistleblowing is to make information public;
- The information should be given to the parties who make it public or a part of public record;
- The information must be related to the actual or possible wrongdoing in the organization; and
- The person blowing must be a current or former member of the organization.

There is four legal mechanisms provided to promote wrongdoing reporting:

- anti-retaliation protection,
- duty to set forth,
- accountability of fines and
- monetary incentives.

In the whistleblowing process, three parties are involved. These are:

- Wrongdoer (who did something wrong)
- Observe (who is the eye witness of wrongdoing)
- Top authority (who can take necessary action regarding wrongdoing)

A whistleblower is a person who raises the voice regarding the wrongdoing in an organization.

Types of whistleblowers

- *Internal:* when anyone reports the wrongdoing to the officers at the top-level officers in the organization. The general subjects of internal whistleblowing are unfaithfulness, unsuitable behavior, indiscipline, troublemaking, delinquency, etc.

- External: In it, misconduct of something is being reported to the people outside organization public interest forums, appellate bodies.
- Alumni: In it, misconduct is being reported by the foregoing employee of the organization.
- Personal: Whenever the misconduct is done to harm a specific person of the organization and reporting such misconduct is termed as personal whistleblowing.
- Impersonal: In it, the wrongdoing is done to ruin others.
- Government: It involves the raising voice against the wrongdoing or unethical work practice by government employees.
- Corporate: Disclosure of wrongdoing practices occurring in a business corporation.

Research Methodology

This study is about whistleblowing, various types of whistleblowers, laws introduced by different countries related to whistleblowing, and how it plays a prominent role in reducing corruption. Descriptive research design is being used. This is a review based paper. The whole data is being collected from secondary sources which include research papers, magazines, internet, etc.

Purpose

The purpose of this study is to elucidate the meaning of the whistleblowing and to bring highlight towards the various cases of whistleblowing in various countries and laws introduced by these countries. And how whistleblowing helps in removing corruption.

Literature Review

Berry (2004) investigated that there are seven dimensions of organizational culture which influences the employee's reflection process that leads to the decision regarding whistleblowing. These dimensions include 1) vigilance-related to code of conduct or ethics, 2) engagement-involves employees recruit, orient, socialize, etc. 3 credibility–related to the employees belief, 4) accountability- knowledge of wrongdoing, 5) empowerment – involves employees participation and decision making in developing and improving actions, 6) courage – to raise voice and 7) options – that involves whether to blow whistle internally or externally. These are the main dimensions of an organization which determines the employee's decision regarding blowing the whistle.

Bies and Shapiro (1988) examined the effect of voice procedures on unfavorable selection in recruitment and decisions related to the budget. Two studies were done to justify the impact; One was a laboratory experiment in which two by two factorial design was used. Second, the study was to justify the first study results in which Chi-square and multiple regression was used, and in both studies, a seven-point scale was used. It was founded that causal information in decision making influence fair judgments and role examination of decision-maker increases the understanding of people's reaction to organizational procedures. The interpretation of this study results limited to single justification, and the first study was a laboratory whose generalization if not possible.

Brabeck (1984) examined that the decision of whistleblowing depends upon one's moral judgment level. For justify the study, moral judgment related data has been collected, which consist of six dilemmas, and each dilemma has twelve-stage prototypic statements. Further, the results have been split into two groups, one whose p-value was greater than 50 termed as a principled group and another whose p-value is equal to or less than 50 was termed as a conventional group, and the value is calculated by using Fisher test of probability comparison. The findings of the study were that the moral reasoning of whistleblowers adds on the decision of blowing the whistle.

Culiberg and Mihelic (2016) investigated that the wheel of whistleblowing is based on five W's. These are Who the whistleblower is, it is internal or external, the second W is What type of wrongdoing need more attention is identified, third W is hoW the decision regarding blowing the whistle is made, fourth is Why to blow whistle it is highly affected by the individual, situational and environmental factors, the last one is Whom it involves both internal and external both authorities to whom a whistleblower can complain about wrongdoing. This study analysis that wheels of whistleblowing provides guidelines for organizations and public policymakers and also helps in the identification of the range of potential of wrongdoing in an organization.

Dandekar (1990) investigated that whistleblowers act in the public interest in crushing the unfavorable, unlawful, and prejudiced practices. When the members of the discriminated minority report of the job discrimination suffer dirty politics, retaliation, and difficulties in getting equivalent jobs later on, for overcome this discrimination, it was suggested that whistleblowers both within government and private industry should be protected against unfair dismissal. If there is any sexual harassment charge is proven, then sensitizing and educational programs should be introduced. This will help to bring the virtue of loyalty to a company by raising voice against wrongdoing.

Elliston (1982) investigated the effects of virtuous assertion for and against employees' whistleblowing on legal of unethical actions of their employers. For this, the study had been split into two parts. The first part studies the concept of obscurity, which depends upon three factors: the solemnity of the offense, the probability of unfair retaliation and social relationships. And the second part deals with the slippery slope, which defines the reason behind anonymity is fear of retaliation, transfer to an unpopular place. Its findings focus on redressing of wrongdoing is a protection of the practices in terms of communal benefits.

Gao et al. (2014) examined the impact of the availability of anonymous reporting channels, the presence of bystanders, the power status of wrongdoer on the decision of whistleblowers regarding blowing the whistle or not. The findings suggest that individuals' intention of blowing whistle depends upon the recognize solemnity of questionable acts, perceived personal responsibility, and realize personal cost and the study also indicates that presence of bystander and power status of wrongdoer impacts the employees' whistleblowing intention.

Greenberg et al. (1987) provide a model which represents an integration of various variables that integrated with the processes and events and also suggested the range of members reactions to the whistleblowing. This model examines the role of the group in whistleblowing decision. The study identifies the factors and conditions which increases the lucrativeness of a person to behave in accordance with majority norms. These factors are- group characters, focal member's characters and relationship with the group and situational factors. The findings of the study lay stress on the fact that the decision of the whistleblower whether to blow the whistle or not highly influenced by the group members. Further studies on how norms supposing or supporting whistleblowing in an organization and also how certain combinations of variables described in the group literature would affect whistleblowing can be done.

King, III (1999) examined the impact of organizational structure on blowing the whistle. It was concluded that organizational structures that have clear and proper channels for the disclosure of unethical behavior can encourage employees within the organization to blow the whistle and whistleblowing is also affected by the structural levels within the hierarchy and availability of clear and open channels for the disclosure of organizational wrongdoing helps in improving superior and subordinate relations.

Liu et al. (2015) try to discover how authentic leaders influence employees' whistleblowing with the help of a sample taken to China. This study focuses on the mediating role of authentic leadership, psychological safety, and personal identification of internal whistleblowing. To analyzing this relationship confirmatory factor analysis was used to test discriminate validity of constructs at a group and individual level, Hierarchical Regression analysis was used to check main effects and Mediating effects at the Multi-level and in descriptive statistics mean, standard deviation and correlation were used to establish a relationship between various variables. This study reveals that an authentic functioning positively influences the whistleblowing decision at individuals' level. Authentic leaders create a psychologically safe climate and bring authentic belief in whistleblowers to reveal wrongdoing. As data were collected only from china, so, this study application is limited.

McGregor and Stuebs (2014) investigated the reasons for being fallacious silence and also the factors motives the individual to rationalize fallacious silence. To test the conceptual relationship of interest between individual characteristics and whistleblowing decision dependent and independent variables were used. To establish a relationship between these variables, correlation and Regression analyses was used. It was founded that the willingness to justify false quietness is related to a group and cultural effect and personal characteristics and personal traits like awareness and moral competence are more important factors which affect whistleblowing. This study generalization is minimal due to the study of only employ students, and a limited set of factors was used, which becomes this study drawback.

Miceli et al. (1991) investigated that whistleblowing is affected by observer's job performance, a victim of wrongdoing, observers' moral reasoning and views of their roles, diffusion of responsibility, nature or type of wrongdoing and the wrongdoer, bureaucracy, regulated industries and government organizations. The effectiveness of these factors was analyzed by the Pearson Correlation Coefficient for which questionnaire was being prepared on the basis of various factors such as Pay satisfaction, number of other observers, role, bureaucratic climate, etc. The findings of the study suggest that those who observe wrongdoing but do not report were relatively poor performers with lower salaries than those who report. They are satisfied with their pay but not highly loyal to their organization. Observers report about wrongdoing only when they believe that there are many other observers of the same.

Miceli and Near (1994) examined the effects of whistleblowers values congruent with managers on the retaliation faced by whistleblowers. In this study, Preliminary Kandell Correlation Analysis and Conditional Logistic Regression were applied due to the non-interval form of data and Five and Seven point Likert scale was used to get answers from the respondents. This study did not set any cause-effect relationship between variables and generalization of the study cannot be determined by a single study so, this study lacks these features. Overall, it was founded that whistleblowers who appear more threatening to the organization suffer from more retaliation and it was also suggested that the organization should protect employees rights to improve organizational functioning.

Vandekerchove and Commers (2004) try to solve the dilemma between loyalty and institutionalized whistleblowing. To solve this dilemma concept of rational loyalty was developed, and the Volvo example was taken to clear this concept. It was concluded that whistleblowing is an act of rational loyalty, so organizations should devote time and efforts to this learning process.

Whistleblowing Cases and Legal Protection Provided by governments of different Nations

India

As compared to other nations, whistleblowing in India is not so well developed. Availability of data suggests that whistleblowers do not report about wrongdoing due to the fear of retribution. Some exceptionally brave people have uncovered corruption and frauds at the top level of power.

However, these are acts of courage have come at a price. Many whistleblowers have faced adverse situations due to their action of disclosing corruption. One such case is of Satyendra Dubey and Manjunath Shanmugam. Both Dubey and Shanmugam paid the price for taking a daring step to exposing corruption.

Satyendra Dubey was an Indian Engineering Services officer, who was the project director for the NHAI. As project director, Dubey exposed the financial unevenness by a contractor. On November 27, 2003, when he was returning home was murdered, and the reason was an attempted burglary, which went wrong, as it was a speculated murdered by the professionals hired by the contractor. Further many fellowships and distinctions were announced in Debey's honor.

Another case was of Manjunath Shanmugam, a sales officer in Indian Oil Corporation. While working for the company, ordered the closure of two petrol pumps which were involved in selling adulated fuel. When his order was not followed and found that the petrol pumps are still operating then he raids there. During the inspection, he was shot dead.

One another case was of Vyapam disclosure of the bluff in the selection process in government colleges and jobs procedure followed by the Madhya Pradesh Professional Examination Board (MPPEB).

To protect whistleblowers from this mishaps government hast introduced The Whistle Blowers Protection (Amendment) Act, 2015 This Act provides a procedure regarding the investigation of the disclosures against the act of corruption, misuse of power, or any criminal offence by any public servant.

United State

Mark Felt:- In the Watergate scandal that toppled the presidency of Richard Nixon, this FBI figure was the secret informant who helped Washington Post reporters, Bob Woodward and Carl Bernstein.

Daniel Ellsberg:- An employee of the State Department in 1971who leaked the secret information of how the United States came to fight against the Vietnam war.

The acts introduced by the U.S. to protect the Whistleblowers

- The False Claims (Amendment) Act 1986
- The Whistleblower Protection Act 1989 (Rouse, 2018).

Philippines

Heidi Mendoza: Former auditor of the Commission on Audit has filed the charges against former military comptroller Carlos Garcia, the Simeon Marcelo decided in 2004 regarding the unevenness in the military transactions. Former auditor decided to involve Heidi Mendoza in the investigation team as he found her honesty and competence. In reward of his trust, Mendoza and her team submit a complete and thorough audit of Makati Government unfettered by various death threats.

Rodolfo "Jun" Lozada Jr. is the former chief executive officer of the Philippine Forest Corporation. He served as a technical consultant to then Socioeconomic Planning Secretary Romulo Neri on the controversial national broadband network (NBN) project. On February 5, 2008, Lozada returned to the Philippines from Hong Kong, where he went to evade a Senate invitation to testify in the probe of the government's reportedly overpriced NBN deal with Chinese firm ZTE Corp. When he arrived at the Manila airport, police officers and airport officials took him to Laguna and Libis and then to Metro Manila. He later said that former presidential chief of staff Mike Defensor gave him P50,000 to call a press conference and deny any kidnapping attempt made on him (Espejo, 2011).

Philippines government introduced the Whistleblower Protection Act of 2017, which will cover all acts constituting improper conduct irrespective of the time of commission.

There are some organizations which work for whistleblowers protection. Such as:

- Commission on Human Rights (CHR)
- Philippine Center for Investigative Journalism
- Philippine Government Employee Association (PGEA)
- Transparency International Philippines ("Whistleblower know your rights," n.d.).

Australia

Toni Hoffman is a senior Australian nurse who exposed the medical malpractice of surgeon Jayant Patel. She originally began to raise doubts about the ability of Patel with hospital management and other staff. Both doctors and surgeons who were familiar with his work were also deeply concerned. Patel became the subject of the Morris Inquiry and later the Davies Commission. Eventually, the matter was raised in the Queensland Parliament. Hoffman received 2006 Australian of the Year Local Hero Award and an Order of Australia Medal, for her role as a whistleblower (Nancarrow, 2011).

The American government has introduced new protection laws for the Whistleblowers:

The Treasury Laws Amendment (Whistleblowers) Bill 2017 (McGregor, 2017).

Canada

Duncan Edmonds a Canadian civil servant who reported to his chief, the top Canadian civil servant, that Minister of Defence Robert Coates had visited a West German strip club while on an official mission, with NATO documents in his possession, creating a security risk. Coates was asked to resign from cabinet by Prime Minister Brian Mulroney, who also fired Edmonds for blowing the whistle and made him the person not appreciated in government circle.

Stanley Adams was working for Swiss pharmaceutical giant Hoffman-LaRoche when he stumbled across evidence of illegal price-fixing. He passed this information along to the European Economic Community and then watched with horror as he lost his job, wife, arrested for industrial espionage. This was his reward for being a good citizen who blows the whistle for the benefit of society (Morris, 2013).

Amendments to the Canadian Criminal Code, which took effect on September 15, 2004, which makes it illegal for an employer, or a person acting on his behalf, to take or threaten to take any sanctions or reprisals against an employee who provides information to authorities concerning an offence that is (or that the employee thinks is) being committed by the employer contrary to any federal or provincial act or regulation.

If any Employers found guilty of this offense will be liable to imprisonment for a term not exceeding five years.

Section 122 of the Labour Standards Act also provides protection in the case where an employee is dismissed, suspended, transferred, or is a victim of discrimination or reprisals, more particularly on the ground of a disclosure by an employee of a wrongdoing within the meaning of the Anti-Corruption Act or on the ground of a communication by an employee to the inspector general of Ville de Montréal or the employee's cooperation in an investigation conducted by the inspector general under Division VI.0.1 of Chapter II of the Charter of Ville de Montréal (Gervais, 2017).

United Kingdom

GlaxoSmithKline sold 20 drugs with questionable safety that were made at a large plant in Puerto Rico that for years was rife with contamination. Among the drugs affected were Paxil, an antidepressant; Bactroban, an ointment; Avandia, a troubled diabetes drug; Coreg, a heart drug; and Tagamet, an acid reflux drug. And when Cheryl D. Eckard, the company's quality manager, blow the whistle on this issue she has been fired instead of solving the problem. Further, when this case comes under federal prosecutors, they not only demand record fines but also hint for severe actions. Then to settle down the case GSK $720 million to settle criminal and civil complaints (Harris and Wilson, 2010).

UK introduced The Public Disclosure Act 1998 (PIDA) in 1999 to protect the whistleblower which is an amendment of the Employment Rights Act 1996. (Collins *et al.* 2006)

South Africa

Chris Setusha, a teacher at Mmutle High School in Hammanskraal north of Pretoria, blow the whistle against the Principal Charles Modjadji in a theft and burglary case involving two youngsters, one of whom was Setusha's pupil at the time of the alleged crime.

Moss Phankoe was a councillor in the Rustenburg Municipality, was murdered on April 2009 in the driveway to his Rustenburg home, as he attempts to blow the whistle on corruption within the structure of his employers, Bojanala District Municipality.

Laws which pertain to whistleblowers in South Africa are:-

- The Protected Disclosure Act of 2000.
- The Labour Relations Act of 1995.
- The Companies Act of 2008.
- The Protection Against Harassment Act of 2011(Erasmus, 2015).

Role of Whistleblowing in Fighting Corruption

Corruption is a notoriously secretive activity, and it is usually only those engaged in corrupt deals or those who work with them that are aware of it. Insiders are among the few people who are able to report cases of corruption (past or ongoing) and identify the risk of future wrongdoing. By helping to detect corruption cases, whistleblowers play a critical role in reducing corruption. Detection of corruption is a pre-condition to initiate related investigations and prosecution. However, only if corruption cases are effectively prosecuted can a culture of corruption change. Major bribery and corruption scandals demonstrate the damage done by the failure to report wrongdoing as soon as it is discovered. Yet indifference, fear of reprisal, and misplaced loyalty, as well as an overall culture of silence, often deter potential witnesses and whistleblowers from speaking out.

Due to blowing whistle, whistleblower may lose their jobs, dampen their career prospects, and even put their own life at risk. To provide a safe alternative to silence, transparency international recommends policy and legal measures to provide:

Is there is any retaliation due to blowing whistle then whistleblower should be fully compensated, and legal protection must be given to him?

Clear procedures should be there in all types of organizations to ensure that the disclosures will be handled properly.

Data warehousing, information and training to be given to the public for the information the benefits of the whistleblowing.

Conclusion

Whistleblowing is a responsibility which has two dimensions- A Descriptive refers to those who are responsible for happening something one and A Normative refers to identifying the person who will act in public interest against this wrongdoing. Whistleblowers are not disloyal; they just try to protect someone as a true friend do. Whistleblowers are not unusual people. They are the one who find themselves in unusual circumstances, forced to play a part in the dynamic and complex process of whistleblowing. Whistleblowing is the necessity of every employee. The employee should reveal the information detrimental to the interest of their employing organization only when any criminal behavior occurred. There are various factors which affect whistleblowing such as moral judgment level, values, size of an organization, future consequences, and reasonable beliefs of the workers. The decision regarding whom to report regarding wrongdoing will depend on the extent of wrongdoing and the people involved in this wrongdoing. There are two ways of blowing the whistle- one is internal, and another is external. People choose external due to the fear of retaliation. To overcome this way, an organization needs to provide proper internal procedure so, that whistleblowers can reveal wrongdoing within an organization and organization can take appropriate steps to overcome it. The employee does not blow the whistle due to the fear of harassment or victimization. By giving legal protection and proper implementation of current laws, the government can guarantee the whistleblower against retaliation which will increase employees' confidence for wrongdoing disclosure. Organizations that ignore the influence of co-workers may not be entirely successful in encouraging internal whistleblowing activity or in managing its consequences.

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Management Dynamics in Transforming Economy Skill Gap in Academia–An Industry's Perspective

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Abstract

Most of the technical courses run by the institutions and colleges are industry-based. These courses fulfil the requirement and demands of the industry, the curriculum, internship are all based on the industry needs and therefore placements play a major role in assessing or ranking an organization. The quality of students is assessed by the placements, as placements confirm that the student after academics is ready to serve the industry. However, it is observed that even after a formal selection process, the best manpower selected from management's perspective, there is still a gap in attitude, skill and desired knowledge of the employed students.

Introduction

The marks scored in university exams as compared to the employability of the students in the real world scenario can grade the success of higher education system. (Tiwari and Anjum). Placement of students confirms the skills and readiness behaviour to serve the industry. Placement is an approval of the quality of students.

It is observed many times that Industry finds the gap in the set of skills, attitude and knowledge desired by them in the fresh students even after getting selected from the best institutions. In such cases industry has to work lot on the students in providing them the training and exposure according to their set up, which is again adding up to their costs of hiring and selection process. In such competitive environment, all the industries prefer to select from the institutions which impart education consisting desired skills to become a business professional. The list as desired consist of – communication, group dynamics, and leadership and team-building exercises, negotiation, team management.

As the skills gaps required by the industry can be filled by the academic institutions with the help of industry. The paper deals with interfaces of industry and academia in order to work better and fill the gaps and sub gaps for skill development of the job seeker students.

The study in this paper is descriptive. A sample size of total 210 was selected - 100 academicians and 110 from the industry. Data has been collected with the help of a structured questionnaire and after analyzing the data and interpreting it through various tests like mean, t-test it was found that there is a need to make

industry-academia interface a mandatory part of the course curriculum. Some other factors like lack of funding by industry to academia and lack of industry participation in Faculty Recruitment were also observed.

Keywords: Industry, Skills, Academia, Gap

Introduction

The industry finds the gap in the set of, skills, attitude, and knowledge, many times desired by them in the fresh students even they have been selected from best B-School. The industry has to invest a lot on the students, which becomes a costly affair for corporates. In a competitive environment, the industry prefers to recruit form those b-schools who impart education which already contains desired skills for a business professional. The list of these skills is very exhaustive; however, some of them are - communication, lack of leadership, negotiation, team building, team management, etc.

In most of the cases, the success of higher education system can be assessed not only by the marks scored in university exams but mostly by the employability of the students in the real world (Tiwari and Anjum). It is an approval on the quality of students and B-School. Placement confirms that the B-school's students are ready to serve the industry.

Industry-Academia Interface could be defined as a cooperative, interactive, and collaborative arrangement between business industries and academic institutions for the achievement of certain mutually accepted goals and objectives.

- Involvement of popular Industry/business faces for interaction in the course curriculum
- Guest faculty lectures, conferences, and summits with industry participations
- Student mentorship under Industry personnel's
- Industrial or factory visits
- Industry Experts in Board of studies for curriculum designing

- Industry feedback from time to time
- Mid-term and end term internship in the industry concerned
- Long term and short term projects and consultancy
- Establishment of facility centers for entrepreneur students with industry partnership

This is widely accepted the truth that 'skills gap' may be filled with the help of industry-academia interface. This paper mainly discusses the various kinds of industry-academia interfaces and the tactics to make industry-academia work better to fill the skills gap. Here, the basic assumption is that when industry and academia come closer to each other, it creates an opportunity for skills development for the students.

It is observed that the industry needs skilled human resources and always in dire need of human resources or human capital. Similarly, skill-based educational institutions have the objectives to impart quality education, placements and growth to the students so that they are capable of working in the industry with the latest technological developments. To achieve this mutually benefiting platform by understanding each other's need industry-academia interface virtually can be helpful. Industries can be helpful in curriculum design, skill development, and internships, etc.

Many authors have contributed their studies on making a better arrangement for industry-academia interface. A large number of studies have also been done on this aspect. The role of industry-academia was studied by Anjum and Tiwari (2015) and concluded that weak industry collaboration resulting in poor industrial exposure is a challenge which needs to be addressed in time. All Universities should attract industry experts in teaching assignments to improve the percentage of faculties with industrial exposure.

The young recruits trying to learn by trial and error were blamed for the poor quality of orientation and training at higher education by Rastogi in 2001. The following recommendations were from Edmondson et al. (2012)

for an effective Industry-Academia interface:

- Encourage more active members and collaborative universities for awards.
- Universities should be helped to strive for excellence.
- The ship should be steady.
- Universities to be given full autonomy to operate effectively, and form partnerships
- However, Roy, in 2015 found that for the advancement of technology, it is recognized that the knowledge base of academic science along with the interaction of industries is important.

Objectives of the study

- To study and enlist the practices and activities carried out under Industry-Academia interchange in the institutions.
- To find out the gap in terms of factors significantly affecting the interface and its effectiveness.

Methodology

The study is descriptive with purposive sampling of a sample size of 210 respondents: 100 academicians and 110 from various industries. Only 100 questionnaires from industries were found correct and complete Data was collected by drafting a structured questionnaire where only those respondents were asked to fill the questionnaire, who have been directly involved in academics and industry also having an experience of their involvement in the industry-academia interface by any means. Various statistical tests were applied, and the results analyzed and data were interpreted. Mean, t-test, and regression tests were run to deduce the results. The results suggested that there is a lack of funding by industry to academia and also participation and involvement for the inputs of syllabi and curriculum. The response rate was 95% (200 from 210) were found correct.

Findings and Discussions

From Table 1 the analysis suggests that 63% of respondents were females and 37% of respondents were male.

Table 2 describes the age of the respondents. The category of respondents was divided into 3 categories, i.e., below 40 years and the respondents were 87 which makes 43.50% and the age ranging between 40-45 was 24%, as the respondents were 48 in number. The last range of above 45 years had 65 respondents contributing to 32.50%.

Referring to table 3, equal no of respondents were present from industry and academics in order to avoid sample bias.

Table 1: General Information & profile of the respondents:

Gender	*Respondents*	*Percentage*
Females	126	63
Males	74	37
Total	200	100

Table 2: Age

Age	*No. of respondents*	*Age (percentage)*
Below 40	87	43.50
40-45	48	24
Above 45	65	32.50
Total	200	100

Table 3: Nature of respondents

Academia / Industry	*No. of respondents*	*percentage*
Academics	100	50
Industry	100	50
Total	200	100

Table 4 : Core area / Subject concerned

Core Area	*No. of Respondents*	*percentage*
IT	36	18
Human Resource	34	17
Finance	38	19
Marketing	32	16
General or others	20	10
Placements	40	20
Total	200	100

Table 5: Distribution according to the sector

Academic / Industry	No. of respondents	percentage
Public	82	41
Private	118	59
Total	200	100

Table 4 represents the relevant subject area or core area of the respondents there was a wide variety of respondents available from various fields of Placement and constituted 20% of the sample population, whereas Marketing represented 16% from 32 respondents, the respondents from Finance were 38 and represented 19%, Human resource had a contribution of 17% in respondents of total 200 with 34 in number, IT had 18% respondents. General and other departments were also considered during the study, which was 10% with 20 respondents in the sample size.

The analysis of table 5 is the respondents were from the two sectors viz. Public and Private and the respondents from the public sector were 82 contributing to 41% and Private sector having 118 respondents

Activities carried out in industry-academia interface.

Data was collected by studying the activities conducted for Industry-Academia relationship. This section deals with the various factors and their analysis contributing to the various aspects of industry to the academia at various implementation levels. Data was collected on Likert scale of five points. Mean and t-test has been used to analyze the data.

Analysis of Table 6 suggests that Guest lectures with mean value 4.26 are the most common and popular activity conducted by the institutions under Industry-Academia Interface, followed by Industrial visits and project mentorship with mean value of 4.20 and 4.11 respectively. Board of studies with industry members has a mean value of 3.87 followed by executive programs with a mean value of 3.85 and later on with consultancy services with 3.73 mean value. Although consultancy has a big contribution in the technical industry from the IAI point of view but has got a comparative less value of 3.73.

Table 6 : Activities carried out by the various Institutes under the heading of Industry-Academia Interface and the Mean value and t-test.

S.no.	Activities	Mean	p-value for One Sample t-test
1	Consultancy	3.73	.000*
2	Board of studies industry members	3.87	.000*
3	Common facility centers & incubation partnership with industry	3.15	.049*
4	Participation in Syllabi & curriculum development	3.09	.694
5	Research projects (Industry & faculty involvement)	3.55	.000*
6	Participation in Board of selection of faculty members	1.35	.000*
7	Industry mentors (students)	3.27	.027*
8	Industrial visits	4.20	.000*
9	Executive Programs	3.85	.000*
10	Joint Community services	2.95	.714
11	Project mentorship (internship)	4.11	.000*
12	Financial support from industry for academic activities	2.10	.000*
13	Guest Lectures	4.26	.000*

Null Hypothesis: The Industry-Academia Interface activities in various institutions are carried out to the satisfactory level.

Alternate Hypothesis: The Industry-Academia Interface activities in various institutions are not carried out to the satisfactory level.

From the 13 activities carried under Industry-academia interface, one-sample t-test with a test value of 3 was applied to find out the significance of each of the activities, the results of t-test indicate that the value of 9 activities is positively higher than the test value. T-test results are neutral on two activities i.e., Participation in Syllabi and curriculum development and Joint Community Services as the mean values are very close to the test values. For the other two activities, the t values are negative as their mean values are significantly less than the test value. The activities are Financial Support from the industry for Academic Activities (Mean Value 2.10) and Participation in Board of a selection of faculty members (Mean value 1.35). Therefore, it is concluded and suggested that 9 activities have been carried out to the satisfaction level of the respondents. Analyzing the results of t-test, shown in table 6, it may be concluded that for none statements the null hypothesis has been rejected and it was found that the Industry - academia interface activities are carried out to the satisfactory level (the significance value of t is below .05 for these statements).

Further, the null hypothesis has been accepted for the statements for which significance value is above .05, or it's below.00 but the mean value is less than 3 (a negatively rejected null hypothesis is considered to be accepted). The analysis also suggests that most of the Industry-Academia Interface activities are conducted in a sufficient quantum (most of the t-test results are significant on a test value of 3).

Although most of the academic activities are an integral part of the Management / Business education syllabi and curriculum, there is a serious lack of industry participation in the board of faculty recruitment. There is also a lack of financial support from industry for academic activities.

Factors significantly affecting the effectiveness of industry-academia interface

There are many factors which affect the effectiveness of the industry-academia interface, and therefore Multiple Regression Analysis was applied

Table 7: Model Summary

Model	*R*	*R^2*	*Adjusted R square*	*Std. error of the estimate*
1	.894	.796	.769	.50185

a = predictors

Table 8 : ANOVA

Model		*Sum of squares*	*df*	*Mean Square*	*F*	*Sig.*
1	Regression	52.5777	11	3.099	1.827	.000(a)
	Residual	21.483	170	.262		
	Total	**74.160**	**181**			

Table 9 Multiple Regression Analysis Results

Dependent Variable :	*Unstandardized coefficients*		*Std. Coeff.*	*t*	*Sig.*
	B	*Std. Error*	*Beta*		
Constant	1.497	.371		4.043	.000
Training to staff involved in IAI activities	.019	.082	.026	.226	.823
Assessment of activities on regular intervals	.415	.091	.651	4.589	.000
Transparency between I and A	.218	.065	.341	3.447	.001
Top management atti-tude	.352	.098	.452	4.521	.000
Optimum fulfillment of joint objectives	.162	.081	.215	2.048	.045
Individuals Initiative	.132	.106	.148	1.246	.218
Well defined objectives of industry and academia	.321	.061	.467	5.368	.000
UGC mandates for IAI activities	.232	.084	.244	.368	.015
Participation of industry in recruitment board of faculties	.167	.063	.249	2.687	.009
Incentive schemes for IAI members	.334	.069	.348	.480	.000
Regular meetings of Industry and Academia	.023	.058	.028	.368	.716

to find out the significant variables. Prerequisites of MRA such as data should be Metric (the data is on 5 points Likert scale), Residuals should be normally distributed and no or little multicollinearity etc. was checked before arriving at the results and conclusions. Regression Analysis (DVs and IDVs) Dependent Variable (1)

“The effectiveness of industry-academia interface in the current academic and industry scenario, by considering all the above points as positive and

addressed properly"(5 point scale being 1 as ineffective and 5 as effective)
Independent Variables: (11 variables)

Training to staff involved in IAI activities, Assessment of activities on regular intervals, Transparency between I and A, Top management attitude, optimum fulfillment of joint objectives, Individuals Initiative, Well defined objectives of industry and academia, UGC mandates for IAI activities, Participation of industry in recruitment board of faculties, Incentive schemes for IAI members, Regular meetings of Industry and Academia.

Table 7 indicates the value of R square and adjusted R Square and the% variance explained by the independent variables of the dependent variable. The value is 77% indicates the model to be robust.

Table 8, refers to the column significance and analysis suggests that the 8 variables have a positive impact on the dependent variable viz. "The effectiveness of industry-academia interface in the current academic and industry scenario, by considering all the above points as positive and addressed properly."

Assessment of activities on regular intervals, Transparency between I and A, Top management attitude, Optimum fulfillment of joint objectives, Well defined objectives of industry and academia, UGC mandates for IAI activities, Participation of industry in recruitment board of faculties, Incentive schemes for IAI members.

However, it is observed through the results of multiple regression that three variable i.e. Individuals Initiative, Training to staff involved in IAI activities, Regular meetings of Industry and Academia have no significant impact on the dependent variable. Hence the other

8 variables which have a significant impact may be further used to make the Industry-Academia Interface better for skill development of the students in the institutions and other management schools.

Conclusions And Implications:

Industry invests in recruiting students and trains them according to their requirement to fill in their skill and knowledge gaps. All the factors for an effective Industry-academia interaction will provide a better understanding of the skill gap and reduce the time required to train the fresher's after their academic qualification is complete thereby providing a better platform for employability.

This study has some positive and benefiting results in line with the previous studies of Industry-Academia Interface carried out by Rizvi and Agarwal, 2005. This study also finds the major activities which are being scheduled and carried out at the institution level along with the industry.

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A Study on the Impact of Knowledge Economy in the Strategic Management.

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Abstract

The global economic environment and the business world are changing rapidly and the strategic management in such conditions needs to be proactive. Just when managers think that they have developed a strategy for future success, a new technology, process, competitor or customer behavioural pattern emerges. Because of this, markets of today require dynamic new strategic management approaches and tools. Purpose of this paper is to understand the impact of the knowledge economy and its changing environment in the area of strategic management.

Keywords: Total Factor Productivity, Intellectual Capital, Leverage, Knowledge Strategies, Information explosion.

Introduction

"An economy in which growth is dependent on the quantity, quality, and accessibility of the information available, rather than the means of production." The knowledge economy is a system of consumption and production that is based on intellectual capital.

In the present, we can observe that a new economy is arising. It is an economy based on knowledge and ideas, in which the key factor for prosperity and for creation of the new jobs is the knowledge capitalization. Knowledge capitalization, intellectual capital, obtains prosperity in the market economy generates a new terminology, new managerial methods and techniques, new technologies and also new strategies. In other words, the knowledge-based economy, as a new type of economy; impose a new type of management-knowledge based management and a new type of enterprise-knowledge based enterprise.

The chapter will try to present:

- The main ideas of the researches the field of the knowledge-based economy

In the present the appearance of a new economy, it is an economy depended on knowledge and ideas. The key factor of prosperity and employment is the capitalization of knowledge. The new economy represents something higher than what we may think at our first glance and the creation of high technology. In the early stage, it assumes the massive and effective utilization of the novel accomplishments. It represents "the fundamental changing from the economy based primordially on the physical resources to the economy based primordially on knowledge. The wealth and power in the present century will delegate primordially from the intellectual resources, from knowledge capital. Thus, this change to the economy based on knowledge represents a comprehensive and profound process which creates major changes in the components of the economic activities. A number of international institutions were and are interested in the concept of a knowledge economy and by the tendencies manifested within the framework of this new type of economy.

Indian Perspective

Globalization, led by rapid advances in information and communication technologies, has resulted in the creation of knowledge economy — an economy that creates, disseminates, and uses knowledge to enhance growth and development.

Competitiveness of nations and corporations depends not just on their physical assets but also on their ability to effectively capitalize their knowledge assets. A knowledge economy is just not restricted to high-tech, information, and communication technologies (ICT) industries. It is an economy that leverages the existing knowledge to improve overall productivity across industries and human development.

The new knowledge economy presents the most attractive opportunity for lifting Indians out of poverty by enhancing overall productivity and per capita income. Several studies indicate that the total factor productivity (TFP) of a country increases by fostering a strong knowledge economy. In spite of having a strong intellectual capital base, India has still a long way to go in utilizing her resources towards creating a strong knowledge economy. According to a World Bank publication, "India and the Knowledge Economy: leveraging strengths and opportunities, India is at the top of the bottom third in the global knowledge economy. India's position has not improved much over the past ten years".

Knowledge-Economy as Human Capital

The knowledge economy addresses how education along with knowledge, i.e., "Human Capital," can serve as a productive asset/business product to be sold and exported to earn profits for individuals and businesses, and the economy. This component of the economy depends greatly on intellectual capabilities than of natural or physical contributions. Here the knowledge economy, products & service which are based on intellectual expertise advance technical and scientific fields, encouraging innovation in the economy as a whole.

The World Bank defines knowledge economies on four pillars:

1. Institutional structures-providing incentives to entrepreneurship and use of knowledge
2. Availability of skilled labor force and a quality education system
3. Access the (ICT facilities.
4. A vibrant innovation platform that includes academia, private sector, and civilian society.

Formulation of Company's Knowledge Strategies

The term "Knowledge Strategy" denotes employing the knowledge processes to an existing or new knowledge domain to achieve the strategic goals. This entails a process focus rather than contents focus; it also assumes that knowledge is dynamic and not static. Then, our view shows that knowledge domains are starting points than end states. Then thinking that the processes that we apply to a knowledge domain impacts on the way that domain will change, this is to create a strategic goal. The core activity of creation and transfer highlights the evolution of the domain. The strategist's choice is to bring a balance between existing and novel knowledge domains, and the prime-knowledge processes, and the firm's goals. Therefore, at last, we assume that strategy means choice, and therefore the firm should allocate the needed resources to knowledge domains and processes, this is to bring a balance between the developing and existing, or the new knowledge domains is difficult and this process must, therefore, the with care.

The Leveraging Strategy

The strategy sets out from existing knowledge domains & focuses on transferring that knowledge across the organization. In terms of strategic goal contributions, the leveraging strategy can be first orientated towards achieving efficient operations as well as bringing down risks in operations. This strategy ensures that the company manages to internally transfers existing knowledge available from various knowledge domains, for, eg. in areas such as the development of product and services, manufacturing, marketing along with sales, human resources, purchase, finance, and what more, in every aspect. Efficiency increase the results from adaptation of cost-effective processes & services developed elsewhere. Moreover, knowledge transfer is important in the consolidation of activities, as well as the standardizing the tasks.

Knowledge Strategies

		Knowledge Process	
		Transfer	Creation
Knowledge Domain	Existing	Leveraging Strategy	Expanding Strategy
	New	Appropriating Strategy	Probing Strategy

Conclusion

Here I have addressed some fundamental questions concerning strategic management in the knowledge economy. The paper tries to bring about the link between knowledge economy and strategy formulation in companies. The leveraging of the knowledge economy and the various knowledge strategies have been introduced to the readers. The term "Knowledge Economy," has got an immense scope in the modern business environment as the world is facing an information explosion and knowledge revolution. As a conclusion, I try to throw light on the readers, a thought on knowledge economy and the vast challenges and scope offered by it on the business world and its significance in the coming era

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Key Developments in Priority Sector Lending in India

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Introduction

Lending by scheduled commercial banks to certain sectors identified as "priority sectors" by Reserve Bank of India is called as priority sector Lending. The genesis of the existing framework of priority sector lending was as early as in 1967 before the scheme of social control over the commercial bank was launched. Deputy Prime Minister and Minister of Finance, Morarji Desai, given his speach in Lok Sabha on December 1967 about persistent complaints that several priority sectors such as agriculture, small-scale industries and exports have not been receiving a due share of bank credit. This appears to be the first occasion that the term ‘priority sector' was used. The term ‘priority sector' includes those activities which have national importance and have been assigned priorities for development. Agriculture, Small Scale Industry, and Self-employment were initially identified for the purpose and were accorded priority status for credit allocation by banks (Kapoor, 2004; Muraleedharan, 2014). The principal objective of the new scheme was to achieve a widespread of bank credit, avoiding concentration and directing a larger volume of credit flow to hitherto neglected sectors.

The concept of priority sector lending was evolved to ensure the flow of adequate credit from banks to certain prioritized segments of the economy, as enunciated in the national planning priorities. One of the most important objectives of financial policy was to nationalize the bank to extend and expand credit not only to sectors of pivotal importance in terms of their contribution to national income and employment but, also to the neglected sectors in terms of access to institutional credit. The belief which forms the cornerstone behind the philosophy is that banks are believed to be the movers of economic growth and that by regulating them the whole economy can be given a different shape and texture (Dasgupta, 2002; Sharma, 2017). The case has further been that these sectors and activities were neglected ones for bank credit (Shajahan, 1998; Ahmed, 2009; Navyashree, 2011; Chavadi, 2010; Srivastava, 2013). Therefore, for the accessibility of credit, these neglected ones are considered to be a priority for providing credit. The credit gaps in respect of the key sectors of the economy were systematically identified by the Gadgil Study Group of National Credit Council (Patel, 1994; Kohli, 1997; Begum, 2002). The committee recommended that the bank should take the financing of agriculture and small scale industries as a matter of urgency. Hence, specific lending targets in terms of amount were fixed, making the first attempt to promote target-oriented lending to priority sectors.

Key Developments

Priority Sector Lending was formalized in 1972 with the recommendations of the Informal Study Group on statistics relating to advances to priority sectors constituted by RBI in May 1971 (RBI report, 1971)[1]. As per the recommendations, priority sector comprised of:

- Agriculture- direct and indirect advances
- Small Scale Industries
- Industrial estates
- Road and Water Transport operators
- Retail Traders
- Professional and Self-employed persons
- Education

Over the years, the scope and extent of priority sector lending have undergone changes with several new areas and sectors been brought within the purview of this sector. There is a view that enlargement of areas has resulted in a loss of focus. It is argued that only sectors who impact the large population, weaker sections and are employment-intensive such as agriculture and micro, small and medium enterprises should be eligible for priority sector.

The items which are included under priority sectors enjoy two advantages. First, they will get priority in sanctioning of credit, second, they will get concessions in terms and conditions including rate of interest (Jain, Parida and Ghosh 2015)[1]. However, till then no specific targets were imposed on banks for giving loans to priority sectors.

The decadal developments in Priority Sector Lending are given in the following sections.

Developments in Priority Sector Lending from 1970 to 1979

The targets for priority sector lending were first laid down in 1974. As per the guidelines, priority sector lending by public sector banks should reach a level of not less than one-third of their total outstanding advances by March 1979. In the same year, private sector banks were also advised to raise the share of priority sectors in their aggregate advances to the level of 33½% by 1980. Thereafter, in March 1980 a meeting was held between the Union Finance Minister and the chief executive officers of the public sector banks wherein there was a consensus to raise the proportion of their advances to priority sector to 40 per cent by March 1985 (Chakraborty, 2012). Subsequently, based on the recommendations of the Krishnaswamy Committee (1980)[2], all commercial banks were advised to achieve the target of priority sector at 40% of aggregate bank advances by 1985. The same targets were to apply to private sector banks. The committee further recommended that out of priority sector, at least 40% should be extended to agriculture sector by each bank, and out of total lending under agriculture, at least 50% should be to the weaker sections (small and marginal farmers). New sectors were also included in the priority sector lending groups- Housing loans and Consumption credit. Housing loans up to ₹5000 for construction of houses for SC/ST weaker sections and pure consumption loans granted under the Consumption Credit Scheme. Since then, there have been several changes in the scope of priority sector lending and the targets and sub-targets applicable to various banks.

The Differential Rate of Interest (DRI) scheme was initiated in 1972. It was specially designed to aid the weaker sections, and advances are granted at a concessional rate of interest under this scheme (Anbumani and Niranjana, 2002).

The 20 point program launched with two main objectives of ensuring production and distribution of essential goods and services to the community; and raising the income and standard of living of the weaker sections of the community. The fulfillment of these two objectives was to be assisted by the banking system by providing financial assistance to its beneficiaries (Patel, 1994). The RBI issued necessary instructions to public sector banks regarding the implementation of the program.

Developments in Priority Sector Lending from 1980–1989

Based on the recommendations given by the committee (Chairman: B. Sivaram) to review the arrangements for institutional credit for agriculture and rural development, National Bank for Agriculture and Rural Development (NABARD) was set up in 1982 to look after all the major works related to rural credit (Bishnoi and Devi, 2017).

As per the recommendations of the Working group (Ghosh Committee, 1982) headed by Shri. A. Ghosh, Reserve Bank of India issued the following guidelines to all the banks in February 1983.

- A new 20 point program was introduced as an extension of the earlier program with greater emphasis on improving the standard of living of the rural poor and other weaker sections of the society.
- The revised classification of various segments of priority sector was: Agriculture (both direct and indirect), small scale industries, small road and water transport operators, retail trade, small business, Professional and Self employed persons, State-sponsored schemes for scheduled castes/scheduled tribes, Education, Housing and Consumption loans.

- The working group suggested the overall target to remain the same at 40%, but it has suggested a separate target for direct advances to agriculture to support the poor. Banks had to achieve direct agriculture lending of 15% of total bank credit by March 1985, 16% by March 1987, 17% by 1989, and 18% by March 1990 respectively. The sub-target was further bifurcated in October 1993 to a minimum of 13.5% for direct loans and a maximum of 4.5% on indirect loans.
- Banks were recommended to aim at increasing advances to the weaker sections to not less than 25% of the total priority sector advances by March 1985. The revised definition of weaker sections under priority sector would include:
  - Small and Marginal farmers with landholdings of five acres and less, landless laborers, tenant farmers and also sharecroppers.
  - Artisans are irrespective of location or small industrial activity *viz,* manufacturing, processing, preservation and servicing in villages and small towns with a population of not exceeding 50,000 involving utilization of localy available resources and human skills, where individual credit requirements does not exceed ₹25000.
  - IRDP beneficiaries.
  - Scheduled Castes and Scheduled Tribes.
  - DRI beneficiaries.
  - In April 1989, RBI introduced the concept of Service Area Approach, with a view to bringing about an orderly and planned development of rural and semi-urban areas of the country (Rajeswari, 2013).

Developments in Priority sector lending from 1990–1999

In 1994, the Rajgopal committee recommended that concessional credit or low rate of interest should be restricted only to the poorest of the poor and to the underprivileged sections of the society and suggested that commercial rate of interest should be charged from those who can afford it. Subsequently, concessional rate of interest on specific sectors or programmes were removed except in a few areas like agriculture, small industries, DRI scheme and export credit (Khundrakpam, 2000).

In 1995, the amount of refinancing granted by sponsor banks to Regional Rural Banks was included under priority sector category (Jain and Parida and Ghosh 2015).

Gupta Committee (1996)[3] headed by Shri R. V. Gupta, analyzed that the target of 18 per cent for lending to agriculture was fixed when the reserve requirements were 63 per cent but the total lendable resources of banks have increased due to progressive reduction of the reserve requirements. Based on the recommendations of the committee, RBI advised commercial banks to prepare special agricultural credit plans (SACP) in which banks set targets for themselves for disbursements taking into account the annual increment in credit indicated by the Reserve Bank.

Based on the resolution made in a meeting of the National Commission for Minorities at New Delhi on March 1996, advances to minority communities were also included in priority segments.

RBI issued instructions to banks to SHG lending as a separate segment under priority sector as Kalia Committee viewed that the SHG-linkage programme is cost-effective, transparent and flexible to improve the accessibility of credit from the formal banking system to the rural poor (RBI Report, 1996).

The second Narasimham Committee (1998), which went into banking sector reforms, had observed that priority sector loans had led to an increase in non-performing assets and had adversely affected the efficiency and profitability of banks. Although 47% of all NPAs has come from the priority sector, the committee also accepted that a sudden reduction of priority sector targets could have the danger of disruption in the flow of credit to these sectors. The committee recognized that small and marginal farmers, tiny sector of industry and small businesses still face problems in obtaining credit and thus suggested for the continuation of the current practice of target of 10% of NBC within the priority sector for weaker sections. The committee also proposed that given the needs and importance of employment-oriented sectors, like food processing and related service activities in agriculture, fisheries, poultry and dairying, should also be covered under the scope of priority sector lending. It, however, recommended for the removal of concessional rates of interest on loans up to ₹ 2 lakh and a phased moving away from overall priority sector targets and sub-targets. Debt securitization concept was suggested within the priority sector. This was intended to enable banks, which are not able to reach the priority sector target, to purchase the debt from other institutions.

Developments in Priority Sector Lending from 2000–2005

Technical group on the computation of priority sector lending targets was formed known as Verma Committee in 2000 recommended withdrawal in a phased manner of the facility of exclusion of foreign currency non-resident banks/non-resident non-repatriable deposits from NBC for computation of priority sector lending targets. Also, the priority sector lending targets could be linked to the previous year's net bank credit (NBC) and appropriately increased keeping in view the estimated growth in credit during the year (RBI report, 2000).

Expert Committee on Rural Credit recommended a reduction in rural infrastructure development fund interest rates to a level so as to cover interest costs of deposits. The committee suggested retaining the upper limit of 4.5% on indirect credit while reckoning the achievement of 18% target for agricultural lending (Rao, 2014).

The Advisory Committee on the flow of credit to agriculture and related activities from the banking system (Vyas Committee, 2004) recommended that all the public and private sector banks should increase their direct lending to agriculture to 12% of NBC in the next two years and to 13.5% in the two years thereafter. Banks that have already reached this level may at least continue to maintain the position, and further improve their direct lending. Following the recommendations of the committee, RBI issued the revised guidelines on agricultural credit:

- Waiver of margin requirements for agricultural loans up to ₹ 50000 and in the case of agri-business and agri-clinics for loans up to ₹ 5 lakh.
- Modified the NPA norms for agricultural advances aligning the repayment dates with the harvesting of crops.
- The loan has been planned for storage and cold storage units which are designed to store agricultural finance under the priority sector.
- Investments by banks in securitized assets representing direct and indirect lending to agriculture may be treated as their direct lending to agriculture under priority sector.
- Based on the recommendations of the Working Group on Flow of Credit to SSI sector (Ganguly Committee, 2004), the tenure of deposits made by foreign banks with SIDBI has been increased from one year to three years from 2005-06. The rates of interest also have been revised to make the deposits unattractive. They are inversely linked to the extent of shortfall in the overall target or aggregate shortfall in sub-targets whichever is higher.

According to the recommendations of the High-Level Committee on Credit to SSI (Kapur Committee) to study the flow of credit to Small Scale Industries, RBI issued the following guidelines:

- A total of 40% of the resources of SIDBI is earmarked for tiny sector enterprises whose investment in Plant and Machinery does not exceed Rs 5 lakh.
- Banks were advised to give a lot of publicity to the margin money scheme of KVIC.
- The limit of composite loans enhanced from ₹ 2 lakh to ₹ 5 lakh so that the entire requirement of such units is met by single documentation, security, and charge creation process. This facility is extended to all SSI units requiring loans up to ₹ 5 lakh irrespective of their location.

The scope of priority sector lending was further enlarged in the Annual policy 2005-06 (RBI, 2005-06).

- A total of 50% of the credit outstanding on loans issued under General Purpose Credit Cards (GCC) in rural and semi-urban areas is eligible for classification as indirect finance to agriculture within the priority sector from December 2005.
- Loans issued to power distribution corporations/companies for reimbursement of expenditure already incurred by them for providing electricity connections to individual farmers for their wells are classified as indirect finance to agriculture.

The C.S. Murthy Committee, 2005 further redefined the priority sector to include those sectors that affect large sections of society, benefit small borrowers and involve small loans, and lead to substantial employment generation such as agriculture and tiny and small enterprises. The bulk of lending appeared to be in the form of large ticket loans to farmers with larger landholdings. While marginal farmer household comprises over 66 per cent of all farmer households, the share of credit among this section of farmers barely increased between 1991 and 2005, but the share of credit accounts for medium and large farmers increased by 41 per cent over the same period. Similarly, credit access among the tiny enterprises under the small and medium enterprise category fell post-2000.

Developments in priority sector lending from 2006–2010

Priority sector lending norms were changed from 30th April 2007[1], based on the recommendations of the Internal Working Group (Murthy Committee, 2005) and the feedback received from governments, banks, etc. Major changes made in the guidelines were:

- Loans above ₹1 crore sanctioned to big corporate will get only one-third weightage for being counted under direct agriculture advances.
- Investment in bonds of financial institutions shall not be treated as priority sector loans.
- Priority sector lending is linked to the credit equivalent to the off-

balance sheet exposure as some banks are showing nil Net Bank Credit in their balance sheets.

- The overall target of 40% and 32% for domestic and foreign banks remain unchanged. Nevertheless, instead of Net Bank Credit (NBC), this is now calculated as a percentage of adjusted net bank credit (ANBC). New targets are linked to ANBC or credit equivalent amount to off-balance sheet exposures, whichever is higher as on 31st March of the previous year.
- The outstanding FCNR (B) and NRNR deposits balances are withdrawn from the computation of ANBC for priority sector lending purposes.
- A revised definition of MSMED Act, 2006 will be considered for SSI units.

Further, RBI advised banks in July 2007 to ensure that:

- 40 per cent of the total advances to small enterprises sector should go to micro (manufacturing) enterprises having an investment in plant and machinery up to Rs 5 lakh and micro (service) enterprises having an investment in equipment up to Rs 2 lakh.
- 20 per cent of the total advances to small enterprises sector should go to micro (manufacturing) enterprises with investment in plant and machinery above Rs 5 lakh but up to Rs 25 lakh, and micro (service) enterprises with investment in equipment up to Rs 2 lakh but up to Rs 10 lakh. Thus 60% of small enterprises advances should go to the micro-enterprises.

As per the revised priority sector norms in April 2007, the priority sector includes only those sectors that impact large sections of the population, the weaker sections and the sectors that are employment-intensive such as agriculture, and tiny and small enterprises. The broad sectors under the revised norms include agriculture (both direct and indirect), small enterprises (direct and indirect), retail trade-in essential commodities and consumer cooperatives stores, microcredit, education loans, and housing loans.

RBI constituted a Working Group under the chairmanship of Professor S.S. Joshi to suggest measures for assisting distressed farmers and the committee recommended that financial and livelihood counseling is important for increasing the viability of credit. Further, the Working Group constituted to examine procedures and processes for agricultural loans under the chairmanship of Shri C.P Swarnkar also recommended that ban should open counseling centers, either individually or with pooled resources, for credit and technical counseling with a view to give special thrust for credit delivery in the relatively underdeveloped regions. As per the recommendations of this two groups, in May 2007, RBI advised the convener banks of State Level Banker's Committee (SLBC) to set up a financial literacy cum counseling center in any one district on a pilot basis and extend it to all other districts in due course. Another recommendation, all SCBs (including RRBs) were advised to dispense with the requirement of submitting 'Nil Dues Certificate' (NDC) for small loans up to Rs 50000 to small and marginal farmers, sharecroppers, etc., and obtain self-declaration from the borrower. Furthermore, to overcome the problem of producing identification/status documents, banks were advised to accept certificates provided by local administration/Panchayati raj institutions regarding the cultivation of crops in case of loans to landless labourers, share-croppers and oral lessees (RBI, 2008).

In 2008-09, commercial banks were advised to link the tenor of loans to Housing Finance Companies (HFCs) in line with the average portfolio maturity of housing loans up to ₹ 20 lakh extended by HFCs to individual borrowers, otherwise such loans would not be eligible for classification under priority sector. The recommendations of Raghuram Rajan Committee (2009)[2] which went into financial sector reforms recommended the introduction of 'priority sector lending certificates (PSLC)' to implement priority sector lending in the country. The committee believed that the process by which the priority sector mandates are implemented should be reformed to emphasize efficiency and ease of compliance. The focus should be on actually increasing access to services for the poor regardless of the channel or institutions that do this; large banks may or may not be the best way to reach the poor, and while the mandate may initially force them to pay. Hence the PSLC scheme was recommended by the committee to allow a more efficient implementation of the priority sector lending mandate. The committee also recommended selling of small underperforming public sector banks, possibly to another bank or to a strategic investor, to gain experience with the process and gauge outcomes. It was suggested to create stronger boards for large public sector banks with more power to outside shareholders, devolving the power to appoint and compensate top executives to the board.

Further, RBI had set up a high-level committee on lead bank scheme under the chairmanship of Smt. Usha Thorat to examine the status of Lead bank scheme in the country (RBI report, 2009). The important recommendations of the committee were:

- Lead bank scheme is useful and it should continue.
- The scope of the Lead bank scheme should be broadened to cover the area of financial inclusion.
- The committee also recommended that in every district, a subcommittee of the District Consultative Committee may draw up a road map to provide banking services through a banking outlet in every village with a population of over 2000 at least once a week on a regular basis. Such a banking outlet could be through various forms viz. mobile banking, extension counters, satellite offices or business correspondents (BCs). The time limit for such road map should not be later than March 2011.

Government of India constituted a high-level task force under the chairmanship of Shri T.K.A. Nair to consider various issues relating to the micro, small and medium enterprises (MSMEs). Following the recommendations of the Task Force, in June 2010, RBI advised commercial banks to achieve a share of 60% in Micro and Small Enterprises lending in three stages:

- 50% in 2010-11
- 55% in 2011-12

- 60% in 2012-13

With an annual growth of 10% in a number of accounts and 20% in amount (RBI, 2010).

RBI constituted a Working Group under the chairmanship of V.K. Sharma to review the working of the Credit Guarantee Scheme of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Consequent to the recommendations of the Working Group, RBI instructed the commercial banks on May 6, 2010, to issue collateral-free loans up to Rs 10 lakh to the units in Micro and Small Enterprises sector.

6. Developments in priority sector lending from 2011 to 2015

The Malegam Committee report, 2011[1] should be strongly appreciated because it seeks to legitimize microfinance as an integral part of the Indian financial sector. By recommending the creation of a new category called Non-Banking Finance Companies (NBFCs) Micro Finance Institutions (MFIs), the report has clearly positioned and mainstreamed microfinance within the framework of the larger financial sector in India. This ensures that micro-finance will come under the purview of RBI and no longer can micro-finance be treated as a fringe activity or as an orphaned child in the larger Indian Financial Sector. A second aspect is that while the report recommended continuation of priority sector funds for MFIs, it, however, made it conditional, especially after recognizing some of the key problems like ghost lending, multiple lending, over-lending and attempting to outline some measure to tackle them as well.

In 2011, the RBI appointed a committee, chaired by Shri M.V. Nair, to re-examine the existing classification and suggest revised guidelines with regard to priority sector lending classification and related issues (RBI, 2012)[2]. The recommendations were as follows:

- Priority sector lending target for domestic scheduled commercial banks retained at 40% of adjusted net bank credit (ANBC) or credit equivalent of off-balance sheet exposure (CEOBE), whichever is higher. However, a target of 40%of foreign banks was proposed.

- The distinction between direct and indirect agriculture within the overall target of 18% for agriculture credit was proposed to be discontinued. A sub-target of 9% of ANBC is proposed for loans extended by banks to small and marginal farmers, to be achieved in stages by 2015-16. Similarly, a sub-target of 7% of ANBC for loans extended to micro-enterprise to be achieved in stages latest by 2013-14, proposed.
- Establishment of agriculture credit risk guarantee fund for Small and Marginal farmers, similar to the credit guarantee fund trust for micro and small enterprise (CGTMSE) was proposed. Scope of weaker sections proposed to be widened by including priority sector loans to individual women and housing loans to economically weaker sections and low-income group segments.
- The Investment Credit Sector was added by the committee in the list of priority sectors responding to the concern that declining investment credit in agriculture in the recent years has been a major cause of concern for agrarian economy.
- To encourage the usage of clean energy for households, loans given to individuals for setting up off-grid solar and other renewable energy solutions for households may be allowed as a part of the priority sector.
- Like the agriculture sector, a comprehensive approach for micro and small enterprises (MSE) was envisaged by doing away with the distinction between direct and indirect finance to MSE.
- Micro Credit: Loans provided by banks directly and through SHG/joint liability group (JLG) mechanisms would be eligible to be classified as priority sector advances subject to the conditions given below:
  - Income limit of the individual beneficiary is Rs 60,000 per annum in rural areas and Rs 120,000 per annum in non-rural.
  - The loan does not exceed Rs 50,000 per beneficiary.
  - A loan is without collateral.

» Loans granted by banks to their own employees for the purchase of the house will be termed as priority sector lending up to Rs 25 lakhs. Loans are given for repairs of damaged dwelling units, loans up to Rs 2 lakh in rural areas an up to Rs 5 lakh in urban and metropolitan areas may be considered as priority sector against the earlier ceiling of Rs 1 lakh and 2 lakh respectively.

» Education loans to individuals including for vocational courses up to Rs 10 lakhs in India and Rs 20 lakhs abroad.

» Foreign banks having 20 or more branches in the country have been bought on par with the domestic banks for priority sector targets in a phased manner over a maximum period of 5 years, April 2013 to March 2018. They will be required to submit an action plan. Foreign banks with less than 20 branches have no sub-targets within the overall priority sector lending target of 32%.

In 2014, a committee on comprehensive financial services for small business and low income households was appointed under the chairmanship of Nachiket Mor, the recommendations are as follows[3]:

- The RBI should remove the stipulation that all-inclusive interest charged to the ultimate borrower by the originating entity should not exceed the Base Rate of the purchasing bank plus 8% per annum.
- In order to enable greater regional and sectoral specialization among banks, the committee recommended that the RBI should revise the priority sector lending targets and require banks to meet and Adjusted target of 50% against the current requirement of 40 per cent.
- The committee suggested that investment by banks in bonds and equities and provision of guarantees to PSL beneficiaries be counted towards meeting the banks PSL targets.
- All loans are given to landless laborers and small and marginal farmers should be counted as a part of direct agriculture and not merely the wages component of a loan given to a farmer for financing her agricultural production.
- Investments by banks in bonds of institutions must qualify for PSL

where wholesale lending to the same institutions already qualifies under PSL.

- Credit facilities documented as bonds or pass-through certificates (PTC), whether originated directly or purchased in the secondary markets should be permitted to be held in the banking book of a bank based on declared intent and not merely based on source or legal documentation.
- The investment made by banks in RIDF must not qualify for PSL.
- As an added category, within the overall equity investment limits of banks, RBI could permit equity investments by banks in complementary infrastructure within the purview of Priority sector guidelines, such as rural warehouses, market yards, godowns, silos and NBFCs in low financial depth districts.
- The current PSL targets are applicable on the last reporting Friday of the last month of each quarter in the same manner as it is currently applicable in March, so as to ensure more timely and continuous credit flow into priority sectors.
- In order to guard defaults resulting from catastrophic events, the bank would allow purchasing bank-wide portfolio level insurance with insurance companies.
- Universal reporting of information with credit bureaus should be mandatory for all loans, especially Kisan credit cards and general credit cards.
- Banks should price farm loans based on risk and that any waivers be provided by the government through direct benefit transfer and not through interest subsidies or loan waivers.
- A state Finance Regulatory Commission needs to be set up into which all state-level financial regulators will be merged.
- The non-performing asset reporting provisions and other regulations for non-banking finance companies (NBFCs) are aligned with those of banks. It also suggested measures to ease funding constraints of

NBFCs, including relaxation of External Commercial Borrowings and equity investment rules. Further, it removed barriers to the transition of NBFCs into banks by including more sectors in the PSL classification.

In 2015, RBI appointed Internal Working Group under the chairmanship of Lily Vadera to revisit the priority sector lending guidelines (RBI, 2016). The recommendations of the group are as under:

- The working group recommended that the target for lending to the priority sector may be retained at 40% of ANBC or CEOBE, whichever is higher, for all scheduled commercial banks uniformly. All foreign banks, irrespective of the number of branches they have, may be bought on par with domestic banks and the same target/sub-targets may be made applicable to them.
- The working group has attempted to focus on 'credit for agriculture' rather than 'credit in agriculture'. While the existing target of 18% is recommended to retain, the approach and thrust have been redefined to include: farm credit, agriculture infrastructure, and ancillary activities.
- By taking the consideration of the significant share of landholdings of small and marginal farmers and their contribution to the agriculture sector, a sub-target of 8% of ANBC is recommended for lending to them. The remaining 10% may be given to other farmers, agri-infrastructure and ancillary activities.
- Presently, credit extended to micro and small enterprises counts for priority sector. The working group recommended extending PSL status to medium enterprises in addition to the MSEs. While all Manufacturing medium enterprises may be included under PSL, service enterprises with a credit limit up to Rs 10 crore may be eligible to qualify for PSL. To ensure that the smallest segment within the MSME sector i.e. micro-enterprises is not crowded out with the inclusion of the medium enterprises, the group recommended a target of 7.5% of ANBC for lending to micro-enterprises to be achieved in stages.
- To ensure that MSMEs do not remain small and medium units merely

to be eligible for priority sector status, the group recommended that the priority sector lending status may stay with them for up to three years after they grow out of the category of MSMEs.

- The group recommended that bank loans up to Rs 10 crore to borrowers other than households, for purposes like solar-based power generators, biomass-based power generators, windmills, and micro-hide plants and for purposes like non-conventional energy-based public utilities viz., street lighting systems, remote village electrification, etc. be included under priority sector. For the household sector, the loan limit may be Rs 5 lakh.
- The working group recommended carving out a separate category of export credit under the priority sector. The export credit under the priority sector may have a ceiling of 2% of ANBC to ensure that other segments are not crowded out.
- The working group recommended the introduction of Priority Sector Lending Certificates (PSLCs) to enable banks to meet their PSL requirements and allow leveraging of their comparative advantage. The model on PSLCs envisages that banks will issue PSLCs that can be purchased at a market-determined fee on an electronic platform. This purchase will give the buyer a right to undershoot his PSL achievement for the stated amount of PSLC. The model on PSLCs envisages that banks will issue PSLCs that can be purchased at a market-determined fee on an electronic platform. This purchase will give the buyer a right to undershoot his PSL achievement for the stated amount of PSLC.
- The working group recommended that to be eligible for PSL status, any borrowal account, including that to individual members of SHGs and JLGs, should be reported to one of the credit bureaus. The information should also capture the borrower's Aadhaar number, which will help in identification of the borrower. The deadline for this may be linked to that of UIDAI deadline for completion of Aadhaar enrolment. A system of information sharing may be put in place between the credit bureaus.

Developments in priority sector lending in the year 2016–17

During 2016-17, policy measures regarding priority sector credit delivery focused on ensuring a smooth flow of credit to the productive and vulnerable sectors of the economy. Interest Subvention scheme (2%) on short term crop loans (up to ₹ 0.3 million) was implemented along with revised guidelines of Kisan Credit Card scheme. Initiatives taken to increase credit flow to the MSME sector are as under[5]:

i. The first bi-monthly monetary policy statement for 2016-17 announced that Reserve Bank will lay out a framework for accreditation of credit counselors who could act as facilitators to improve the access of entrepreneurs to the formal financial system. Accordingly, the Small Industries Development Bank of India (SIDBI) launched the certified credit counselors (CCC) scheme for micro, small, and medium enterprises (MSMEs).

ii. The National Mission for capacity building of bankers for financing the MSME sector (NAMCABS) is being strengthened with a view to scaling up the capacity building of commercial bank officials engaged in MSME lending. The program has been made more comprehensive by incorporating the latest developments in terms of policy initiatives taken by the government and Reserve Bank. Seven thousand four hundred ninety-seven bank officials had undergone training under this initiative as on September, 30th 2017, since equipping the officials with technological skills for the efficacious discharge of their duties is also part of the programme.

iii. With effect from August 11, 2016, factoring transactions on 'with recourse' basis and factoring transactions through the trade receivable discounting system (TREDS) platform became eligible for priority sector classification by banks carrying out the business of factoring departmentally to increase liquidity support for the MSME sector.

iv. In August 2015, banks were advised to incorporate in their lending policy to MSEs with their boards' approval a clause for fixing a separate additional limit specifically for meeting the unforeseen/seasonal increase in working capital requirements, at the time of sanctioning / renewing working capital limits.

v. Priority Sector Lending Certificates (PSLCs) scheme was operationalized during 2016-17. It is an important development to incentivize banks to lend to different categories of priority sector and thereby boost overall priority sector lending. PSLCs allow the market mechanism to drive priority sector lending by leveraging the comparative strength of different banks. The scheme allows the bank to sell the over-achievement of its target in a particular sector through PSLCs to another bank, which can buy it to meet its target in that sector while selling its own over-achievement of the target in another sector to another bank and so on. The RBI has provided a platform to enable trading in PSLCs through its core banking solution (CBS) portal (e-Kuber).

Developments in priority sector lending in the year 2017–18

In 2017-18, the main focus was on MSMEs and on galvanizing priority sector lending to ensure credit flows for productive purposes. To expand access to bank credit to sectors vulnerable to exclusion/pricing out, policy initiatives undertaken by RBI are as under:

Formalization of MSME sector:

To facilitate the transition of MSMEs into the formal financial system by alleviating cash flow problems in the transition, guidelines were issued in February 2018. The exposure of banks and NBFCs to GST- registered MSMEs continued to be classified as standard assets (180 days past due criterion). In respect of dues payable by GST-registered MSMEs from January 1, 2019, onwards, the 180 days past due criterion would be aligned to the extant 90 days past due NPA norm in a phased manner. The accounts of MSMEs those are not GST-registered as on December 31, 2018 would be governed by the 90 days NPA norm from January 1, 2019.

Co-origination of Priority Sector Loans by Banks and NBFCs:

SCBs were allowed to co-originate loans with NBFCs for the creation of eligible priority sector assets in order to provide a competitive environment for cash delivery to the priority sector. The arrangement entails joint contribution of credit by both lenders at the facility level and sharing of risks and rewards within an appropriate alignment of respective business objectives.

Priority Sector Lending Guidelines and Affordable Housing:

Housing loan limits for eligibility for priority sector lending (PSL) were increased from ₹2.8 million to ₹3.5 million in metropolitan centers (with a population of one million and above), and from ₹2 million to ₹2.5 million in other centres, in order to bring convergence between PSL guidelines for housing loans and the affordable housing scheme under the Pradhan Mantri Awas Yojana (PMAY).

Priority Sector Lending by Urban Cooperative Banks:

On May 10, 2018, guidelines were issued to harmonize priority sector lending (PSL) rules of UCBs with those of SCBs. Accordingly, medium-sized enterprises, social infrastructure, and renewable energy will form part of the priority sector. The distinction between direct and indirect agriculture has been removed. Also, bank loans to food and agro-processing units will constitute PSL to agriculture. The achievement of priority sector targets will be included as a criterion for classifying a UCB as financially sound and well managed (FSWM).

Critique and Commiseration

India has had a consistent policy of targeting 40% of bank credit to priority sectors in the post nationalization period, but the impact of this targeting on sector performance is unclear. Extant literature and financial policy on this issue focus exclusively on the adverse impact of priority sector lending upon the financial institutions with the result that a balanced appraisal or policy approach on the issue has not so far emerged.

Impact of any policy can be judged in two ways, first, by the benefits derived from the policy and second, the cost associated with it. If the benefits are more than the cost, then the policy is considered to be a successful one.

After examining the costs and benefits of priority sector lending in India, it has been argued that credit policy in this regard needs to be re-appraised and geared towards more specific objectives (Kohli, 1997). The banks without adequate security have supplied credit to priority and other weaker sections of the society at a concession rate of interest.

Non-performing assets (NPAs) are often referred to as the indirect cost. Since money getting blocked in NPAs the ability of bank's lending decreases not only by the amount of NPAs but NPAs lead to opportunity cost also like that much of profit invested in some return earning project/ asset. So NPAs doesn't only affect current profit but also a future stream of profit, which may lead to loss of some long-term beneficial opportunity.

The commercial banks have achieved the target and even surpassed in its quantitative terms. But in qualitative terms, there is an apprehension among the bankers that the advances to priority sectors resulted in a loss of interest income due to highly subsidized lending rates (Ahmed, 2009). The profitability of banks has adversely affected besides maintaining additional manpower requirements for supervision of small loans, mounting over dues, poor recovery of advances and raising the volume of non-performing assets (NPAs) (Niranjana and Anbumani, 2002). Since the introduction of social banking, RBI and Government had appointed several committees to assess the impact and need of priority sector lending and the committees has recommended many suggestions for better fund flow to the desired sectors of the economy. However, except for the Narasimham Committee, not a single committee has recommended changing the overall lending target of 40%.

The first Narasimham Committee headed by M Narasimham, on financial sector reforms acknowledged the role of Priority Sector Lending in extending the reach of the banking system to the neglected sectors of the economy. The committee had drawn attention to the problem of low and declining profitability and stated that there is a need on gradual phasing out of directed credit programme, thus, in its report recommended reducing the share of priority sector in aggregate credit to 10% from the present level of 40%, while simultaneously narrowing the definition of the priority sector to focus on small farmers and other low income target groups. It suggested redefining priority sectors to include only small and marginal farmers, the tiny sector of the industry, small business and transport operators, village and cottage industries, rural artisans, and other weaker sections. So far as large and medium farmers and other categories of borrowers who would be excluded from the priority sectors are concerned, the committee recommended that the Reserve bank of India and other refinancing agencies like the NABARD should institute a preferential refinance scheme under which incremental credit to these sectors would be eligible for preferential refinance. The curtailment of the target of priority sector lending to 10%, as suggested by the Committee on the Financial System, is an unfortunate signal to the dispensers of credit that the basic objective that led to the formulation of priority sector lending two decades ago is being diluted (Ghosh, 1992). These recommendations if accepted and implemented, will disrupt the rural growth and thereby, the overall growth of the economy (Mujumdar, 1992; Narayana, 1992). Large and medium farmers, though numerically small, in terms of its relative contribution to total output, it is this category of farmers which accounts for the bulk of total output, so such abrupt disruption in the flow of bank credit would impair agricultural growth. The flip side of the banking sector reforms as suggested by the Narasimham committee has been the over-emphasis on the profits and virtual neglect of the distributive role of the banks (Joshi, 1999)[8]. Due to severe criticism, the recommendations were not accepted by the government and the directed credit requirement continues unchanged.

The problem with present priority sector guidelines suffers from multiple and complex categorizations incorporating several objectives, *viz,* growth, employment, and equity. There are sectoral classifications combined with beneficiary oriented categorization. The added complexity also comes from the bifurcation of direct and indirect financing under major categories.

A strategic reprioritization of directed credit to agriculture, exports and micro, small and medium enterprise sectors can moderate the costs of correcting the adverse redistributing effects of inflation.

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A Study on Green Marketing

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Abstract

Green marketing is a phenomenon which has developed particular importance in the modern market. This concept has enabled for the re-marketing and packaging of existing products which already adhere to such guidelines. Additionally, the development of green marketing has opened the door of opportunity for companies to co-brand their products into a separate line, lauding the green-friendliness of some while ignoring that of others. Such marketing techniques will be explained as a direct result of movement in the minds of the consumer market. As a result of this, businesses have increased their rate of targeting consumers who are concerned about the environment. These same consumers, through have their concerns, are interested in integrating environmental issues into their purchasing decisions through their incorporation into the process and content of the marketing strategy for whatever product may be required. This paper discusses how businesses have increased their rate of targeting green consumers, those who are concerned about the environment and allow it to affect their purchasing decisions. The paper identifies the three particular segments of green consumers and explores the challenges and opportunities businesses have with green marketing. The chapter also examines the present trends of green marketing in India and describes the reason why companies are adopting it and future of green marketing and conclude that green marketing is something that will continuously grow in both practice and demand.

Introduction

Green marketing refers to the process of delivering higher standards of living through the marketing of the products that are presumed to be environmentally safe. Green marketing is also known as environmental marketing and ecological marketing. Adoption of green marketing may not be easy in short-run, but it will give a long-run impact on society. Green marketing includes a broad range of activities such as product modification, changes to the production processes, packaging changes as well as modifying advertising. McCarthy classified the 4 P's of marketing as Product, Price, Place, and Promotion, but in the era of Green marketing, there is three more P's like People, Profits, and Planet.

As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable. There is a growing need among consumers all over the world regarding the protection of the environment. Green Marketing can also lead to social responsibility arena of the organization.

Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, green marketing has emerged, which speaks for the growing market for sustainable and socially responsible products and services. Now, this has become a new mantra for marketers to satisfy the needs of consumers and earn better profits.

Evolution of Green Marketing

Green marketing is the term that was first discussed in a seminar on "Ecological Marketing" organized by the American Marketing Association (AMA) in 1975 and took its place in marketing terminology. According to Peattie (2001), the evolution of green marketing has three phases.

The first phase was termed as "Ecological" Green Marketing. During this period all the marketing activities were concerned to help environmental problems and to provide remedies to those problems.

The second phase was "Environmental" Green Marketing. The focus was shifted to clean technology that involves the designing of innovative products that take care of pollution and waste issues.

The third phase was "Sustainable" Green Marketing. It came into existence in late 1990 and early 2000. It was concerned with developing the products that meet the criteria of quality, performance, pricing, and convenience in an eco-friendly way.

Meaning and Definition:

Green marketing is the marketing of products that are presumed to be environmentally preferable to others. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying advertising.

"Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption an disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants, etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services.

The marketing or promotion of a product based on its environmental performance or an improvement thereof (Charter & Polonsky 1999).

The holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way (Peattie, 1995).

A holistic and responsible strategic management process that identifies anticipates satisfies and fulfills stakeholder needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being (Charter (1992), p. 394)

As per J. Polonsky, green marketing can be defined as, "All the activities designed to generate and facilitate any exchange intended to satisfy human needs or wants with minimal detrimental input on our environment."

As per Brundtl and Commission (1987), "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (Rowell, 1996)

Green marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with a minimal detrimental impact on the natural environment. It is sorry to say, a greater part of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general, green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods, and even services. For example, around the world, there are resorts that are beginning to promote themselves as "ecotourist" facilities, i.e., facilities that "specialize" in experiencing nature or operating in a fashion that minimizes their environmental impact (May 1991, Ingram and Durst 1989, Troumbis 1991). Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Defining green marketing is not a simple task. Indeed the terminology used in this area has varied; it includes Green Marketing, Environmental Marketing, and Ecological Marketing. This early definition has three key components, such as it is a subset of the overall marketing activity; it examines both the positive and negative activities, and narrow ranges of environmental issues are examined.

Green Products

Green products can be defined as "Products which have minimal impact on the environment."

Characteristics of Green Products

We can define green products by the following measures:

- Products those are originally grown.
- Products those are recyclable, reusable and biodegradable.
- Products with natural ingredients.
- Products containing recycled contents and non-toxic chemical.
- Products contents under approved chemicals.

- Products that do not harm or pollute the environment.
- Products that will not be tested on animals.
- Products that have eco-friendly packaging, i.e. reusable, refillable containers, etc.

Green Products Examples

- Power from wind and solar energy
- Solar heater
- Solar kitchen appliances
- Gas fitted vehicles
- Philips CFL bulbs
- LED Lights
- Green data centers
- Electricity powered vehicles
- Electric kitchen appliances
- Nokia takes back the campaign
- McDonalds's napkins and bags
- Lewis jeans @ ECO
- Nike Green shoes (Air Jordan)
- Apple green technologies
- Motorola Green phone Moto W233

Requirements for Green Products

- Production process compatible with the environment.
- Compatible with the company's goals.
- Satisfy the customer's need.

There is a need to find a BALANCE between these requirements.

Golden Rules of Green Marketing

- Know Your Customer: Make sure that the customer is aware of and concerned about the issues that your products attempt to address.
- Educating Your Customer: It is the duty of marketer to educate the

customer regarding green products that it protects our environment how and in what ways. If it is the case of so what then green marketing campaign goes nowhere.

- Being Genuine and Transparent: Being genuine means, marketers are actually doing what they claimed to do in their green marketing campaign.
- Eco-Innovate: Inventing new products, materials, and technologies rather than changes in existing ones.
- Promote Responsible Consumption: Protection, Preservation, and Conservation of natural resources is the motto.
- Reassure The Buyer: Customer must be made assure that product performs the job concerning the environment.

Need and Importance of Green Marketing

Issues like Global warming and depletion of ozone umbrella are the main for healthy survival. Every person rich or poor would be interested in quality life full of health and vigor and so would the corporate class. Financial gain and economic profit is the main aim of any corporate business. But harm to environment cost by sustain business across the globe is realized now though off late. This sense is building corporate citizenship in the business class. So green marketing by the business class is still in the selfish anthological perspective of long term sustainable business and to please the consumer and obtain the license by the governing body. Industries in Asian countries are catching the need for green marketing from the developed countries, but still, there is a wide gap between their understanding and implementation.

Green marketing offers business bottom line incentives and top-line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. For example, the cost of installing solar energy is an investment in future energy cost savings. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets, substantially increase profits, and enjoy competitive advantages over those marketing non-environmentally responsible alternatives.

Why do companies are going for Green Marketing Initiatives?

When looking through the literature, there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons are as follows:

- Organizations perceive environmental marketing to be an opportunity that can be used to achieve their objectives.
- Organizations believe they have a moral obligation to be more socially responsible.
- Governmental bodies are forcing firms to become more responsible.
- Competitors' environmental activities pressure firms to change their environmental marketing activities.
- Cost factors associated with waste disposal or reductions in material usage forces firms to modify their behavior.

Challenges in Green Marketing

Although a large number of firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges which Green marketing have to be faced are:

- **New Concept-**Indian literate and urban consumer is getting more aware of the merits of Green products. But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort.
- **Cost Factor-** Green marketing involves marketing of green products/ services, green technology, green power/energy for which a lot of money has to be spent on R&D programs for their development and

subsequent promotional programs which ultimately may lead to increased costs.

- **Convincing customers-**The customers may not believe in the firm's strategy of Green marketing, the firm, therefore, should ensure that they undertake all possible measures to convince the customer about their green product, the best possible option is by implementing Eco-labeling schemes. Sometimes the customers may also not be willing to pay the extra price for the products.
- **Sustainability-** Initially, the profits are very low since renewable and recyclable products and green technologies are more expensive. Green marketing will be successful only in the long run. Hence the business needs to plan for the long term rather than short term strategy and prepare for the same, at the same time it should avoid falling into lure of unethical practices to make profits in the short term.
- **In Cooperation-** The firms practicing green marketing have to strive hard in convincing the stakeholders and many times it may fail to convince them about the long term benefits of Green marketing as compared to short term expenses.
- **Avoiding Green Myopia-** Green marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia.

Green Products in India

Wipro Infotech (Green It) was India's first company to launch environment-friendly computer peripherals. Samsung was the first to launch eco-friendly mobile handsets (made of renewable materials) – W510 and F268- in India. Oil and Natural Gas Corporation Ltd. (ONGC), India's largest oil company, has introduced energy-efficient Mokshada Green Crematorium, which saves 60% to 70% of wood and a fourth of the burning time per cremation. Reva, India's very-own Bangalore based company, was the first in the world to release an electric car commercially. Honda India introduced its Civic Hybrid car. ITC has introduced Paper Kraft, a premium range of eco-friendly business paper. IndusInd Bank installed the country's first solar-powered ATM and thus brought about an eco-savvy change in the Indian banking sector. Suzlon Energy manufactures and markets wind turbines, which provide an alternative source of energy based on wind power. This green initiative taken by the company is extremely important for reducing the carbon footprint.

Present trends in green marketing

Organizations perceive Environmental marketing as an opportunity to achieve their objectives. Firms have realized that consumers prefer products that do not harm the natural environment as well as human health. Organizations believe that they have a moral obligation to be more socially responsible. This is in keeping with the philosophy of CSR, which has been successfully adopted by many business houses to improve their corporate image. Firms in this situation can take two approaches:

- Use the fact that they are environmentally responsible as a marketing tool.
- Become responsible without prompting this fact.

Governmental Bodies are forcing Firms to Become More Responsible. In most cases, the government forces the firm to adopt a policy which protects the interests of the consumers. It does so in the following ways:

- Reduce the production of harmful goods or byproducts
- Modify consumer and industry's use and /or consumption of harmful goods; or
- Ensure that all types of consumers have the ability to evaluate the environmental composition of goods.

Competitors' Environmental Activities Pressure Firms to change their Environmental Marketing Activities.

Cost Factors Associated With Waste Disposal or Reductions in Material Usage Forces Firms to Modify their Behavior. With cost-cutting becoming part of the strategy of the firms, it adopts green marketing in relation to these activities. It may pursue these as follows:

- A Firm develops technology for reducing waste and sells it to other firms.
- A waste recycling or removal industry develops.

Conclusion

Going green has become the new success mantra and is being discussed by people from all the walks of life. Eco-label will be considered as a major tool for Environmental marketing. The government, the organization, and the customers have to put hands together in creating awareness of eco-friendly products. It will be a costly affair, but it will help in the long run to business as well as to our environment.

Green marketing is a tool for protecting the environment for future generation. Firms have to carry out research to find out how it is going to be feasible. With the threat of Global warming, it is very important that green marketing should become the norm. Recycling of paper, plastics in a safe and eco-friendly way should become more systematized and universal. Nowadays, people started to realize their role and responsibilities. Even the company which focused on the profit now turned towards Green Marketing Companies and producing eco-friendly products.

Indian market Customers too are ready to pay a premium price for green products. One thing that is being reiterated is that the current consumption levels are too high and are unsustainable. Therefore there is a need for green marketing and a need for a shift in the consumer's behavior and attitude towards more environment-friendly lifestyles. Ultimately green marketing requires that consumers want a cleaner environment and are willing to pay for it, possibly through higher-priced goods, modified individual lifestyles, or even governmental intervention. Until this occurs, it will be difficult for firms alone to lead the green marketing revolution. A committed environmental organization may not only produce goods that have reduced their detrimental impact on the environment, but they may also be able to pressure their suppliers to behave in a more environmentally responsible fashion. Final consumers and industrial buyers also can pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities.

Green marketing should not be considered as just one more approach to marketing but has to be pursued with much greater vigour, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad.

Some Cases

Example 1: Best Green IT Project: State Bank of India: Green IT@SBI

By using eco and power-friendly equipment in its 10,000 new ATMs, the banking giant has not only saved power costs and earned carbon credits but also set the right example for others to follow.

SBI is also entered into a green service known as "Green Channel Counter." SBI is providing many services like; paperless banking, no deposit slip, no withdrawal form, no cheques, no money transactions form all these transactions are done through SBI shopping & ATM cards. State Bank of India turns to wind energy to reduce emissions: The State Bank of India became the first Indian bank to harness wind energy through a15-megawatt wind farm developed by Suzlon Energy. The wind farm located in Coimbatore uses 10 Suzlon wind turbines, each with a capacity of 1.5 MW. The wind farm is spread across three states – Tamil Nadu, with 4.5 MW of wind capacity; Maharashtra, with 9 MW; and Gujarat, with 1.5MW. The wind project is the first step in the State Bank of India's green banking program dedicated to the reduction of its carbon footprint and promotion of energy-efficient processes, especially among the bank's clients.

Example 2: Lead-Free Paints from Kansai Nerolac

Kansai Nerolac Paints Ltd. has always been committed to the welfare of society and environment and as a responsible corporate has always taken initiatives in the areas of health, education, community development and environment preservation.

Kansai Nerolac has worked on removing hazardous heavy metals from their paints. The dangerous heavy metals like lead, mercury, chromium, arsenic, and antimony can have adverse effects on humans. Lead in paints especially poses a danger to human health where it can cause damage to the Central Nervous System, kidney, and reproductive system. Children are more prone to lead poisoning leading to lower intelligence levels and memory loss.

Example 3: Indian Oil's Green Agenda

i. Indian Oil has invested about Rs. 7,000 crore so far in green fuel projects at its refineries; ongoing projects account for a further Rs. 5,000 crore.

ii. Motor Spirit Quality Improvement Unit commissioned at Mathura Refinery; similar units are coming up at three more refineries.

iii. Diesel quality improvement facilities in place at all seven Indian Oil refineries, several more green fuel projects are under implementation or on the anvil.

iv. The Research and Design Centre of Indian Oil is engaged in the formulations of eco-friendly biodegradable lube formulations.

v. The Centre has been certified under ISO-14000:1996 for environmental management systems.

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